

ELIZABETH II



1963 CHAPTER 59

An Act to increase the statutory limits imposed on the amounts outstanding in respect of borrowings by the Electricity Council and Electricity Boards and the Gas Council and Area Gas Boards; to make further provision for Exchequer advances to certain of those bodies; to provide in certain cases for compensating members of those bodies for loss of office; and for purposes connected with the matters aforesaid.

[18th December 1963]

BE IT ENACTED by the Queen's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:—

1.—(1) The enactments imposing limits on the borrowing powers of the Electricity Council and Electricity Boards and the Gas Council and Area Gas Boards by reference to the aggregate of amounts outstanding shall be amended in accordance with the following provisions of this section. Extension of borrowing powers.

(2) In section 15(5) of the Electricity Act 1957 (which limits the borrowing powers of the Electricity Council, the Central Electricity Generating Board and Area Electricity Boards)—

- (a) for the words “fourteen hundred million pounds” in the said section 15(5) as originally enacted, and
- (b) for the words which by section 1(1)(a) of the Electricity (Borrowing Powers) Act 1959 were substituted for those words as respects sums borrowed before the end of March 1965,

there shall be substituted the words “£3300 million or such greater sum, not exceeding £4400 million, as the Minister may by order specify”.

(3) In the proviso to section 47(7) of the Electricity Act 1947 (which limits the borrowing powers of the North of Scotland Hydro-Electric Board, and, as applied by the Electricity Reorganisation (Scotland) Act 1954, also limits the borrowing powers of the South of Scotland Electricity Board)—

- (a) for the words “one hundred million pounds” in that proviso as originally enacted, and
- (b) for any words which, by virtue of any one or more of the following Acts, that is to say, the Hydro-Electric Development (Scotland) Act 1952, the Electricity Reorganisation (Scotland) Act 1954, the Electricity (Borrowing Powers) Act 1959 and the Electricity (Borrowing Powers) (Scotland) Act 1962, have effect in substitution for those words, either generally or as respects sums borrowed before the end of March 1965,

there shall be substituted the words “£500 million or such greater sum, not exceeding £580 million, as the Secretary of State may by order specify”.

(4) In section 42(3) of the Gas Act 1948 (which limits the borrowing powers of the Gas Council and Area Gas Boards)—

- (a) for the words “two hundred and fifty million pounds” in the said section 42(3) as originally enacted, and
- (b) for any words which, by virtue of section 1 of the Gas and Electricity (Borrowing Powers) Act 1954, or, in relation to sums borrowed before the end of March 1966, by virtue of section 1(1) of the Gas Act 1960, have effect in substitution for those words,

there shall be substituted the words “£600 million or such greater sum, not exceeding £650 million, as the Minister may by order specify”.

(5) Any power to make an order which is exercisable by virtue of this section includes power to revoke or vary any such order by a subsequent order.

(6) Any such power shall be exercisable by statutory instrument, and no order shall be made in the exercise of any such power unless a draft of the order has been laid before the Commons House of Parliament and has been approved by a resolution of that House; and so much of section 71(3) of the Gas Act 1948 as provides that orders under that Act shall be subject to annulment in pursuance of a resolution of either House of Parliament shall not apply to an order made by virtue of subsection (4) of this section.

2.—(1) The Minister of Power (in this section referred to as “the Minister”) may with the approval of the Treasury advance to the Electricity Council or the Gas Council, and the Secretary of State may with the approval of the Treasury advance to the North of Scotland Hydro-Electric Board or the South of Scotland Electricity Board, any sums which, within the limits imposed by the relevant enactments, the Council or Board in question have power to borrow.

Exchequer
advances to
Electricity and
Gas Councils
and to Scottish
Electricity
Boards.

(2) The enactments specified in Schedule 1 to this Act shall have effect subject to the amendments specified in that Schedule, in addition to those made by section 1 of this Act; and in the preceding subsection “the relevant enactments”, in relation to any of the Councils and Boards mentioned in that subsection, means such of the enactments specified in section 1 of this Act and in that Schedule as relate to that Council or Board, as those enactments have effect as amended by this Act.

(3) Any advances made by the Minister or the Secretary of State under this section shall be repaid to him at such times and by such methods, and interest thereon shall be paid to him at such rates and at such times, as he may with the approval of the Treasury from time to time direct.

(4) The Treasury may issue out of the Consolidated Fund to the Minister and the Secretary of State such sums as are necessary to enable them to make advances under this section.

(5) For the purpose of providing sums to be issued under the last preceding subsection, or of providing for the replacement 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.

(6) Any sums received by the Minister or the Secretary of State under subsection (3) of this section shall be paid into the Exchequer, and 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 think fit, and
- (b) so much thereof as represents interest shall be applied towards meeting such part of the annual charges for the National Debt as represents interest.

(7) In respect of each financial year the Minister and the Secretary of State shall each prepare, in such form and manner as the Treasury may direct, an account of sums issued to him under this section and of the sums to be paid into the Exchequer under subsection (6) of this section and of the disposal by him of those sums respectively, and shall send it to the Comptroller and Auditor General not later than the end of November following that financial year; and the Comptroller and Auditor General shall examine, certify and report on the account and lay copies of it, together with his report, before each House of Parliament.

(8) Any account prepared under subsection (7) of this section—

(a) if it is in respect of the year 1963-1964, shall include any sums issued to the Minister, or, as the case may be, the Secretary of State, under section 42 of the Finance Act 1956 which relate to advances made to either of the Councils or, as the case may be, of the Boards in that year before the passing of this Act, and

(b) in any case, shall include any sums received by the Minister, or, as the case may be, the Secretary of State, under subsection (4) of that section in respect of the financial year to which the account relates;

and neither the Minister nor the Secretary of State shall be required to prepare an account under that section in respect of the year 1963-1964 or any subsequent year.

(9) In relation to the making of advances to any of the Councils and Boards mentioned in subsection (1) of this section after the passing of this Act, this section shall have effect in substitution for the provisions of section 42 of the Finance Act 1956; but (except as provided by subsection (8) of this section) this section shall have effect without prejudice to the operation of any provisions of that section in relation to advances made before the passing of this Act.

Payments to
members of
Councils and
Boards of
compensation
or loss of
office.

3.—(1) Where, after the passing of this Act, a person ceases, otherwise than on the expiry of his term of office, to be a member of a Council or Board to which this section applies, and it appears to the appropriate Minister that there are special circumstances which make it right that that person should receive compensation, that Minister may with the approval of the Treasury require that Council or Board to make to that person a payment of such amount as may be determined by the appropriate Minister with the approval of the Treasury.

(2) This section applies to the following Councils and Boards, that is to say—

- (a) the Electricity Council ;
- (b) the Central Electricity Generating Board ;
- (c) Area Boards within the meaning of the Electricity Act 1947 ;
- (d) the North of Scotland Hydro-Electric Board ;
- (e) the South of Scotland Electricity Board ;
- (f) the Gas Council ; and
- (g) Area Boards within the meaning of the Gas Act 1948.

(3) In this section “the appropriate Minister”, except in relation to the Boards specified in paragraphs (d) and (e) of the last preceding subsection, means the Minister of Power, and, in relation to those Boards, means the Secretary of State.

4.—(1) This Act may be cited as the Electricity and Gas Act 1963.

Short title,
repeal and
consequential
provision.

(2) The enactments specified in Schedule 2 to this Act are hereby repealed to the extent specified in the third column of that Schedule :

Provided that (without prejudice to section 2(8) of this Act) the repeal of section 42 of the Finance Act 1956 shall not affect the operation of any provisions of that section in relation to advances made thereunder before the passing of this Act.

(3) In accordance with the provisions of this Act, section 47(7) of the Electricity Act 1947 shall have effect as set out in Schedule 3 to this Act.

SCHEDULES

SCHEDULE 1

AMENDMENTS RELATING TO EXCHEQUER ADVANCES

Enactment	Amendment
<p>The Electricity Act 1947. (10 & 11 Geo. 6. c. 54).</p>	<p>In section 47(7), in the proviso, after the words "North of Scotland Board" there shall be inserted the words "or the South of Scotland Board and of any advances (whether temporary or otherwise) made to either of those Boards under section 42 of the Finance Act 1956 or under section 2 of the Electricity and Gas Act 1963"; for the words "the said Board" there shall be substituted the words "the said Boards"; and at the end of the proviso there shall be inserted the words "or any such advances".</p>
<p>The Gas Act 1948. (11 & 12 Geo. 6. c. 67).</p>	<p>In section 42, after paragraph (a) of subsection (2) there shall be inserted the following paragraph:—</p> <p>“(aa) the repayment of advances (in this Act referred to as “Exchequer advances”) made to the Gas Council under section 42 of the Finance Act 1956 or under section 2 of the Electricity and Gas Act 1963”;</p> <p>after subsection (2) there shall be inserted the following subsection:—</p> <p>“(2A) The Gas Council may raise money, for all or any of the purposes mentioned in either of the preceding subsections, by the taking of Exchequer advances”;</p> <p>in subsection (3), after the words “in stock or in cash,” there shall be inserted the words “and in respect of the principal of any Exchequer advances (whether temporary or otherwise) made to the Gas Council”, and, in the proviso to that subsection, after the words “or of repaying” there shall be inserted the words “any such advances or”.</p> <p>In section 44, after subsection (3), there shall be inserted the following subsection:—</p> <p>“(4) The preceding provisions of this section shall apply in relation to the raising of money by the taking of Exchequer advances as they apply in relation to the borrowing of money by the issue of British Gas Stock; and accordingly references in those provisions to borrowing money, to</p>

SCH. 1

Enactment	Amendment
The Gas Act 1948. (11 & 12 Geo. 6. c. 67)— <i>cont.</i>	British Gas Stock or an issue of such stock, to issuing such stock, or to redeeming or converting such stock, shall be construed as including references to the raising of money, to Exchequer advances, to the taking of such advances, or to repaying such advances, as the case may be.” In section 46, in paragraph (a) of subsection (1), after the words “British Gas Stock” there shall be inserted the words “or Exchequer advances”, and in subsection (2), after the words “or in respect of any”, there shall be inserted the words “Exchequer advances taken or”.
The Electricity Act 1957. (5 & 6 Eliz. 2. c. 48).	In section 15, in subsection (3), for the words “the last preceding subsection” there shall be substituted the words “either of the preceding subsections”; in subsection (5)(b), after the words “Exchequer advances” there shall be inserted the words “(whether temporary or otherwise)”; and at the end of subsection (7) there shall be added the words “or under section 2 of the Electricity and Gas Act 1963 (which makes similar provision in respect of certain bodies, including the Electricity Council)”.

SCHEDULE 2
ENACTMENTS REPEALED

Chapter	Short Title	Extent
10 & 11 Geo. 6. c. 54.	The Electricity Act 1947 ...	In section 47(7) the words from “The limit imposed” to “Provided that”.
11 & 12 Geo. 6. c. 67.	The Gas Act 1948 ...	In section 44(3), the words from “Any sums paid” to the end of the subsection. Section 48(2). Section 42.
4 & 5 Eliz. 2. c. 54.	The Finance Act 1956 ...	The whole Act.
7 & 8 Eliz. 2. c. 20.	The Electricity (Borrowing Powers) Act 1959.	Section 1.
8 & 9 Eliz. 2. c. 27.	The Gas Act 1960 ...	The whole Act.
11 & 12 Eliz. 2. c. 7.	The Electricity (Borrowing Powers) (Scotland) Act 1962.	Section 70.
1963 c. 25. ...	The Finance Act 1963 ...	

SCHEDULE 3

SECTION 47(7) OF THE ELECTRICITY ACT 1947 AS AMENDED

(7) The aggregate of the amounts outstanding in respect of the principal of any stock issued (other than stock issued to the Central Authority under this section) and of any temporary loans raised by the North of Scotland Board or the South of Scotland Board and of any advances (whether temporary or otherwise) made to either of those Boards under section 42 of the Finance Act 1956 or under section 2 of the Electricity and Gas Act 1963 shall not at any time exceed the sum of £500 million or such greater sum, not exceeding £580 million, as the Secretary of State may by order specify; but nothing in this subsection shall prevent the said Boards from borrowing in excess of the said sum for the purpose of redeeming any stock which they are required or entitled to redeem or of repaying any such temporary loans or any such advances.

*Table of Statutes referred to in this Act*

Short Title	Session and Chapter
National Loans Act 1939	2 & 3 Geo. 6. c. 117.
Electricity Act 1947	10 & 11 Geo. 6. c. 54.
Gas Act 1948	11 & 12 Geo. 6. c. 67.
Hydro-Electric Development (Scotland) Act 1952	15 & 16 Geo. 6. & 1 Eliz. 2. c. 22.
Gas and Electricity (Borrowing Powers) Act 1954	2 & 3 Eliz. 2. c. 52.
Electricity Re-organisation (Scotland) Act 1954...	2 & 3 Eliz. 2. c. 60.
Finance Act 1956	4 & 5 Eliz. 2. c. 54.
Electricity Act 1957	5 & 6 Eliz. 2. c. 48.
Electricity (Borrowing Powers) Act 1959	7 & 8 Eliz. 2. c. 20.
Gas Act 1960	8 & 9 Eliz. 2. c. 27.
Electricity (Borrowing Powers) (Scotland) Act 1962.	11 & 12 Eliz. 2. c. 7.

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