



Public Works Loans Act 1964

1964 CHAPTER 9

An Act to make further provision with respect to loans out of the Local Loans Fund, with respect to temporary borrowing by local authorities in Scotland and with respect to the re-borrowing powers of public authorities; to authorise an increase in the loans which may be made to the Government of Northern Ireland; and for connected purposes. [27th February 1964]

BE IT ENACTED by the Queen's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:—

1 Grants for public works

- (1) There may be issued by the National Debt Commissioners for the purposes of local loans by the Public Works Loan Commissioners (in this Act referred to as " the Loan Commissioners ") any sum or sums not exceeding in the whole the sum of six hundred and fifty million pounds.
- (2) The sums so issued shall be issued during the period beginning with the passing of this Act and ending on the day on which a further Act granting money for the purposes of those loans comes into operation, and in accordance with the provisions of the National Debt and Local Loans Act 1887.
- (3) The period aforesaid shall be an issue period for the purposes of section 2(1) of the Public Works Loans (No. 2) Act 1946 (which enables the Loan Commissioners to undertake to grant loans which include loans falling to be advanced after the expiration of the current issue period), but the aggregate of—
 - (a) the commitments of the Loan Commissioners outstanding at any time during that period in respect of undertakings entered into by them (whether during or before the beginning of that period) to grant local loans ; and
 - (b) the advances in respect of local loans made by the Loan Commissioners during that period up to that time,

shall not exceed the sum of seven hundred and fifty million pounds.

2 Interest on loans

- (1) Any sums borrowed from the Local Loans Fund after the passing of this Act shall bear interest at such rates—
- (a) as may be fixed by the Treasury from time to time having regard to the length of time for which those sums are borrowed; and
 - (b) as in the opinion of the Treasury are sufficient to enable those sums to be borrowed without loss to that Fund or the Exchequer;
- and different rates may be fixed in respect of different sums borrowed for the same length of time.
- (2) In the case of sums borrowed as aforesaid otherwise than on the security of local rates—
- (a) the rates of interest may differ from those which would be applicable if those sums had been borrowed on such security;
 - (b) in fixing the rate of interest in respect of any sum borrowed the Treasury may take into account the nature and value of the security on which that sum is borrowed.
- (3) Any reference in any Act passed, or in any other document made, before the date of the passing of this Act to the rate which at a particular time was the rate fixed by the Treasury under section 1 of the Public Works Loans Act 1897 in respect of loans of a particular class shall be construed, where that time falls after that date, as a reference to the rate which at that time was the rate fixed by the Treasury under this section in respect of loans of that class made on the security of local rates or, where there is more than one rate so fixed, to such of those rates as the Treasury may from time to time direct either generally or with respect to particular Acts or other documents.
- (4) The Treasury shall cause—
- (a) the rates of interest fixed from time to time under this section in respect of sums borrowed on the security of local rates; and
 - (b) any direction given under subsection (3) of this section,
- to be published in the London and Edinburgh Gazettes as soon as may be after the fixing of those rates or, as the case may be, the giving of that direction.
- (5) For the purposes of this section—
- (a) the expression " local rate " means any rate levied or assessed, the proceeds of which are applicable to public local purposes, and which is levied on the basis of a valuation of property, and includes any sum which, though obtained in the first instance by a precept, certificate, or other instrument requiring payment from some authority or officer, is or can be ultimately raised out of such a rate as aforesaid ;
 - (b) the expression " security of local rates" includes a security guaranteed by a local rate.

3 Enactments to cease to have effect

Without prejudice to the provisions of any other enactment, the following enactments shall cease to have effect, that is to say—

- (a) so much of section 9 of the Public Works Loans Act 1875 as requires the Loan Commissioners, in considering the propriety of granting a loan, to determine whether the work or purchase of land for which the loan is asked would be

such a benefit to the public as to justify a loan out of public money, having regard to the amount of money placed at their disposal by Parliament;

- (b) in section 11 of the said Act of 1875—
 - (i) so much of the first paragraph thereof as requires the repayment of a loan by the Loan Commissioners to be made by instalments in the form of an annuity or otherwise ;
 - (ii) the fourth paragraph thereof (which specifies certain matters to which the Loan Commissioners, or the Loan Commissioners and the Treasury, are to have regard in considering certain questions relating to the duration of such a loan);
 - (iii) the fifth paragraph thereof (which relates to the first instalment for the repayment of such a loan);
- (c) section 36 of the said Act of 1875 (which charges the Minister of Housing and Local Government with the duty of satisfying himself as to the application of any such loan advanced on the security of a rate);
- (d) section 9 of the Public Works Loans Act 1881 (which relates to the application of surplus balances of such loans on the security of a rate);
- (e) section 8 of the Public Works Loans Act 1882 (which requires a separate account to be kept in connection with any such loan on the security of a rate);
- (f) so much of section 4(1) of the Local Authorities Loans Act 1945 as requires the authority of the said section 11 for the grant of a longer period not exceeding five years for the repayment of the first instalment of such a loan than would otherwise be permitted;
- (g) in section 260(1) of the Local Government (Scotland) Act 1947, paragraph (i) of the proviso (which restricts temporary borrowing by local authorities in Scotland).

4 Debts not to be reckoned among assets of Local Loans Fund

Whereas it is expedient that the principal of the local loans specified in the Table contained in Schedule 1 to this Act should, to the extent specified in the third column of that Table, not be reckoned as assets of the Local Loans Fund:

Now therefore the principal of the said loans to the extent aforesaid shall be written off from the account of assets of the Local Loans Fund, and the provisions of section 15 of the National Debt and Local Loans Act 1887 shall, so far as applicable, apply thereto.

5 Remission of balance of principal and interest on certain local loans

Whereas the principal of the local loans specified in the Tables contained in Schedule 1 and Schedule 2 to this Act is irrecoverable to the extent of the sums specified in the third column of those Tables and, in the case of the loans specified in the said Schedule 2, has been written off from the account of assets of the Local Loans Fund by the enactments respectively specified in the fourth column of the Table in that Schedule:

Now therefore the principal of the said loans shall, to the extent aforesaid, be extinguished, and all arrears of interest; thereon shall be remitted.

6 Re-borrowing powers of public authorities

- (1) The provisions of this section shall have effect notwithstanding anything in any of the following enactments (which relate to the re-borrowing powers of local authorities), that is to say, section 216(1) of the Local Government Act 1933, section 140(1) and (2) of the London Government Act 1939 and section 277(1) of the Local Government (Scotland) Act 1947 (including any of those enactments as applied by or under any other enactment), or any other enactment with respect to the re-borrowing powers of any other public authority.
- (2) Where a local authority or other public authority have borrowed moneys in pursuance of powers conferred by or under any Act and the loan is repayable by instalments or annual payments, any power of the authority to borrow under any of the enactments referred to in subsection (1) of this section shall be exercisable in connection with the repayment of that loan, but, subject to subsection (4) of this section, shall be so exercisable only—
 - (a) for the purpose of repaying forthwith, and before they would otherwise become due for repayment, all sums for the time being outstanding by way of principal on the loan; or
 - (b) where the authority borrowed the moneys for a period less than the maximum period for which they were authorised so to do, for the purpose of the payment of any amount by which any instalment or annual payment exceeds what it would have been if it had been calculated by reference to that maximum period.
- (3) Where a local authority or other public authority have borrowed moneys in pursuance of powers conferred by or under any Act, not being a loan repayable by instalments or annual payments, and payments towards the repayment of the loan have been made by the authority into any sinking or other fund maintained by the authority wholly or partly for the purpose of that repayment, any power of the authority to borrow under any of the enactments referred to in subsection (1) of this section shall be exercisable with respect to that loan, but, subject to subsection (4) of this section, shall be so exercisable only for the purpose of the repayment of the amount, if any, by which the principal of the loan exceeds the aggregate amount of those payments.
- (4) Any power of a local authority or other public authority to borrow under any of the enactments referred to in subsection (1) of this section shall be exercisable for the purpose of replacing moneys which, during the preceding twelve months, have been temporarily applied from other moneys of the authority in making such a repayment or payment as is authorised by subsection (2) or (3) of this section, and which at the time of that repayment or payment it was intended to replace by borrowed moneys.

7 Loans to Government of Northern Ireland

- (1) In the proviso to section 2(1) of the Miscellaneous Financial Provisions Act 1950 (which, as amended by section 3 of the Miscellaneous Financial Provisions Act 1955, restricts to thirty million pounds the total principal amount outstanding in respect of advances to the Exchequer of Northern Ireland under the said section 2 for the purposes of loans for public work in Northern Ireland), for the words " thirty million pounds " there shall be substituted the words " forty million pounds. "
- (2) In section 2(5) of the said Act of 1950, the reference to the Government Loans Act (Northern Ireland) 1939 shall be construed as including, and as having always included, a reference to any subsequent enactment of the Parliament of Northern

Ireland re-enacting that Act with or without modifications (and, in particular, to the Government Loans Act (Northern Ireland) 1957) or amending that Act or any such subsequent enactment.

8 Expenses

There shall be defrayed out of moneys provided by Parliament any increase attributable to this Act in the sums payable out of moneys so provided by way of Rate-deficiency Grant or Exchequer Equalisation Grant under the enactments relating to local government in England and Wales or in Scotland.

9 Short title, repeals and extent

- (1) This Act may be cited as the Public Works Loans Act 1964.
- (2) The enactments set out in Schedule 3 to this Act are hereby repealed to the extent specified in the third column of that Schedule.
- (3) The following provisions only of this Act shall extend to Northern Ireland (being the only such provisions capable of operating there), that is to say—
 - (a) section 5 so far as it relates to the loan to the Carlingford Lough Improvement Commissioners referred to in Schedule 2;
 - (b) section 7;
 - (c) the repeals effected in the Military Lands Act 1892 and the Miscellaneous Financial Provisions Act 1955.

Status: This is the original version (as it was originally enacted).

SCHEDULES

SCHEDULE 1

LOANS TO BE WRITTEN OFF AND EXTINGUISHED

LOANS BY LOAN COMMISSIONERS UNDER THE HARBOURS AND PASSING TOLLS, &C. ACT 1861

Name of Borrower	Amount of loan		Amount of principal to be written off and extinguished	
	£	£	s.	d.
Mevagissey Harbour Trustees	22,000	21,524	10	0
Mousehole Harbour Improvement Commissioners	5,500	4,124	2	3
St. Ives Corporation	29,800	22,440	7	4

NOTE.—The Loan to the Mevagissey Harbour Trustees referred to in the Table above consists of sums advanced to those Trustees after the passing of s. 2 of the Public Works Loans (No. 2) Act 1893.

SCHEDULE 2

LOANS ALREADY WRITTEN OFF TO BE EXTINGUISHED

LOANS BY LOAN COMMISSIONERS UNDER THE HARBOURS AND PASSING TOLLS, &C. ACT 1861

Name of Borrower	Amount of loan	Amount of principal previously written off and now to be extinguished		Enactment under which principal written off	
	£	£	s.	d.	
Carlingford Lough Improvement Commissioners	80,000	79,166	0	0	S. 3 of Public Works Loans Act 1887.

Status: This is the original version (as it was originally enacted).

Name of Borrower	Amount of loan	Amount of principal previously written off and now to be extinguished			Enactment under which principal written off
Mevagissey Harbour Trustees	22,000	22,000	0	0	S. 2 of Public Works Loans (No. 2) Act 1893.

SCHEDULE 3

ENACTMENTS REPEALED

Chapter	Short Title	Extent of Repeal
38 & 39 Vict. c. 89.	The Public Works Loans Act 1875.	Section 9 from " and" onwards. Section 10. In section 11, the words "by instalments (in the form of an annuity or otherwise)" and the words from " The Loan Commissioners in considering " onwards. Section 36
41 & 42 Vict. c. 18.	The Public Works Loans Act 1878.	Section 4.
42 & 43 Vict. c. 77.	The Public Works Loans Act 1879.	The whole Act.
44 & 45 Vict. c. 38.	The Public Works Loans Act 1881.	Sections 8 and 9.
45 & 46 Vict. c. 62.	The Public Works Loans Act 1882.	Section 8.
55 & 56 Vict. c. 43.	The Military Lands Act 1892.	Section 7(2) from " and shall " onwards.
55 & 56 Vict. c. 61.	The Public Works Loans Act 1892.	Section 2.
56 & 57 Vict. c. 40.	The Public Works Loans (No. 2) Act 1893.	The whole Act.
59 & 60 Vict. c. 42.	The Public Works Loans Act 1896.	Section 2 from "Provided" onwards.
60 & 61 Vict. c. 51.	The Public Works Loans Act 1897.	Sections 1, 11 and 12(1) to (3).

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Chapter	Short Title	Extent of Repeal
8 Edw. 7. c. 23.	The Public Works Loans Act 1908.	Section 6(2) from " and " onwards.
8 Edw. 7.c. 36.	The Smallholdings and Allotments Act 1908.	In section 52(2), paragraph (a) of the proviso.
7 & 8 Geo. 5. c. 32.	The Public Works Loans Act 1917.	The whole Act.
8 & 9 Geo. 5. c. 27.	The Public Works Loans Act 1918.	The whole Act.
26 Geo. 5. & 1 Edw. 8. c. 5.	The Public Works Loans Act 1935.	Section 5(1).
1 & 2 Geo. 6. c. 7.	The Public Works Loans (No. 2) Act 1937.	Section 3(1) from " and " onwards.
8 & 9 Geo. 6. c. 18.	The Local Authorities Loans Act 1945.	In section 4(1), the words from " authorised " to " a period". Section 6.
9 & 10 Geo. 6. c. 75.	The Public Works Loans (No. 2) Act 1946.	In section 2(1), the words " subject to the provisions of this section ". Section 2(2) to (4)
10 & 11 Geo. 6. c. 43.	The Local Government (Scotland) Act 1947.	In section 260(1), paragraph (i) of the proviso.
11 & 12 Geo. 6. c. 13.	The Public Works Loans Act 1947.	The whole Act.
11 & 12 Geo. 6. c. 48.	The Public Works Loans Act 1948.	The whole Act.
12, 13 & 14 Geo. 6. c. 82.	The Public Works Loans Act 1949.	The whole Act.
14 Geo. 6. c. 34.	The Housing (Scotland) Act 1950.	Section 135.
14 & 15 Geo. 6. c. 5.	The Public Works Loans Act 1950.	The whole Act.
15 & 16 Geo. 6. & 1 Eliz. 2. c. 5.	The Public Works Loans Act 1951.	The whole Act.
1 & 2 Eliz. 2. c. 3.	The Public Works Loans Act 1952.	The whole Act except sections 6 and 7.
2 & 3 Eliz. 2. c. 6.	The Public Works Loans Act 1953.	The whole Act.
3 & 4 Eliz. 2. c. 9.	The Public Works Loans Act 1955.	The whole Act,

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Chapter	Short Title	Extent of Repeal
4 & 5 Eliz. 2. c. 6.	The Miscellaneous Financial Provisions Act 1955.	Section 3.
4 & 5 Eliz. 2. c. 65.	The Public Works Loans Act 1956.	The whole Act.
5 & 6 Eliz. 2. c. 56.	The Housing Act 1957.	Section 139.
6 & 7 Eliz. 2. c. 4.	The Public Works Loans Act 1957.	The whole Act.
6 & 7 Eliz. 2. c. 42.	The Housing (Financial Provisions) Act 1958.	Sections 47(7) and 54(4)(a).

TABLE OF STATUTES REFERRED TO IN THIS ACT

Short Title	Session and Chapter
Public Works Loans Act 1875	38 & 39 Vict. c. 89.
Public Works Loans Act 1881	44 & 45 Vict. c. 38.
Public Works Loans Act 1882	45 & 46 Vict. c. 62.
National Debt and Local Loans Act 1887	50 & 51 Vict. c. 16.
Military Lands Act 1892	55 & 56 Vict. c. 43.
Public Works Loans Act 1897	60 & 61 Vict. c. 51.
Local Government Act 1933	23 & 24 Geo. 5. c. 51.
London Government Act 1939	2 & 3 Geo. 6. c. 40.
Local Authorities Loans Act 1945	8 & 9 Geo. 6. c. 18.
Public Works Loans (No. 2) Act 1946	9 & 10 Geo. 6. c. 75.
Local Government (Scotland) Act 1947	10 & 11 Geo. 6. c. 43.
Miscellaneous Financial Provisions Act 1950	14 Geo. 6. c. 21.
Miscellaneous Financial Provisions Act 1955	4 & 5 Eliz. 2. c. 6.