STATUTORY INSTRUMENTS

2025 No. 422

LOCAL GOVERNMENT, ENGLAND

The Local Authorities (Capital Finance and Accounting) (England) (Amendment) Regulations 2025

Made - - - -	*at 10:40 a.m. on 1st April 2025*
Laid before Parliament	*at 4:00 p.m. on 1st April 2025*
Coming into force - -	*23rd April 2025*

The Secretary of State makes these Regulations in exercise of the powers conferred by sections 21(1) and 123(1) and (2) of the Local Government Act 2003(**a**).

Citation, commencement and extent

1.—(1) These Regulations may be cited as the Local Authorities (Capital Finance and Accounting) (England) (Amendment) Regulations 2025.

(2) These Regulations come into force on 23rd April 2025.

(3) These Regulations extend to England and Wales.

Amendment of the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003

2. The Local Authorities (Capital Finance and Accounting) (England) Regulations 2003(**b**) are amended as follows.

Amendment of regulation 30K

3. In regulation 30K (Fair value gains and losses of pooled investment funds), for paragraph (5) substitute—

> "(5) This regulation applies in relation to accounts prepared for financial years falling within the period—
>
> (a) beginning with 1st April 2018 and ending with 31st March 2025;
>
> (b) beginning with 1st April 2025 and ending with 31st March 2029, in respect of an investment mentioned in paragraph (2)(a) that was made before 1st April 2024.".

(**a**) 2003 c. 26.
(**b**) S.I. 2003/3146; amended by S.I. 2018/1207, 2018/1386, 2019/396, 2022/1232, 2023/241 and 2024/602.

Amendment of regulation 30M

4. In regulation 30M(1)(a) (Accounting for infrastructure assets), for "2024" substitute "2028".

Signed by authority of the Secretary of State for Housing, Communities and Local Government

Jim McMahon
Minister of State
At 10.40 a.m. on 1st April 2025 Ministry of Housing, Communities and Local Government

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend the Local Authorities (Capital Finance and Accounting) (England) Regulations 2023 (S.I. 2003/3146) (the "2003 Regulations").

Regulation 30K of the 2003 Regulations provides that, in relation to financial years falling within the period beginning on 1st April 2018 and ending on 31st March 2025, a local authority must not charge an amount to its revenue account to reflect any fluctuation in the fair value of a local authority's investment in a pooled investment fund. Instead, such amounts must be recorded in a separate account established and usable solely for that purpose. Regulation 3 of these Regulations extends the application of regulation 30K in respect of investments made by the local authority before 1st April 2024, in relation to accounts for financial years falling between the period beginning on 1st April 2025 and ending on 31st March 2029.

Regulation 30M of the 2003 Regulations relates to the treatment of infrastructure assets within a local authority's statement of accounts for financial years beginning on or before 1st April 2024. An infrastructure asset is an asset owned by a local authority, which there is no prospect of the authority selling or using for any purpose other than that for which it was created, and which forms part of the infrastructure of the authority's area. Regulation 30M(2) provides that a local authority does not need to make any prior period adjustment in respect of infrastructure assets to the balances of any statement of accounts to which it applies. Where a local authority replaces a component of an infrastructure asset, regulation 30M(3) also provides the authority with a choice of how to identify the carrying amount to be derecognised in respect of that component. Regulation 4 of these Regulations extends the application of regulation 30M in relation to accounts for financial years beginning on or before 1st April 2028.

A full regulatory impact assessment has not been produced for this instrument as no impact on the private or voluntary sectors is foreseen.

© Crown Copyright 2025

Printed and published in the UK by The Stationery Office Limited under the authority and superintendence of Saul Nassé, Controller of His Majesty's Stationery Office and King's Printer of Acts of Parliament.

ISBN 978-0-34-827087-7

£5.78

http://www.legislation.gov.uk/id/uksi/2025/422

9 780348 270877