
Changes to legislation: There are currently no known outstanding effects for the National Loans Act 1968, Cross Heading: Borrowing. (See end of Document for details)

SCHEDULES

[^{F1}SCHEDULE 5A

THE DEBT MANAGEMENT ACCOUNT

Textual Amendments

- F1** Sch. 5A inserted (15.11.1999 subject to arts. 5-7 of S.I. 1999/2908) by 1998 c. 36, s. 160, **Sch. 26 para. 1(3)**; S.I. 1999/2908, **arts. 1, 2**

Modifications etc. (not altering text)

- C1** Sch. 5A modified in part (16.6.2014) by **The Government Alternative Finance Arrangements Regulations 2014** (S.I. 2014/1327), **regs. 1, 9**

Borrowing

- 4 (1) If the Treasury consider it expedient to raise money for the purpose of exercising their functions with regard to the Debt Management Account they may raise it in such manner and on such terms as they think fit, and money so raised shall be paid into the Account.
- (2) For the purpose of raising money under this paragraph the Treasury may—
- create and issue such securities as they think fit;
 - create and issue them at such rates of interest and subject to such conditions as to repayment, redemption and other matters as they think fit.
- (3) The power to raise money under this paragraph extends to raising money either within or outside the United Kingdom and either in sterling or in any other currency or medium of exchange, whether national or international.
- (4) The power to raise money under this paragraph extends to raising money by the issue of Treasury bills under the ^{M1}Treasury Bills Act 1877.
- (5) The following shall be charged on and paid out of the Debt Management Account with recourse to the National Loans Fund and then to the Consolidated Fund—
- the principal of and interest on any money borrowed under this paragraph (whether by the issue of securities or otherwise);
 - any other sums to be paid by the Treasury in accordance with the terms on which they borrow under this paragraph.
- (6) Section 5 of the ^{M2}Treasury Bills Act 1877 (principal of and interest on Treasury bills) shall not apply in the case of Treasury bills issued by virtue of this paragraph.
- (7) Any expenses incurred in connection with the raising of money under this paragraph (including expenses in connection with the issue, repayment or redemption of securities or Treasury bills) shall be charged on and paid out of the National Loans Fund with recourse to the Consolidated Fund.

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Marginal Citations

M1 1877 c. 2.

M2 1877 c. 2.

- 5 Section 14 of this Act shall have effect for the purposes of paragraph 4 above as if—
- (a) the references in subsections (1) and (2) to section 12 were references to paragraph 4;
 - (b) the references in subsections (8) and (9) to the National Loans Fund were references to the Debt Management Account.
- [
 F25A (1) Where the Treasury raise money by virtue of paragraph 4 above, they shall exercise their powers under this Schedule so as to secure that the principal amount is repaid within the period of one year beginning with the day on which the money was raised.
- (2) Nothing in sub-paragraph (1) above shall require the Treasury to repay any amount at any time when—
- (a) they are unable to obtain a good discharge for the repayment or they consider that there is a material risk that they would be unable to do so; or
 - (b) it is impracticable to repay the amount.
- (3) Where—
- (a) by virtue of sub-paragraph (2) above, an amount is not repaid within the period mentioned in sub-paragraph (1) above, and
 - (b) the case ceases to be one in relation to which sub-paragraph (2)(a) or (b) applies,
- the Treasury shall exercise their powers under this Schedule so as to secure that the amount is repaid as soon as is reasonably practicable.
- (4) Any reference in this paragraph to the repayment of any amount includes a reference to the discharge by way of set-off of the Treasury's liability to repay that amount.]]

Textual Amendments

F2 Sch. 5A para. 5A inserted (27.7.1999) 1999 c. 16, s. 134(3)(8)

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