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**1999 No. 3310**

**LOCAL GOVERNMENT, ENGLAND**

**The Passenger Transport Executives (Capital Finance)  
(Amendment) (England) Order 1999**

*Made* - - - - - *9th December 1999*  
*Laid before Parliament* *13th December 1999*  
*Coming into force* - - - *1st January 2000*

The Secretary of State for the Environment, Transport and the Regions, in exercise of powers conferred by section 39(5), (6) and (7) of the Local Government and Housing Act 1989(a), and of all other powers enabling him in that behalf, hereby makes the following Order:

**Citation, commencement and extent**

1.—(1) This Order may be cited as the Passenger Transport Executives (Capital Finance) (Amendment) (England) Order 1999 and shall come into force on 1st January 2000.

(2) This Order extends to England only.

**Amendment of the Passenger Transport Executives (Capital Finance) Order 1990**

2.—(1) The Passenger Transport Executives (Capital Finance) Order 1990(b) (“the 1990 Order”) shall be amended in accordance with the provisions of paragraphs (2) to (5) below.

(2) In article 2 of the 1990 Order—

(a) for paragraph (1) there shall be substituted—

“(1) Where an Executive—

(a) incurs additional liabilities; or

(b) reduces its liabilities;

the liabilities are to be treated for the purposes of the application of Part IV of the Act as if they were incurred or reduced, as the case may be, by the relevant Authority; and, where they are to be so treated, the provisions of that Part are to apply as described in articles 3 and 4 below.”,

(b) paragraph (2) shall be omitted,

(c) in paragraph (3)(a)(ii), for the words “articles 3(2)(a)(ii) and 5 below”, there shall be substituted “article 5 below”, and

(d) in paragraph (5)(b), for the words “articles 3(2)(a)(ii) or 5 below”, there shall be substituted “article 5 below”.

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(a) 1989 c.42. These powers are devolved, in relation to Wales, to the National Assembly of Wales under the National Assembly of Wales (Transfer of Functions) Order 1999 (S.I. 1999/672). See the reference to the Local Government and Housing Act 1989 in Schedule 1 to that Order.

(b) S.I. 1990/720.

- (3) In article 3 of the 1990 Order—
- (a) for paragraphs (1) and (2) there shall be substituted—
- “(1) This paragraph applies where a Passenger Transport Authority, in accordance with article 2(1)(a) above, is to be treated as incurring additional liabilities in respect of a financial year.
- (2) Where paragraph (1) above applies, Part IV of the Act shall apply as if, but only as if, there were required to be available to the Authority an amount of credit cover equal to the aggregate of—
- (a) if the Executive concerned incurs additional liabilities as described in article 2(3)(a), the amount of the additional liabilities calculated under that sub-paragraph;
- (b) if that Executive incurs additional liabilities as described in article 2(3)(b), the initial cost of any such lease as is referred to in that sub-paragraph; and
- (c) if that Executive incurs additional liabilities as described in article 2(3)(c), the amount of the credit cover referred to in that sub-paragraph.”, and
- (b) paragraph (4)(a) shall be omitted.
- (4) In article 4(1) of the 1990 Order, for the words “article 2(1)(d)” there shall be substituted “article 2(1)(b)”.
- (5) In article 5 of the 1990 Order—
- (a) in paragraph (1) the words “In addition to any amounts set aside under article 3(2)(a)(ii) above” shall be omitted,
- (b) in paragraph (3), for the words “or of article 3(2)(a)(ii) above”, there shall be substituted “and any other amounts which the Executive decides should be added thereto”, and
- (c) in article 5(4), for the words “articles 2(3)(a)(ii) and 3(2)(a)(ii)” there shall be substituted “article 2(3)(a)(ii)”.

Signed by authority of the Secretary of State  
for the Environment, Transport and the Regions

*Keith Hill*  
Parliamentary Under Secretary of State  
Department of the Environment,  
Transport and the Regions

9th December 1999

**EXPLANATORY NOTE**

*(This note is not part of this Order)*

Part IV of the Local Government and Housing Act 1989 (“the 1989 Act”) establishes a framework of capital finance controls for local authorities. The Passenger Transport Executives (Capital Finance) Order 1990 extends and adapts these controls so as to take account of the capital finance transactions of the Passenger Transport Executives each of which is responsible under the Transport Act 1962 (c.37) to the Passenger Transport Authority (“PTA”) for its area.

This Order amends the Passenger Transport Executives (Capital Finance) Order 1990 so that a PTA will no longer be required to make provision under Part IV of the 1989 Act for capital receipts or consideration received by its Executive.

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**STATUTORY INSTRUMENTS**

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