
WELSH STATUTORY INSTRUMENTS

2018 No. 325

The Local Authorities (Capital Finance and Accounting) (Wales) (Amendment) Regulations 2018

Credit arrangements

4.—(1) Before regulation 3 (liabilities that do not arise from capital expenditure) and the sub-part heading “Transactions which are not credit arrangements”, insert—

“TRANSACTIONS WHICH ARE CREDIT ARRANGEMENTS

Securitisation transactions

2A. A securitisation transaction must be treated as a transaction falling within section 7(2)(a).”

(2) For regulation 5 (calculation of cost of credit arrangements), substitute—

“Calculation of cost of credit arrangements

5. For the purposes of section 8(2) (entry into a credit arrangement or variation to be treated as the borrowing of an amount equal to the cost of the arrangement or variation), the cost of a credit arrangement or variation of a credit arrangement is—

- (a) in the case of a securitisation transaction, an amount equal to the value of the consideration received by the authority as a result of that transaction; or
- (b) in all other cases, the amount of the liability in respect of that arrangement or variation which is shown, in accordance with proper practices, in the authority’s accounts.”