
WELSH STATUTORY INSTRUMENTS

2001 No. 3731 (W.308)

LOCAL GOVERNMENT, WALES

**The Local Authorities (Approved Investments)
(Amendment) (Wales) Regulations 2001**

Made - - - - 20th November 2001

Coming into force - - 1st December 2001

The National Assembly for Wales makes the following Regulations in exercise of the power given to the Secretary of State by section 66(1)(a) of the Local Government and Housing Act 1989⁽¹⁾ which is now vested in the National Assembly for Wales so far as exercisable in Wales⁽²⁾:

Name, commencement and application

1.—(1) The name of these Regulations is the Local Authorities (Approved Investments) (Amendment) (Wales) Regulations 2001 and they shall come into force on 1st December 2001.

(2) These Regulations apply to Wales only.

Amendment of the Local Authorities (Capital Finance) (Approved Investments) Regulations 1990

2.—(1) The Local Authorities (Capital Finance) (Approved Investments) Regulations 1990⁽³⁾ (“the 1990 Regulations”) shall be amended as follows.

(2) In regulation 1 (interpretation) —

- (a) the definition of “authorised institution” shall be omitted;
- (b) after the definition of “bill of exchange” there shall be inserted the following definition —
““deposit-taker” has the same meaning as in section 43 of the Local Government and Housing Act 1989⁽⁴⁾”;
- (c) in the definition of “relevant lender”, for the words “an authorised institution or a building society within the meaning of the Building Societies Act 1986” there shall be substituted the words “a deposit-taker”.

(1) 1989 c. 42.

(2) See the National Assembly for Wales (Transfer of Functions) Order 1999 (S.I. 1999/672).

(3) S.I. 1990/426; a relevant amendment was made by S.I. 1995/1982.

(4) The definition of deposit-taker was inserted into section 43 by the Financial Services and Markets Act 2000 (Consequential Amendments) Order 2001 (S.I. 2001/3649).

- (3) In regulation 2 (approved investments) —
- (a) for paragraph (b) there shall be substituted the following paragraph —
- “**(b)** any deposit made with a deposit-taker (other than a deposit-taker falling within sub-paragraph (c)) or the Bank of England, or any certificate of such a deposit, and, for this purpose, “deposit” has the same meaning as in article 5 of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001⁽⁵⁾ except that no account is to be taken of the reference to a local authority in article 6(1)(a)(viii) of that Order;”;
- (b) In paragraph (d) for the words “an authorised institution” there shall be substituted the words “a deposit-taker”.

Saving provision

3. Any investment made by a local authority on or before 30th November 2001 which was, on that date, approved for the purposes of Part IV of the Local Government and Housing Act 1989 (revenue accounts and capital finance of local authorities) by virtue of regulation 2 of the 1990 Regulations shall continue to be approved for the purposes of Part IV notwithstanding the amendments to the 1990 Regulations made by these Regulations.

Signed on behalf of the National Assembly for Wales under section 66(1) of the Government of Wales Act 1998⁽⁶⁾

20th November 2001

D. Elis-Thomas
The Presiding Officer of the National Assembly

⁽⁵⁾ S.I. 2001/544.
⁽⁶⁾ 1998 c. 38.

EXPLANATORY NOTE

(This note is not part of the Regulations)

The Local Authorities (Capital Finance) (Approved Investments) Regulations 1990 contain a list of investments which are approved for the purposes of Part IV of the Local Government and Housing Act 1989 (which imposes controls on the revenue accounts and capital finance of local authorities).

Regulation 2 of these Regulations makes minor amendments to the 1990 Regulations in consequence of the coming into force of the Financial Services and Markets Act 2000 . Regulation 4 is a saving provision the effect of which is that investments which were approved on 30th November 2001 remain approved for the purposes of Part IV.