
STATUTORY INSTRUMENTS

1996 No. 770

LOCAL GOVERNMENT, ENGLAND AND WALES

**The Local Government Act 1988 (Defined Activities)
(Exemptions) (England and Wales) Order 1996**

<i>Made</i>	- - - -	<i>6th March 1996</i>
<i>Laid before Parliament</i>		<i>13th March 1996</i>
<i>Coming into force</i>	- -	<i>1st April 1996</i>

The Secretary of State for the Environment, in relation to England, and the Secretary of State for Wales, in relation to Wales, in exercise of the powers conferred on them by sections 2(9) and 15(5) of the Local Government Act 1988(1), and of all other powers enabling them in that behalf, hereby make the following Order:

Citation, commencement and extent

1.—(1) This Order may be cited as the Local Government Act 1988 (Defined Activities) (Exemptions) (England and Wales) Order 1996 and shall come into force on 1st April 1996.

(2) Article 4 of this Order applies to defined authorities in England only.

Amendment of Local Government Act 1988 (Defined Activities) (Exemptions) (England) Order 1988 and Local Government Act 1988 (Defined Activities) (Exemptions) (Wales) Order 1988

2. Article 3 of the Local Government Act 1988 (Defined Activities) (Exemptions) (England) Order 1988(2) and article 3 of the Local Government Act (Defined Activities) (Exemptions) (Wales) Order 1988(3) are amended by substituting the following for paragraph (1) in both cases:

“(1) The activities mentioned in paragraphs (a) to (gg) and (i) of section 2(2) of the Act(4) shall not be treated as defined activities so long as the condition mentioned in paragraph (2) is fulfilled.”

(1) 1988 c. 9.
(2) S.I.1988/1372; amended by S.I. 1990/1565 and S.I. 1994/2296.
(3) S.I. 1988/1469; amended by S.I. 1990/1499 and S.I. 1994/2296.
(4) Paragraphs (ff), (gg) and (i) of section 2(2) were added by S.I. 1994/2884.

Exemption for work carried out under certain works contracts

3.—(1) Subject to paragraphs (2) to (4) below, the activities mentioned in section 2(2)(j) to (n) of the Local Government Act 1988(5) shall not be treated as defined activities so long as they consist of work undertaken by a defined authority for another party under a works contract and the gross annual cost of that work under that contract does not exceed £25,000.

(2) The activities mentioned in paragraphs (j), (l) and (m) of section 2(2) of the Local Government Act 1988 shall not be treated as defined activities so long as they consist of work undertaken by a defined authority for a police authority under a works contract and the gross annual cost of that work under that contract does not exceed £300,000.

(3) The activity mentioned in paragraph (k) of section 2(2) of the Local Government Act 1988 shall not be treated as a defined activity so long as it consists of work undertaken by a defined authority for a police authority under a works contract and the gross annual cost of that work under that contract does not exceed £450,000.

(4) The activity mentioned in paragraph (n) of section 2(2) of the Local Government Act 1988 shall not be treated as a defined activity so long as it consists of work undertaken by a defined authority for a police authority under a works contract and the gross annual cost of that work under that contract does not exceed £400,000.

(5) In this article—

“gross annual cost” means the estimated total annual cost including overheads; and

“police authority” means—

- (a) a police authority constituted under section 3 of the Police Act 1964(6), and
- (b) the Common Council of the City of London in its capacity as a police authority.

Works contracts: local government reorganisation

4.—(1) The activities mentioned in paragraphs (j) to (n) of section 2(2) of the Local Government Act 1988 shall not be treated as defined activities so long as they consist of work undertaken before the relevant date in pursuance of a works contract entered into between a county council and a successor council.

(2) In this article—

“relevant date” in relation to any council means—

- (a) in the case of a relevant order which takes effect in relation to that council on 1st April 1995, 1st April 1997;
- (b) in the case of a relevant order which takes effect in relation to that council on 1st April 1996, 1st April 1998; and
- (c) in the case of a relevant order which takes effect in relation to that council on 1st April 1997, 1st April 1999;

“relevant order” means an order made under section 17 of the Local Government Act 1992(7); and

“successor council”, in relation to a county council, means a council which is created by a relevant order which abolishes the county council, or a council to which functions of the county council are transferred by a relevant order.

(5) Paragraphs (j) and (k) of section 2(2) were added by S.I. 1994/2884 and S.I. 1994/2888 respectively. Paragraphs (l) to (n) were added by S.I. 1995/1915.

(6) 1964 c. 48. Section 3 is substituted by section 2 of the Police and Magistrates' Courts Act 1994 (c. 29).

(7) 1992 c. 19.

Signed by authority of the Secretary of State

6th March 1996

Paul Beresford
Parliamentary Under Secretary of State,
Department of the Environment

6th March 1996

Gwilym Jones
Parliamentary Under Secretary of State, Welsh
Office

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

EXPLANATORY NOTE

(This note is not part of the Order)

Under Part I (competition) of the Local Government Act 1988, work falling within certain defined activities may only be carried out by local and other authorities if certain conditions are fulfilled.

This Order provides that certain defined activities shall not be treated as such so long as specified conditions are satisfied. Article 2 extends exemption from the requirements of the Act in relation to defined activities of supervision of parking, management of vehicles and security work where the work concerned costs no more than £100,000 per year.

Article 3 provides that the defined activities of legal services and construction and property services, financial services, information technology services and personnel services are not to be treated as defined activities provided that they consist of work undertaken under works contracts and the conditions specified are fulfilled. Special provision is made in relation to police authorities.

Article 4, which applies in England only, extends the period of exemption in relation to works contracts entered into by county councils in areas undergoing reorganisation.