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STATUTORY INSTRUMENTS

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**1991 No. 1139**

**LOCAL LOANS**

**The Local Loans (Procedure) (Amendment) Regulations 1991**

*Made* - - - - *26th April 1991*  
*Laid before Parliament* *10th May 1991*  
*Coming into force* - - *1st June 1991*

The Public Works Loan Commissioners, in exercise of the powers conferred on them by section 41 of the Public Works Loans Act 1875(1) and of all other powers enabling them in that behalf, with the approval of the Treasury, hereby make the following Regulations:

**Citation, commencement and interpretation**

1. These Regulations may be cited as the Local Loans (Procedure)(Amendment) Regulations 1991 and shall come into force on 1st June 1991.
2. In these Regulations a reference to the principal Regulations is a reference to the Local Loans (Procedure) Regulations 1968(2).

**Amendment of regulation 3 of the principal Regulations**

3.—(1) The following paragraph shall be substituted for paragraph (3) of regulation 3 of the principal Regulations—

“(3) Subject as provided in paragraph (4) of this regulation, where the amount of an advance after deduction of any fees is £5,000 or more the Secretary to the Commissioners shall instruct the Cashiers of the Bank of England to transfer such amount from the Public Works Loans(Advances) Account to a bank specified by the borrower for his account by automated direct credit transfer.”.

(2) The following paragraphs shall be inserted after paragraph (3) of regulation 3 to the principal Regulations—

“(4) Where it is impracticable to transfer an amount described in paragraph (3) of this regulation by automated direct credit transfer or where the amount of an advance after deduction of any fees is less than £5,000 the Secretary to the Commissioners shall sign an order to the Cashiers of the Bank of England for payment of such amount from the Public

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(1) 1875 c. 89; section 41 was amended by the National Loans Act 1968(c.13), section 24 and Schedule 6, Part II and by the Statute Law(Repeals) Act 1986 (c. 12), Schedule 1, Part XII.  
(2) S.I.1968/458.

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Works Loans (Advances) Account to a bank specified by the borrower and shall deliver such order to the bank with details of the borrower's account to be credited.

(5) No instructions shall be given or order signed by the Secretary to the Commissioners to the Cashiers of the Bank of England under paragraphs (3) and (4) of this regulation unless the fees payable in respect of the advance which is the subject of the instructions or order have been or are paid in accordance with the Public Works Loans (Fees) Regulations 1961<sup>(3)</sup>.

(6) In a case in which the Commissioners and the borrower have agreed that payment of fees in respect of an advance shall be made by way of a deduction therefrom, the references in paragraphs (3) and (4) of this regulation to the amount of an advance shall be construed as a reference to the net amount thereof.”

25th April 1991

*Ian H Peattie*  
Secretary Public Works Loan Board

Approved

26th April 1991

*Thomas Sackville*  
*Sydney Chapman*  
Two of the Lords Commissioners of Her Majesty's Treasury

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(3) S.I. 1961/1087, amended by S.I. 1982/1089, 1991/1140.

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## EXPLANATORY NOTE

*(This note is not part of the Regulations)*

These Regulations amend the Local Loans (Procedure) Regulations 1968 by providing for payment of advances of £5,000 or more to be made by automated direct credit transfer or, where this is impracticable, by order to the borrower's bank, and for payment of advances of less than £5,000 to be made by order to the borrower's bank. Advances are to be made after payment of fees, or, where it has been agreed that fees are to be deducted from advances, are to be made net of fees.