



Water Resources Act 1991

1991 CHAPTER 57

PART VI

FINANCIAL PROVISIONS IN RELATION TO THE AUTHORITY

CHAPTER III

GRANTS AND LOANS

Borrowing by the Authority

151 Borrowing powers of the Authority.

- (1) The Authority shall be entitled to borrow in accordance with the following provisions of this section, but not otherwise.
- (2) Subject to subsection (4) below, the Authority may, with the consent of either of the Ministers and with the approval of the Treasury, borrow temporarily in sterling, by way of overdraft or otherwise, from persons other than the Ministers, such sums as it may require for meeting its obligations and carrying out its functions.
- (3) Subject to subsection (4) below, the Authority may borrow, otherwise than by way of temporary loan, such sums in sterling from either of the Ministers as it may require for capital purposes in connection with the carrying out of its flood defence functions.
- (4) The aggregate amount outstanding in respect of the principal of sums borrowed under this section by the Authority shall not at any time exceed £100 million or such greater sum, not exceeding £160 million, as the Ministers may specify by order made by statutory instrument.
- (5) No order shall be made under subsection (4) above unless a draft of the order has been laid before the House of Commons and has been approved by a resolution of that House.

Status: Point in time view as at 01/12/1991.

Changes to legislation: There are currently no known outstanding effects for the Water Resources Act 1991, Cross Heading: Borrowing by the Authority. (See end of Document for details)

152 Loans to the Authority.

- (1) Each of the Ministers shall have power, with the approval of the Treasury, to lend any sums to the Authority which the Authority has power to borrow under section 151(3) above.
- (2) Any loan made by one of the Ministers under this section shall be repaid to him at such times and by such methods, and interest on the loan shall be paid to him at such rates and at such times, as that Minister may with the approval of the Treasury from time to time determine.
- (3) Any sums required by either of the Ministers for making a loan under this section shall be paid out of money provided by Parliament; and any sums received by either of them in pursuance of subsection (2) above shall be paid into the Consolidated Fund.
- (4) Each of the Ministers shall-
 - (a) prepare in respect of each financial year an account of the sums lent by him to the Authority under this section; and
 - (b) before the end of September in the following financial year send that account to the Comptroller and Auditor General;
 and the form of the account and the manner of preparing it shall be such as the Treasury may direct.
- (5) The Comptroller and Auditor General shall examine, certify and report on each account sent to him under this section and shall lay copies of it and of his report before each House of Parliament.

153 Treasury guarantees of the Authority's borrowing.

- (1) Each of the Ministers shall have power, with the consent of the Treasury, to guarantee, in such manner and on such conditions as he may think fit, the repayment of the principal of, the payment of interest on and the discharge of any other financial obligation in connection with any sum which the Authority borrows from any person.
- (2) Immediately after a guarantee is given under this section the Minister who gave it shall lay a statement of the guarantee before each House of Parliament.
- (3) Where any sum is paid out for fulfilling a guarantee under this section the Minister who gave the guarantee shall, as soon as possible after the end of each financial year (beginning with that in which the sum is paid out and ending with that in which all liability in respect of the principal of the sum and in respect of the interest thereon is finally discharged), lay before each House of Parliament a statement relating to that sum.
- (4) Any sums required by either of the Ministers for fulfilling a guarantee under this section shall be paid out of money provided by Parliament.
- (5) If any sums are paid out in fulfilment of a guarantee under this section, the Authority shall make to the Minister who gave the guarantee, at such times and in such manner as that Minister may from time to time direct—
 - (a) payments of such amounts as that Minister may so direct in or towards repayment of the sums so paid out; and
 - (b) payments of interest, at such rate as that Minister may so direct, on what is outstanding for the time being in respect of sums so paid out;

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and the consent of the Treasury shall be required for the giving of a direction under this subsection.

- (6) Any sums received by either of the Ministers under subsection (5) above shall be paid into the Consolidated Fund.

Status:

Point in time view as at 01/12/1991.

Changes to legislation:

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