
STATUTORY INSTRUMENTS

1997 No. 319

The Local Authorities (Capital Finance) Regulations 1997

PART VI

CAPITAL RECEIPTS

Sums to be capital receipts

Transfer of property under the London Government Act 1963

56. Where a sum in respect of principal is payable to a local authority by virtue of an order made under section 23(3) or 84 of the London Government Act 1963 (transfer of land held for housing purposes)(1) in relation to any matter which has been transferred under the order from the authority to another body, the sum received by the authority shall be a capital receipt.

Transfer of property under the Local Government Act 1972

57. Where a sum in respect of principal is payable to a local authority by virtue of—

- (a) an order under section 51(2), 58(2) or 67(4) of the Local Government Act 1972 (“the 1972 Act”)(2), regulations under section 67(1) or (2) of the 1972 Act, or an agreement under section 68 of the 1972 Act in relation to any matter which has been transferred under the order, the regulations or, as the case may be, the agreement from the authority to another body; or
- (b) an order under section 254(1) or (2)(a) or (d) of the 1972 Act, or under those provisions as extended by section 34(1) of, and paragraph 5(2)(b) of Schedule 6 to, the Water Act 1973(3), in relation to any matter which has been transferred under the 1972 Act or the order from the authority to another body,

the sum received by the authority shall be a capital receipt.

Repayment of money deemed to have been borrowed

58. A sum received by a local authority in respect of a repayment of principal in relation to money which, by virtue of an order made under section 66(1) or 67(3) of the Local Government Act 1985 (discharge of residuary functions)(4), is deemed to have been borrowed from them by another local authority shall be a capital receipt.

(1) 1963 c. 33. Paragraph (a) and part of paragraph (b) of section 23(3) were repealed with savings by section 102(2) of, and Schedule 17 to, the Local Government Act 1985 (c. 51).

(2) 1972 c. 70. Section 51 was repealed, with a saving for orders, by section 29(2) and (3) of, and Part II of Schedule 4 to, the Local Government Act 1992 (c. 19).

(3) 1973 c. 37. The repeal of section 34(1) and paragraph 5(2)(b) of Schedule 6 by section 190(3) of, and Part II of Schedule 27 to, the Water Act 1989 (c. 15) is subject to savings in article 5(1) of the Water Act 1989 (Commencement No. 2 and Transitional Provisions) Order 1989 (S.I. 1989/1557 (C. 52)).

(4) 1985 c. 51.

Payment made to redeem landlord's share

59. A sum received by a local authority in respect of an interim or final payment made in accordance with Schedule 6A to the Housing Act 1985 (redemption of landlord's share)⁽⁵⁾, if it is not a capital receipt by virtue of section 58(1)(a) (capital receipts), shall be a capital receipt.

Disposal of premises transferred to grant-maintained school

60.—(1) In this regulation, “grant-maintained school” has the same meaning as in section 183 of the Education Act 1996⁽⁶⁾.

(2) Where the governing body incorporated for the purpose of conducting a grant-maintained school are required by the Secretary of State under section 298(2)(b) of the Education Act 1996 to pay a sum to a local authority, the sum received by the authority shall be a capital receipt.

⁽⁵⁾ 1985 c. 68. Schedule 6A was inserted by Schedule 16 to the Leasehold Reform, Housing and Urban Development Act 1993 (c. 28).

⁽⁶⁾ 1996 c. 56.