

1990 No. 778

LOCAL GOVERNMENT, ENGLAND AND WALES

**The Local Authorities (Capital Finance) (Consequential
Amendments) Order 1990**

<i>Made - - - -</i>	<i>29th March 1990</i>
<i>Laid before Parliament</i>	<i>29th March 1990</i>
<i>Coming into force</i>	<i>1st April 1990</i>

The Secretary of State for the Environment, as respects England, and the Secretary of State for Wales, as respects Wales, in exercise of the powers conferred on them by section 194(2) of the Local Government and Housing Act 1989(a), and of all other powers enabling them in that behalf, hereby make the following Order:

1.—(1) This Order may be cited as the Local Authorities (Capital Finance) (Consequential Amendments) Order 1990.

(2) This Order shall come into force on 1st April 1990.

2. The provisions mentioned in the Schedule to this Order are hereby amended as so mentioned.

29th March 1990

Chris Patten
Secretary of State for the Environment

Signed by authority of
the Secretary of State for Wales

27th March 1990

Ian Grist
Parliamentary Under-Secretary of State, Welsh Office

AMENDMENTS

The Housing Act 1988 (c.50)

1. In section 74(6) –
 - (a) in paragraph (a) for the words from “prescribed expenditure” onwards there shall be substituted “expenditure for capital purposes for the purposes of Part IV of the Local Government and Housing Act 1989 (revenue accounts and capital finance of local authorities);” and
 - (b) in paragraph (b) for “75(2)” there shall be substituted “58(1)(a)”.
2. In section 104(5) for the words “Part VIII of the Local Government, Planning and Land Act 1980 (capital expenditure of local authorities)” there shall be substituted “Part IV of the Local Government and Housing Act 1989 (revenue accounts and capital finance of local authorities)” and for the words “prescribed expenditure” there shall be substituted “expenditure for capital purposes”.

The Local Government Reorganisation (Capital Money) (Metropolitan Counties) Order 1986 (S.I. 1986/2063)(a)

3. In article 4 –
 - (a) in paragraph (1), for the words “year beginning 1st April 1987 and all subsequent years” there shall be substituted “years beginning 1st April 1987, 1st April 1988 and 1st April 1989 and for the purposes of Part IV of the Local Government and Housing Act 1989 the capital receipts of each charging authority for all subsequent financial years”, and at the end of that paragraph there shall be added “and
 - (d) for any financial year beginning on or after 1st April 1990, the amount of the expenditure referred to in article 5(1)(b).”; and
 - (b) at the end of paragraph (4) there shall be added “and for the purposes of Part IV of the Local Government and Housing Act 1989 the reserved part of amounts to be included in the capital receipts of any charging authority shall be 50 per cent.”.

The Local Government Reorganisation (Capital Money) (West Midlands) Order 1986 (S.I. 1986/2093)(b)

4. In article 6 –
 - (a) in paragraph (2), for the words “each financial year commencing with the financial year beginning 1st April 1987” there shall be substituted “the financial years beginning 1st April 1987, 1st April 1988 and 1st April 1989”, and at the end of that paragraph there shall be added “and for the purposes of Part IV of the Local Government and Housing Act 1989 the capital receipts of each charging authority for all subsequent financial years shall be treated as if they included an amount equal to –
 - (a) the relevant proportion of the net capital residue,
less
 - (b) the amount of the expenditure referred to in article 3(b).”; and
 - (b) at the end of paragraph (3) there shall be added “and for the purposes of Part IV of the Local Government and Housing Act 1989 the reserved part of amounts to be included in the capital receipts of any charging authority shall be 50 per cent.”.

The Tyne and Wear Residuary Body (Winding Up) Order 1988 (S.I. 1988/1590)(c)

5. In article 7 –
 - (a) in paragraph (1), after the words “the 1980 Act” there shall be inserted “and Part IV of the Local Government and Housing Act 1989”;
 - (b) at the end of paragraph (3) there shall be added “and the reserved part of amounts to be treated by virtue of this article as capital receipts of a local council for the purposes of Part IV of the Local Government and Housing Act 1989 shall be 50 per cent.”; and

(a) The Order has ceased to have effect in relation to the counties of Greater Manchester, Merseyside, South Yorkshire and Tyne and Wear by virtue of S.I. 1989/1359, S.I. 1989/2470, S.I. 1989/814 and S.I. 1988/1590, respectively. Accordingly, it has effect only in relation to the county of West Yorkshire. Amendments relevant to this Order were made by S.I. 1990/268 and S.I. 1990/496. (b) Amendments relevant to this Order were made by S.I. 1990/268. (c) There are amendments to S.I. 1988/1590 not relevant to this Order.

- (c) at the end of paragraph (4) there shall be added "and Part IV of the Local Government and Housing Act 1989".

The London Government Reorganisation (Mortgages) Order 1988 (S.I. 1988/1747)(a)

6. In article 8 –

- (a) in paragraph (1), for the words "each financial year commencing with the financial year beginning 1st April 1988" there shall be substituted "the financial years beginning 1st April 1988 and 1st April 1989";
- (b) after paragraph (1) there shall be inserted the following paragraph –
“(1A) For the purposes of Part IV of the Local Government and Housing Act 1989 the capital receipts of each local housing authority in London for financial years beginning on or after 1st April 1990 shall be treated as if they included an amount equal to the appropriate percentage of the appropriate capital sum for the financial year in question determined in accordance with Schedule 1, and for such purposes the reserved part of any such amount shall be 75 per cent.”;
- (c) at the end of paragraph (2) there shall be added "and Part IV of the Local Government and Housing Act 1989".

The South Yorkshire Residuary Body (Winding Up) Order 1989 (S.I. 1989/814)

7. In article 7 –

- (a) in paragraph (1) after the words "1980 Act" there shall be inserted "and Part IV of the Local Government and Housing Act 1989";
- (b) at the end of paragraph (3) there shall be added "and the reserved part of amounts to be treated by virtue of this article as capital receipts of a local council for the purposes of Part IV of the Local Government and Housing Act 1989 shall be 50 per cent."; and
- (c) at the end of paragraph (4) there shall be added "and Part IV of the Local Government and Housing Act 1989".

The Greater Manchester Residuary Body (Winding Up) Order 1989 (S.I. 1989/1359)

8. In article 7 –

- (a) in paragraph (1) after the words "1980 Act" there shall be inserted "and Part IV of the Local Government and Housing Act 1989";
- (b) at the end of paragraph (3) there shall be added "and the reserved part of amounts to be treated by virtue of this article as capital receipts of a local council for the purposes of Part IV of the Local Government and Housing Act 1989 shall be 50 per cent."; and
- (c) at the end of paragraph (4) there shall be added "and Part IV of the Local Government and Housing Act 1989".

The Merseyside Residuary Body (Winding Up) Order 1989 (S.I. 1989/2470)(b)

9. In article 8 –

- (a) in paragraph (1) after the words "1980 Act" there shall be inserted "and Part IV of the Local Government and Housing Act 1989";
- (b) at the end of paragraph (3) there shall be added "and the reserved part of amounts to be treated by virtue of this article as capital receipts of a local council for the purposes of Part IV of the Local Government and Housing Act 1989 shall be 50 per cent."; and
- (c) at the end of paragraph (4) there shall be added "and Part IV of the Local Government and Housing Act 1989".

(a) There are amendments to S.I. 1988/1747 not relevant to this Order. (b) There are amendments to S.I. 1989/2470 not relevant to this Order.

EXPLANATORY NOTE

(This note is not part of the Order)

This Order provides for the amendment of various enactments and instruments consequential upon Part IV of the Local Government and Housing Act 1989 (revenue accounts and capital finance of local authorities). References to Part VIII of the Local Government, Planning and Land Act 1980 (c.65) (capital expenditure of local authorities), which ceases to have effect for financial years beginning on or after 1st April 1990 by virtue of section 39(8) of the 1989 Act, are replaced by references to Part IV of that Act.

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