

---

STATUTORY INSTRUMENTS

---

**1996 No. 581**

**LOCAL GOVERNMENT, ENGLAND AND WALES**

**The Local Authorities (Capital Finance) (Rate  
of Discount for 1996/97) Regulations 1996**

<i>Made</i>	- - - -	<i>5th March 1996</i>
<i>Laid before Parliament</i>		<i>8th March 1996</i>
<i>Coming into force</i>	- -	<i>1st April 1996</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 49(2) of the Local Government and Housing Act 1989(1), and of all other powers enabling them in that behalf, hereby make the following Regulations:

1. These Regulations may be cited as the Local Authorities (Capital Finance) (Rate of Discount for 1996/97) Regulations 1996 and shall come into force on 1st April 1996.
2. The percentage rate of discount prescribed for the financial year beginning on 1st April 1996 for the purposes of defining “r” in section 49(2) of the Local Government and Housing Act 1989 shall be 9.1 per cent.

Signed by authority of the Secretary of State for the Environment

4th March 1996

*David Curry*  
Minister of State,  
Department of the Environment

---

**Status:** This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

---

Signed by authority of the Secretary of State for Wales

5th March 1996

*Gwilym Jones*  
Parliamentary Under Secretary of State, Welsh  
Office

---

## EXPLANATORY NOTE

*(This note is not part of the Regulations)*

Part IV of the Local Government and Housing Act 1989 makes provision for the capital finance of local authorities. Section 49(2) sets out a formula for determining for the purposes of Part IV the value of the consideration falling to be given by a local authority under a credit arrangement in any financial year after the one in which the arrangement comes into being. The percentage rate of discount prescribed for a financial year is one of the factors referred to in the formula. For the financial year beginning on 1st April 1996 these Regulations prescribe 9.1 per cent. which is the same as the rate of discount prescribed for 1995/96.