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WELSH STATUTORY INSTRUMENTS

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**2002 No. 785 (W.86)**

**LOCAL GOVERNMENT, WALES**

**The Local Authorities (Capital Finance) (Rate of Discount for 2002/2003) (Wales) Regulations 2002**

*Made* - - - - 21st March 2002  
*Coming into force* - - 1st April 2002

The National Assembly for Wales makes the following Regulations in exercise of the power given to the Secretary of State by section 49(2) of the Local Government and Housing Act 1989<sup>(1)</sup> which is now vested in the National Assembly for Wales so far as exercisable in Wales<sup>(2)</sup>:

**Name, commencement and application**

1.—(1) The name of these Regulations is the Local Authorities (Capital Finance) (Rate of Discount for 2002/2003) (Wales) Regulations 2002 and they shall come into force on 1st April 2002.

(2) These Regulations apply to Wales only.

**Rate of discount**

2. The percentage rate of discount prescribed for the financial year beginning on 1st April 2002 for the purposes of section 49 of the Local Government and Housing Act 1989 is 6.7 per cent.

Signed on behalf of the National Assembly for Wales under section 66(1) of the Government of Wales Act 1998<sup>(3)</sup>

21st March 2002

*D. Elis-Thomas*  
The Presiding Officer of the National Assembly

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(1) 1989 c. 42.

(2) See the National Assembly for Wales (Transfer of Functions) Order 1999 (S.I.1999/672).

(3) 1998 c. 38.

**Status:** This is the original version (as it was originally made).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

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## 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) of that Act sets out a formula for determining, for the purposes of Part IV, the value of the consideration falling to be given by an authority under a credit arrangement in any financial year after the year in which the arrangement comes into being.

The percentage rate of discount prescribed for a financial year is one of the elements which make up the formula.

For the financial year beginning on 1st April 2002 these Regulations prescribe a percentage rate of discount of 6.7 per cent which is 0.3 per cent less than the rate of discount prescribed for 2001/2002.