
STATUTORY INSTRUMENTS

2002 No. 2299

LOCAL GOVERNMENT, ENGLAND

**The Local Authorities (Capital Finance)
(Amendment) (England) Regulations 2002**

<i>Made</i>	- - - -	<i>5th September 2000</i>
<i>Laid before Parliament</i>		<i>9th September 2002</i>
<i>Coming into force</i>	- -	<i>30th September 2002</i>

The Secretary of State, in exercise of the powers conferred upon him by sections 61(4) and 190(1) of, and paragraphs 11(2) and 15(1) of Schedule 3 to, the Local Government and Housing Act 1989⁽¹⁾ hereby makes the following Regulations:

Citation, commencement and application

1.—(1) These Regulations may be cited as the Local Authorities (Capital Finance) (Amendment) (England) Regulations 2002 and shall come into force on 30th September 2002.

(2) The amendments made by regulation 2 apply only in relation to local authorities in England.

Amendment of the Local Authorities (Capital Finance) Regulations 1997

2.—(1) The Local Authorities (Capital Finance) Regulations 1997⁽²⁾ are amended as follows.

(2) In regulation 112(1)(b) (disposal of property under a private finance transaction), regulation 123(2)(c) (exclusion for private finance transactions), in the definition of “relevant credit approval” in regulation 130 (interpretation of Part XII) and in the definition of “credit approval” in regulation 136(1) (use of certain credit approvals), after the words “supplementary credit approval” in each place where they occur, insert “, or a credit approval treated as issued to the authority under Part IV of the Act by virtue of section 118 of the Greater London Authority Act 1999⁽³⁾”.

(3) In regulation 136(1), in sub-paragraph (a) of the definition of “credit approval”, after “is issued” insert “or treated as issued”.

(1) 1989 c. 42. The relevant powers of the Secretary of State have been devolved, in relation to Wales, by the National Assembly for Wales (Transfer of Functions) Order 1999 (S.I.1999/672); see the reference to the Local Government and Housing Act 1989 in Schedule 1.

(2) S.I. 1997/319 amended by S.I. 1997/848 and 1998/371. There are other amendments not relevant to these Regulations.

(3) 1999 c. 29.

Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

Signed by authority of the First Secretary of State

5th September 2002

Nick Raynsford
Minister of State,
Office of the Deputy Prime Minister

EXPLANATORY NOTE

(This note is not part of the Regulations)

1. These Regulations make a number of amendments to the Local Authorities (Capital Finance) Regulations 1997 (“the 1997 Regulations”) resulting from the implementation of the Greater London Authority Act 1999.

2. Regulation 112 of the 1997 Regulations extends the description of private finance transactions under or in connection with which a local authority can dispose of property without having to set aside (as provision to meet credit liabilities) an amount in respect of the non-monetary consideration received for the disposal under the transaction pursuant to sections 59 and 61 of the Local Government and Housing Act 1989 (“the Act”). Part X of the 1997 Regulations makes provision in respect of a local authority’s credit ceiling, which is one of the components of the aggregate credit limit and is determined in accordance with paragraphs 11 to 14 of Schedule 3 to the Act. By virtue of regulation 123, no account is to be taken of certain credit arrangements in determining the credit ceiling. Part XII of the 1997 Regulations makes provision for determining a local authority’s minimum revenue provision—regulation 136 specifies the use of certain credit approvals in calculating that provision. Regulation 130 defines “relevant credit approval” for the purposes of Part XII.

3. Regulations 112, 123, 130 and 136 are amended so that they apply in a similar way to the Greater London Authority and functional bodies (as provided for in the Greater London Authority Act 1999) as they do to other authorities.