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STATUTORY INSTRUMENTS

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**1990 No. 432**

**The Local Authorities (Capital Finance) Regulations 1990**

**PART II**

**EXPENDITURE FOR CAPITAL PURPOSES**

**Expenditure to be expenditure for capital purposes**

**2.—**(1) Expenditure incurred by a local authority in the issue of a relevant loan instrument shall be expenditure for capital purposes.

(2) In paragraph (1) above, a “relevant loan instrument” means a loan instrument issued in relation to any loan other than a loan in respect of which all payments or repayments by the authority are to be made not later than one year after the loan instrument is issued.

**Expenditure not to be expenditure for capital purposes**

**3.** Expenditure by a local authority pursuant to section 112 of the Local Government Act 1972<sup>(1)</sup> on the making of advances, grants or other financial assistance to an officer of the authority or to a person whom the authority intend to appoint as an officer shall not be expenditure for capital purposes.

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<sup>(1)</sup> 1972 c. 70.