



# Allotments Act 1925

## 1925 CHAPTER 61

### **2 Loans by Commissioners to allotment societies**

- (1) Subject to such conditions and during such period as the Treasury may prescribe, and up to an aggregate amount approved by the Treasury, the Commissioners may, in manner provided by the Public Works Loans Act, 1875, as amended by this section, lend to any approved society money required for the purpose of purchasing land to be used as allotments.
- (2) Any loan made under the powers of this section shall be secured by mortgage or charge on the lands in respect of which the loan is made, and such other land or property (if any) as the society is willing to mortgage or charge with repayment of the loan,
- (3) Lands purchased by an approved society, and in respect of which a loan is made by the Commissioners, shall thereafter, while owned by such society, be let to members of such society or others and used as allotments, provided that it shall be competent for the society to dispose of the land or any part thereof if so authorised by a resolution passed by two-thirds at least of the members present at a meeting of the society convened for this purpose by a notice stating the proposal for sale, and if the consent of the Minister of Agriculture and Fisheries is obtained:

Provided also that, if at the time of such sale any part of a loan made under this section remains unpaid, the sale shall also be subject to the consent of the Commissioners.

Nothing in this subsection shall affect or apply to the use or disposal of any such land by the Commissioners or any persons deriving title under them in such manner as they may think fit.

- (4) The Commissioners shall not under this section advance a sum in excess of two-thirds of the value, as ascertained to the satisfaction of the Commissioners, of the land proposed to be acquired or make any advance to a society except where it is shown to the satisfaction of the Commissioners that an amount equal to one-third of the value of the land to be purchased has been provided from other sources in a manner approved by the Commissioners and has been, or will be, expended in part payment of the purchase price of the land to be mortgaged to the Commissioners.

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*Status: This is the original version (as it was originally enacted).*

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- (5) The rate of interest payable on the mortgage shall be such rate as the Treasury shall from time to time prescribe.
- (6) The amount secured by the mortgage or charge, With interest thereon, shall be repayable within a period not exceeding thirty-five years by equal yearly or half-yearly instalments of principal and interest combined.
- (7) The land comprised in the mortgage or charge must be freehold or copyhold land free from any mortgage or other charge affecting it in priority to the mortgage or charge of the Commissioners.
- (8) For the purposes of this Act "approved society" means—
  - (a) a society registered under the Industrial and Provident Societies Acts, 1893 to 1923, or the Friendly Societies Acts, 1896 to 1924, one of whose objects is the provision of allotments, and which, by its constitution or otherwise, is restricted in relation to the rate of interest on share and loan capital and the distribution of profits amongst its members so as to comply with regulations made in that behalf by the Treasury; or
  - (b) a company registered under the Companies Acts, 1908 to 1918, which does not trade for profit, or whose constitution forbids the issue of any share or loan capital with interest or dividend exceeding the rate for the time being prescribed by the Treasury.
- (9) The powers conferred by this section on the Commissioners are in addition to and not in derogation of any powers conferred on them by any other enactment.