



New Towns Act 1946

1946 CHAPTER 68

12 Advances and payments by Minister to development corporations.

- (1) For the purpose of enabling a development corporation to defray expenditure properly chargeable to capital account, including the provision of working capital, the Minister may make advances to the corporation repayable over such periods and on such terms as may be approved by the Treasury :

Provided that the aggregate amount of the advances made under this subsection, including advances made under this subsection in its application to Scotland, shall not exceed fifty million pounds.

- (2) For the purpose of enabling a development corporation to defray any other expenditure, the Minister may, out of moneys provided by Parliament, make grants to the corporation of such amount as may be approved by the Treasury.
- (3) The Treasury may issue to the Minister out of the Consolidated Fund such sums as are necessary to enable him to make advances to a development corporation under subsection (1) of this section.
- (4) For the purpose of providing sums (or any part of sums) to be issued under the last foregoing subsection, or of providing for the replacement of all or any part of sums so issued, the Treasury may, at any time, if they think fit, raise money in any manner in which they are authorised to raise money under the National Loans Act, 1939, and any securities created and issued to raise money under this subsection shall be deemed for all purposes to have been created and issued under that Act.
- (5) All sums received by the Minister by way of interest on an advance made to a development corporation under subsection (1) of this section, and all sums received by way of repayment of the principal of such an advance, shall be paid into the Exchequer ; and the Minister shall lay before each House of Parliament a statement of any sums due from a development corporation by way of interest on or repayment of any such advances which are not duly paid to him in accordance with the terms approved under the said subsection (1).

Status: This is the original version (as it was originally enacted). This item of legislation is currently only available in its original format.

- (6) The sums paid into the Exchequer under the last foregoing subsection shall be issued out of the Consolidated Fund at such times as the Treasury may direct, and shall be applied by the Treasury as follows, that is to say—
- (a) so much thereof as represents principal shall be applied in redeeming or paying off debt of such description as the Treasury may think fit;
 - (b) so much thereof as represents interest shall be applied to the payment of interest, which would, apart from this provision, have fallen to be paid out of the permanent annual charge for the National Debt.
- (7) It shall be a condition of the making of advances to a development corporation under this section that the proposals for development submitted to the Minister under section three of this Act shall be approved by the Minister with the concurrence of the Treasury as being likely to secure for the corporation a return which is reasonable, having regard to all the circumstances, when compared with the cost of carrying out those proposals.