



CHAPTER xxxix.

An Act to confer upon the mayor aldermen and citizens of the city of Salford borrowing and other financial powers and for other purposes. A.D. 1929.
[10th May 1929.]

WHEREAS the mayor aldermen and citizens of the city of Salford (hereinafter referred to as "the Corporation") carry on an omnibus undertaking within the said city and in certain adjacent districts and it is expedient that they should be empowered to raise money for the provision of omnibuses in connection with that undertaking :

And whereas it is expedient that the powers contained in this Act with reference to the use by the Corporation of sinking funds and redemption funds in lieu of borrowing money should be granted :

And whereas the objects of this Act cannot be attained without the authority of Parliament :

And whereas in relation to the promotion of the Bill for this Act the requirements of the Borough Funds Acts 1872 and 1903 have been observed :

May it therefore please Your Majesty that it may be enacted and be it enacted by the King's most Excellent Majesty by and with the advice and consent of the Lords Spiritual and Temporal and Commons in this present

[Ch. xxxix.] *Salford Corporation* [19 & 20 GEO. 5.]
Act, 1929.

- A.D. 1929. Parliament assembled and by the authority of the same
— as follows (that is to say) :—
- Short title. 1. This Act may be cited as the Salford Corporation
Act 1929.
- Interpreta- 2. In and for the purposes of this Act—
tion. The expression “the Corporation” means the
 mayor aldermen and citizens of the city of
 Salford;
 The expression “the Minister” means the Minister
 of Health;
 The expression “the borough fund” means the
 borough fund of the city of Salford until the
 date of the first new valuation as defined in
 the Rating and Valuation Act 1925 and
 thereafter the general rate fund of the city;
 The expression “statutory borrowing power”
 means any power whether coupled with a
 duty of borrowing or continuing on loan or
 re-borrowing money or of redeeming or paying
 off or creating or continuing payment of or
 in respect of any annuity rentcharge rent or
 other security representing or granted in lieu
 of consideration money for the time being
 existing under any Act of Parliament public
 or local passed or to be passed or under any
 Provisional Order confirmed by Act of Parlia-
 ment passed or to be passed or under any
 order or sanction of any Government depart-
 ment made or given, or to be made or given
 by authority of any Act of Parliament passed
 or to be passed;
 The expression “Corporation security” means
 any stock mortgage grant of annuity bill or
 other security issued or granted or to be
 issued or granted by the Corporation under any
 statutory borrowing power.
- Power to 3. The Corporation may from time to time indepen-
borrow. dently of and in addition to any other borrowing power
 borrow at interest for the purposes mentioned in the
 first column of the following table the respective sums
 mentioned in the second column thereof and in order
 to secure the repayment of the said sums and the pay-
 ment of interest thereon they may mortgage or charge
 their funds rates revenues and properties and they shall

[19 & 20 GEO. 5.] *Salford Corporation* [Ch. xxxix.]
Act, 1929.

pay off all moneys so borrowed within the respective periods mentioned in the third column of the said table which shall be deemed to be the prescribed periods for the purposes of the enactments applied by this Act (namely):—

A.D. 1929.
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1.	2.	3.
Purpose.	Amount.	Period for repayment.
(a) For the provision of omnibuses	£ 50,000	Seven years from the date or dates of borrowing.
(b) For paying the costs charges and expenses of obtaining this Act as hereinafter defined.	The sum requisite.	Five years from the passing of this Act.

4. The powers of borrowing money given by this Act shall not be restricted by any of the regulations contained in section 234 (Regulations as to exercise of borrowing powers) of the Public Health Act 1875 and in calculating the amount which the Corporation may borrow under that Act any sums which they may borrow under this Act shall not be reckoned.

Section 234 of Public Health Act not to apply.

5.—(1) The Corporation shall repay the moneys borrowed under this Act (other than moneys borrowed under the provisions of the Local Loans Act 1875) by equal yearly or half-yearly instalments of principal or by equal yearly or half-yearly instalments of principal and interest combined or by means of a sinking fund or partly by one of those methods and partly by another or others of them.

Mode of repayment.

(2) Subject to the provisions of the section of this Act of which the marginal note is "Increase reduction or discontinuance of payments to sinking fund" if the Corporation determine to repay by means of a sinking fund any moneys borrowed under this Act the sinking fund shall be formed and maintained either—

(a) by payment to the fund throughout the prescribed period of such equal sums as will together amount to the moneys for the repayment of which the sinking fund is formed A sinking fund so formed is hereinafter called a "non-accumulating sinking fund" ; or

[Ch. xxxix.] *Salford Corporation* [19 & 20 GEO. 5.]
Act, 1929.

A.D. 1929.

(b) by payment to the fund throughout the prescribed period of such equal annual sums as with accumulations at such rate as the Minister of Health shall from time to time approve will be sufficient to pay off within the prescribed period the moneys for the repayment of which the sinking fund is formed. A sinking fund so formed is hereinafter called an "accumulating sinking fund."

(3) Every sum paid to a sinking fund and in the case of an accumulating sinking fund the interest on the investments of the sinking fund shall unless applied in repayment of the loan in respect of which the sinking fund is formed be immediately invested in securities in which trustees are by law for the time being authorised to invest or in mortgages bonds debentures debenture stock stock or other securities (not being annuity certificates or securities payable to bearer) duly issued by any local authority as defined by section 34 of the Local Loans Act 1875 but exclusive in every case of the securities of the Corporation and the Corporation shall be at liberty from time to time to vary and transpose the investments.

(4) In the case of a non-accumulating sinking fund the interest on the investments of the fund may be applied by the Corporation towards the equal annual payments to the fund.

(5) The Corporation may at any time apply the whole or any part of any sinking fund in or towards the discharge of the money for the repayment of which the fund is formed. Provided that in the case of an accumulating sinking fund the Corporation shall pay into the fund each year and accumulate during the residue of the prescribed period a sum equal to the interest which would have been produced by the sinking fund or the part of the sinking fund so applied if invested at the rate per centum per annum on which the annual payments to the sinking fund are based.

(6) (a) If and so often as the income of an accumulating sinking fund is not equal to the income which would be derived from the amount invested if the same were invested at the rate per centum per annum on which the equal annual payments to the fund are based any deficiency shall be made good by the Corporation.

(b) If and so often as the income of an accumulating sinking fund is in excess of the income which would be derived from the amount invested if the same were invested at the rate per centum per annum on which the equal annual payments to the fund are based any such excess may be applied towards those equal annual payments. A.D. 1929.
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(7) Any expenses connected with the formation maintenance investment application or management of or otherwise in relation to any sinking fund under this Act shall be paid by the Corporation in addition to the payments provided for by this Act.

6.—(1) If it appears to the Corporation at any time that the amount in the sinking fund with the future payments thereto in accordance with the provisions of this Act together with the accumulations thereon (in the case of an accumulating sinking fund) will probably not be sufficient to repay within the prescribed period the moneys for the repayment of which the sinking fund is formed it shall be the duty of the Corporation to make such increased payments to the sinking fund as will cause the sinking fund to be sufficient for that purpose. Increase
reduction
or discon-
tinuance of
payments
to sinking
fund.
Provided that if it appears to the Minister that any such increase is necessary the Corporation shall increase the payments to such extent as the Minister may direct.

(2) If the Corporation desire to accelerate the repayment of any loan they may increase the amounts payable to any sinking fund.

(3) If in the opinion of the Minister the amount in any sinking fund with the future payments thereto in accordance with the provisions of this Act together with the accumulations thereon (in the case of an accumulating sinking fund) will probably be more than sufficient to repay within the prescribed period the moneys for the repayment of which the sinking fund is formed the Corporation may reduce the payments to be made to the sinking fund either temporarily or permanently to such an extent as the Minister approves.

(4) If in the opinion of the Minister the amount in any sinking fund at any time together with the accumulations thereon (in the case of an accumulating sinking fund) will probably be sufficient to repay the loan in respect of which it is formed within the prescribed period

A.D. 1929. the Corporation may with the consent of the Minister
discontinue the equal annual payments to the sinking
fund until the Minister otherwise directs.

(5) Any surplus of any sinking fund remaining after
the discharge of the whole of the moneys for the repay-
ment of which it was formed shall be applied to such
purpose or purposes as the Corporation with the consent
of the Minister may determine.

Power to
re-borrow.

7.—(1) The Corporation shall have power—

(a) to borrow for the purpose of paying off any
moneys previously borrowed under this Act
which are intended to be forthwith repaid; or

(b) to borrow in order to replace moneys which
during the previous twelve months have been
temporarily applied from other funds of the
Corporation in repaying moneys previously
borrowed under this Act and which at the
time of such repayment it was intended to
replace by borrowed moneys.

(2) Any moneys borrowed under this section shall
for the purposes of repayment be deemed to form part
of the original loan and shall be repaid within that portion
of the prescribed period which remains unexpired and
the provisions which are for the time being applicable
to the original loan shall apply to the moneys borrowed
under this section.

(3) The Corporation shall not have power to borrow
for the purpose of making any payment to a sinking
fund or of paying any instalment or making any annual
payment which has or may become due in respect of
borrowed moneys.

(4) The Corporation shall not have power to borrow
in order to replace any moneys previously borrowed
which have been repaid—

(a) by instalments or annual payments; or

(b) by means of a sinking fund; or

(c) out of moneys derived from the sale of land; or

(d) out of any capital moneys properly applicable
to the purpose of the repayment other than
moneys borrowed for that purpose.

8. All moneys from time to time borrowed under this Act shall be applied by the Corporation only for the purposes for which the same are respectively authorised to be borrowed excepting that moneys which may have been borrowed in excess of the amount required shall be applied in such manner as the Corporation with the approval of the Minister determine.

A.D. 1929.
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Application of borrowed moneys.

9.—(1) Subject to the provisions of this section any mortgagee of the Corporation in respect of a mortgage under this Act may enforce the payment of arrears of interest or of principal or of principal and interest by the appointment of a receiver.

Receiver.

(2) The application for the appointment of a receiver shall be made to the High Court and the court if it thinks fit may appoint a receiver on such terms as it thinks fit and may at any time discharge the receiver and otherwise exercise full jurisdiction over him :

Provided that no such application shall be entertained unless the amount of arrears due to the applicant or in the case of a joint application by two or more mortgagees to the applicants collectively be not less than five hundred pounds in the whole.

10. All expenses incurred by the Corporation in carrying into execution the provisions of this Act (except such expenses as are to be paid out of borrowed money) shall be paid out of the borough fund or such other fund as the Corporation may from time to time determine.

Expenses of execution of Act.

11.—(1) Where the Corporation are authorised by any statutory borrowing power to raise money for any purpose they may instead of exercising such borrowing power by the issue of any fresh Corporation security in respect thereof exercise the said power and raise the said money either wholly or partially by using for such purpose so much of any money for the time being forming part of any sinking fund as shall be available for the repayment of—

Power to use sinking funds instead of borrowing.

(a) a loan which is secured by a charge on the same rate fund or revenue as would be specifically chargeable as the security for the repayment

[Ch. xxxix.] *Salford Corporation* [19 & 20 GEO. 5.]
Act, 1929.

A.D. 1929.
—

of a loan under the statutory borrowing power if the same were raised by the issue of a fresh Corporation security and which is not shown by the deed to be raised in exercise of a particular borrowing power specified therein; or

(b) moneys borrowed and charged upon the funds rates revenues and properties of the Corporation in manner provided by section 34 (Mortgages to be charged on all funds &c. of Corporation) of the Salford Corporation Act 1900.

(2) The Corporation when exercising the powers conferred upon them by this section shall—

(a) withdraw from the sinking fund a sum equal to so much of the statutory borrowing power as is proposed to be exercised by the user of moneys from such sinking fund;

(b) credit such sinking fund with the repayment of an amount of the principal moneys for the repayment of which the fund is established equal to the sum withdrawn from the sinking fund and thereupon the amount so credited shall be deemed to be principal moneys discharged by application of the sinking fund;

(c) debit the account of the statutory borrowing power proposed to be exercised with an amount of the principal moneys equal to the sum withdrawn from such sinking fund and thereupon the statutory borrowing power shall be deemed to have been exercised as fully as if the said amount had been raised by the issue of a fresh Corporation security and the provisions of any enactment as to the repayment and re-borrowing of sums raised under the statutory borrowing power shall apply thereto accordingly.

(3) The provisions of this section shall not apply to any sinking fund formed under the Local Loans Act 1875.

Power to
use redemp-
tion and
other funds
instead of
borrowing.

12. Notwithstanding anything contained in any previous enactment the Corporation may use for the purpose of any statutory borrowing power exerciseable by them any moneys forming part but not for the time being required for the purposes of any fund

accumulated for the redemption of any stock issued by them or as a reserve renewals depreciation contingent insurance or other similar fund (each of which funds is in this section referred to as a "lending fund") subject to the following conditions :—

A.D. 1929.
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- (1) The moneys so used shall be repaid to the lending fund within the period by the methods and out of the fund rate or revenue within by and out of which a loan raised under the statutory borrowing power would be repayable :

Provided that the Corporation shall repay to the lending fund the moneys so used or the balance thereof for the time being outstanding as the case may be as and when the same shall be required for the purposes of the lending fund and may if they so resolve repay the same at any time within the period aforesaid and in either case the repayment shall be made out of the fund rate or revenue aforesaid or out of moneys which would have been applicable to the repayment of a loan if raised under the statutory borrowing power :

- (2) Interest shall be paid to the lending fund on any moneys so used and for the time being not repaid at such rate per centum per annum as may be determined by the Corporation to be equal as nearly as may be to the rate of interest which would be payable on a loan raised on mortgage under the statutory borrowing power and such interest shall be paid out of the fund rate or revenue which would be applicable to the payment of interest on a loan raised under the statutory borrowing power :

- (3) The statutory borrowing power shall be deemed to be exercised by such use as fully in all respects as if a loan of the same amount had been raised in exercise of the power and the provisions of any enactment as to re-borrowing of sums raised under the statutory borrowing power shall apply accordingly.

[Ch. xxxix.] *Salford Corporation* [19 & 20 GEO. 5.]
Act, 1929.

A.D. 1929.

Information
to be
furnished
to Minister
of Health.

13. The Corporation shall furnish to the Minister all such information (if any) as he may require with regard to the exercise of the powers contained in the sections of this Act of which the marginal notes are respectively "Power to use sinking funds instead of borrowing" and "Power to use redemption and other funds instead of borrowing."

Costs of
Act.

14. All costs charges and expenses of and incidental to the preparing for obtaining and passing of this Act or otherwise in relation thereto as taxed by the taxing officer of the House of Lords or of the House of Commons shall be paid by the Corporation out of the borough fund or such other fund as the Corporation may determine or out of money to be borrowed for that purpose under the powers of this Act.

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