

**EXPLANATORY MEMORANDUM TO  
THE LOCAL AUTHORITIES (CAPITAL FINANCE AND ACCOUNTING)  
(ENGLAND) (AMENDMENT) (No.2) REGULATIONS 2013**

**2013 No. [1751**

**1.** This explanatory memorandum has been prepared by the Department for Communities and Local Government and is laid before Parliament by Command of Her Majesty.

**2. Purpose of the instrument**

2.1 The Regulations are to clarify and correct two mistakes in recent amendment regulations<sup>1</sup> concerning the provisions that require local housing authorities to pay to Government a proportion of capital receipts derived from the sale of housing land (“pooling”).

**3. Matters of special interest to the Joint Committee on Statutory Instruments**

3.1 None

**4. Legislative Context**

4.1 These Regulations amend the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 (“the 2003 Regulations”) by:

- Substituting, in the definition of “sub-liability” in regulation 1(5), the reference to paragraph 9 of the Schedule to the Regulations with one to paragraph 13 of the same Schedule to harmonise with the amendments mentioned in paragraph 2.1 above. This error was the subject of a memorandum dated 24 April 2013 from the Clerk to the Joint Committee on Statutory Instruments.
- Clarifying the definition of Variable F in paragraph 11 of the Schedule to the 2003 Regulations.

**5. Territorial Extent and Application**

5.1 This instrument applies to England.

**6. European Convention on Human Rights**

As the instrument is subject to negative resolution procedure and does not amend primary legislation, no statement is required.

**7. Policy background**

---

<sup>1</sup> The Local Authorities (Capital Finance and Accounting) (England) (Amendment) Regulations 2013 (SI 2013/476).

The amendment regulations mentioned in paragraph 2.1 above are of a technical nature; they ensure that there is no financial advantage to any local authority of delaying a Right to Buy sale.

**8. Consultation outcome**

Consultation took place on the amendments mentioned in paragraph 2.1 with no unfavourable response.

**9. Guidance**

9.1 No formal guidance is proposed. In accordance with our normal practice, local authorities are given updated guidance on pooling every quarter when their next pooling payments are due.

**10. Impact**

10.1 There is no impact on business, charities or voluntary bodies.

10.2 An Impact Assessment has not been prepared for this instrument.

**11. Regulating small business**

11.1 The legislation does not apply to small business.

**12. Monitoring & review**

12.1 The effect of the amendments will be kept under review by DCLG in liaison with the local authority associations, CIPFA and private-sector advisers to local government.

**13. Contact**

Ross Buchanan at the Department for Communities and Local Government [telephone number 0303 4443725; email [ross.buchanan@communities.gsi.gov.uk](mailto:ross.buchanan@communities.gsi.gov.uk)] can answer any queries.