



Local Government and Housing Act 1989

1989 CHAPTER 42

PART IV

REVENUE ACCOUNTS AND CAPITAL FINANCE OF LOCAL AUTHORITIES

Capital receipts

61 Capital receipts not wholly in money paid to the authority

- (1) This section applies where—
 - (a) the whole or part of the consideration received by a local authority on or after 1st April 1990 for a disposal falling within section 58(1) above either is not in money or consists of money which, at the request or with the agreement of the local authority concerned, is paid otherwise than to the authority; or
 - (b) the right of a local authority to receive such a repayment or payment as is referred to in section 58(1) above is assigned or waived for a consideration which is received on or after 1st April 1990 and which, in whole or in part, is not in money or which, at the request or with the agreement of the local authority, is paid otherwise than to the authority; or
 - (c) on a disposal falling within section 58(8) above, any consideration is received on or after 1st April 1990 and, if it had been in money paid to the authority, it would have been a capital receipt.
- (2) Where this section applies in relation to any consideration, there shall be determined the amount which would have been the capital receipt if the consideration had been wholly in money paid to the local authority; and, subject to subsection (3) below, the amount so determined is in this section referred to as “the notional capital receipt”.
- (3) From the amount which, apart from this subsection, would be the notional capital receipt in relation to a disposal, repayment or payment there shall be deducted any amount of money that was paid or is payable to the local authority in respect of that disposal, repayment or payment and in respect of which section 59 above actually applies or will actually apply when the payment is received.

Status: This is the original version (as it was originally enacted).

- (4) Where consideration to which this section applies is received in respect of a disposal, repayment or payment, the local authority shall set aside, at the time of the disposal or the assignment or waiver of the repayment or payment, and as provision to meet credit liabilities, an amount which, except in so far as regulations made or directions given by the Secretary of State otherwise provide, shall be equal to that which, under section 59 above, would be the reserved part of the notional capital receipt.
- (5) The amount falling to be set aside by a local authority under subsection (4) above shall be so set aside—
- (a) from the usable part of the authority's capital receipts; or
 - (b) from a revenue account of the authority.
- (6) If the Secretary of State by regulations so provides,—
- (a) consideration which is not in money, which is received by a local authority and which is of a description specified in the regulations, or
 - (b) consideration which is in money, which is paid otherwise than to the authority and which is of a description specified in the regulations,
- shall be treated for the purposes of subsections (2), (4) and (5) above as consideration to which this section applies and, in relation to any such consideration, subsection (4) above shall apply with such modifications as are specified in the regulations.