STATUTORY INSTRUMENTS

1989 No. 984 (N.I. 7)

NORTHERN IRELAND

The Financial Provisions (Northern Ireland) Order 1989

Made - - - - 13th June 1989
Coming into operation on days to be appointed under Article 1(2)

At the Court at Buckingham Palace, the 13th day of June 1989

Present,

The Queen's Most Excellent Majesty in Council

Whereas a draft of this Order has been approved by a resolution of each House of Parliament:

Now, therefore, Her Majesty, in exercise of the powers conferred by paragraph 1 of Schedule 1 to the Northern Ireland Act 1974(**1**) and of all other powers enabling Her in that behalf, is pleased, by and with the advice of Her Privy Council, to order, and it is hereby ordered, as follows:—

Introductory

Title and commencement

1.—(1) This Order may be cited as the Financial Provisions (Northern Ireland) Order 1989.

(2) This Order shall come into operation on such day or days as the Head of the Department of Finance and Personnel may by order appoint.

Interpretation

2. The Interpretation Act (Northern Ireland) 1954(**2**) shall apply to Article 1 and the following provisions of this Order as it applies to a Measure of the Northern Ireland Assembly.

(**1**) 1974 c. 28
(**2**) 1954 c. 33 (N.I.)

Advances to Northern Ireland Housing Executive

Disposal of capital surplus in Consolidated Fund by writing off advances to Northern Ireland Housing Executive

3.—(1) The Department of Finance and Personnel may dispose of the current capital surplus in the Consolidated Fund by writing off a corresponding amount of principal due to the Consolidated Fund in respect of advances made under—

(a) Article 15(1) of the Housing (Northern Ireland) Order 1981(**3**);

(b) Article 3(1) of the Housing Finance (Northern Ireland) Order 1977(**4**);

(c) section 20(1) of the Housing Executive Act (Northern Ireland) 1971(**5**).

(2) In paragraph (1) the "current capital surplus" means such amount as the Department of Finance and Personnel determines to be the amount by which the assets transferred to the Consolidated Fund by Articles 4 to 7 of the Financial Provisions (Northern Ireland) Order 1986(**6**) (abolition of certain funds) exceeded the liabilities so transferred by Article 4 of that Order.

Increase of limits

Loans and grants for harbour works, etc.

4. In section 4 of the Harbours Act (Northern Ireland) 1970(**7**) (limit of £30 million on aggregate of loans and grants under sections 2 and 3 of that Act) for "£30 million" there shall be substituted "£35 million".

Guarantees in connection with loans to general medical practitioners

5. In paragraph 5(*a*) of Schedule 9 to the Health and Personal Social Services (Northern Ireland) Order 1972(**8**) (guarantee by Department of Finance and Personnel in connection with certain loans to general medical practitioners not to exceed £4 million), for "£4,000,000" there shall be substituted "£6,000,000".

Government loans

Security for government loans to Northern Ireland Electricity

6. After Article 20 of the Electricity Supply (Northern Ireland) Order 1972(**9**) there shall be inserted the following Article—

"**Security for government loans**

20A.—(1) Any government loan to the Service and all interest payable in respect of it shall be a charge on the undertaking and all the revenues of the Service.

(2) In paragraph (1) "government loan" means a loan made under Article 8 of the Financial Provisions (Northern Ireland) Order 1983(**10**).".

(**3**) 1981 NI 3
(**4**) 1977 NI 8
(**5**) 1971 c. 5 (N.I.)
(**6**) 1986 NI 19
(**7**) 1970 c. 1 (N.I.)
(**8**) 1972 NI 14
(**9**) 1972 NI 9
(**10**) 1983 NI 1

Additional interest on arrears of variable interest loans

7.—(1) In Article 9 of the Financial Provisions (Northern Ireland) Order 1983 (terms, etc., of government loans)—

(a) in paragraph (5) (publication of notices in the Belfast Gazette), after sub-paragraph (*a*) there shall be inserted the following sub-paragraph—

"(aa) the rates of interest chargeable under Article 12 in respect of any variable interest loan or class of variable interest loans specified in the notice; and";

(b) in paragraph (5A) (rates of interest may be stated using formula) after the words "paragraph (5)(*a*)" there shall be inserted the words "or (*aa*)".

(2) In Article 12 of that Order (additional interest on arrears of government loans)—

(a) in paragraph (1) (interest chargeable when more than thirty-one days in arrear), for the words "government loan" there shall be substituted the words "variable interest loan is in arrear or in respect of any government loan which is not a variable interest loan";

(b) after that paragraph there shall be inserted the following paragraph—

"(1A) The rate of interest charged under paragraph (1) in respect of a variable interest loan shall be such as may be determined by the Department under Article 9.";

(c) in paragraph (2) (calculation of rate of additional interest on arrears of government loans) after the words "paragraph (1)" there shall be inserted the words "in respect of a government loan which is not a variable interest loan".

Miscellaneous and supplementary

Form of trading accounts, etc., of departments

8. In section 22 of the Exchequer and Audit Act (Northern Ireland) 1921(**11**) (preparation and examination of trading, etc., accounts), for the first paragraph there shall be substituted the following paragraph—

"Every Department shall, if the Department of Finance and Personnel so directs, prepare in each financial year statements of account showing the income and expenditure of any manufacturing, trading or commercial services conducted by it, and such statements of account shall be in such form and shall be accompanied by such balance sheets and statements of profit and loss as the Department of Finance and Personnel may direct.. "

Ulster Savings Certificates

9.—(1) In section 15 of the Exchequer and Financial Provisions Act (Northern Ireland) 1950(**12**) (Ulster Savings Certificates)—

(a) for subsection (1) (power to issue Ulster Savings Certificates subject to prescribed conditions) there shall be substituted the following subsection—

"(1) For the purpose of borrowing money the Department may issue Ulster Savings Certificates subject to such conditions as the Department may direct, except that conditions as to the procedures for issue, redemption,repayment, exchange or otherwise shall be such as may be prescribed from time to time.";

(**11**) 1921 c. 2 (N.I.)
(**12**) 1950 c. 3 (N.I.)

(b) subsection (2) (power to make regulations for any matter for which Treasury has power to make regulations as respects savings certificates under certain enactments) shall cease to have effect.

(2) In section 16(3) of that Act (power to make regulations for issue of securities in exchange for Ulster Savings Certificates) for the words "Regulations made by the Ministry under the last preceding section may" there shall be substituted the words "The Department may by regulations or directions (as appropriate) under the last preceding section".

(3) Paragraph (1) and Article 10(2) so far as it repeals section 15(2) of that Act do not affect any regulations made by virtue of that section before the commencement of this Article, but any such regulations, so far as they relate to any matter which may be thesubject of a direction under that section (as amended by this Article), may be amended or revoked as if they were such a direction.

Repeals

10.—(1) In Article 9(6) of the Financial Provisions (Northern Ireland) Order 1983(**13**) (construction of reference to security to include reference to charge imposed by a statutory provision for securing government loans to a district council etc.), the words from "to a district council" to the end shall cease to have effect.

(2) The statutory provisions set out in the Schedule are hereby repealed to the extent specified in the third column of the Schedule.

G. I. de Deney
Clerk of the Privy Council

(**13**) 1983 NI 1

SCHEDULE Article 10(2).

REPEALS

Chapter or Number	Title	Extent of Repeal
1950 c. 3 (N.I.).	The Exchequer and Financial Provisions Act (Northern Ireland) 1950.	In section 11(1)(*a*) the words "and regulations made thereunder."In section 15, subsection (2).The Second Schedule.
1983 NI 1.	The Financial Provisions (Northern Ireland) Order 1983.	In Article 9(6), the words from "to a district council" to the end.
1984 NI 7.	The Financial Provisions (Northern Ireland) Order 1984.	Article 4.
1986 NI 24.	The Health and Personal Social Services and Public Health (Northern Ireland) Order 1986.	Article 13.

EXPLANATORY NOTE

(This note is not part of the Order)

This Order contains a number of miscellaneous financial provisions.

Article 3 provides for the writing off of advances made to the Northern Ireland Housing Executive and Articles 4 and 5 increase the statutory limits on certain loans and grants and guarantees of loans.

Article 6 provides for security for government loans to Northern Ireland Electricity by making them a charge on the undertaking and Article 7 deals with the interest payable on arrears of government loans which are variable interest loans.

Article 8 enables the Department of Finance and Personnel to give directions regarding the preparation of trading accounts by government departments. Article 9 concerns Ulster Savings Certificates. It replaces the power to make regulations with a power to make administrative directions except as to the procedures for the issue and repayment, etc., of Ulster Savings Certificates.