

1987 No. 943 (S. 79)

LOCAL GOVERNMENT, SCOTLAND

**The Definition of Capital Expenses (Scotland) Order
1987**

Approved by both Houses of Parliament

Made - - - - 25th March 1987

Laid before Parliament 1st April 1987

Coming into force 1st April 1988

In exercise of the powers conferred on me by section 94(3) of the Local Government (Scotland) Act 1973(a) and of all other powers enabling me in that behalf, I hereby make the following Order:

1.—(1) This Order may be cited as the Definition of Capital Expenses (Scotland) Order 1987 and shall come into force on 1st April 1988.

(2) In this Order “the Act” means the Local Government (Scotland) Act 1973.

2. For the definition of “capital expenses” in section 94(2) of the Act there shall be substituted the following definition:—

““capital expenses” means any expenses which are to be charged to a capital account or which are otherwise of a capital nature irrespective of how they are financed.”.

New St. Andrew's House, Edinburgh
25th March 1987

Malcolm Rifkind
One of Her Majesty's Principal
Secretaries of State

(a) 1973 c.65; subsection (3) was added by the Local Government (Miscellaneous Provisions) (Scotland) Act 1981 (c.23), section 26.

EXPLANATORY NOTE

(This note is not part of the Order)

This Order amends the definition of capital expenses in section 94 of the Local Government (Scotland) Act 1973. Under that section, it is not lawful for a local authority to incur any liability to meet capital expenses without the consent of the Secretary of State.

Capital expenses is at present defined in section 94(2) of the 1973 Act as meaning—
“any expenses which are to be charged to a capital or borrowing account or which, being of a capital nature, are to be met otherwise than out of current revenue.”

This definition is amended in order to include what was formerly excluded, namely any expenses which are of a capital nature which are met out of current revenue. It also removes the reference to expenses which are charged to a borrowing account which has become unnecessary in practice.

45p net

ISBN 0 11 076943 0