
STATUTORY INSTRUMENTS

1995 No. 849

The Local Authorities (Companies) Order 1995

PART V

CAPITAL FINANCE

Interpretation

12.—(1) A local authority together with any companies in relation to which that authority is the relevant authority are for the purposes of section 39 and this Part of the Order referred to as members of a local authority group, and any reference in relation to a particular company to the same local authority group is a reference to the local authority group of which that company is a member.

(2) In this Part—

“called-up share capital” has the same meaning as in section 737(1) of the 1985 Act, and “share” has the same meaning as in section 744 of that Act;

“credit transaction” means a lease or a single contract or two or more contracts taken together which, if a local authority became lessees under the lease or entered into the contract or contracts, would constitute a credit arrangement, but does not include—

- (a) any lease granted or assigned to a regulated company under which the lessor is a member of the same local authority group; or
- (b) any contract entered into by a regulated company with a member of the same local authority group.