



Government Trading Funds Act 1973

1973 CHAPTER 63

[^{F1}1 Establishment of trading funds.

- (1) If it appears to any Minister of the Crown—
 - (a) that any operations of a department of the government for which he is responsible are suitable to be financed by means of a fund established under this Act (referred to in this Act as a “trading fund”) and, in particular, to be so managed that the revenue of the fund would consist principally of receipts in respect of goods or services provided in the course of the operations in question, and
 - (b) that the financing of the operations in question by means of a trading fund would be in the interests of the improved efficiency and effectiveness of the management of those operations,he may by order establish a trading fund for the operations in question as from a day appointed by the order.
- (2) The power to make an order under this section is exercisable only with Treasury concurrence.
- (3) Where a Minister of the Crown proposes to make an order in respect of any operations (not being operations then financed by means of a trading fund) and considers that—
 - (a) the operations in question consist substantially in the provision of goods or services in the United Kingdom otherwise than to departments of the government, and
 - (b) an opportunity to make representations to him should be given,he shall take such steps as appear to him to be appropriate to give such an opportunity to such persons as appear to him to be appropriate.
- (4) An order establishing a trading fund shall designate either—
 - (a) the National Loans Fund, or
 - (b) the responsible Minister,as the source of issues to the fund by way of loan (referred to in this Act as the “authorised lender”).

Status: Point in time view as at 31/03/1991. This version of this provision has been superseded.

Changes to legislation: There are currently no known outstanding effects for the Government Trading Funds Act 1973, Section 1. (See end of Document for details)

- (5) Issues to the fund by way of loan by the responsible Minister shall be made out of money provided by Parliament, and the right to repayment of such issues ranks as an asset of the Consolidated Fund.
- (6) An order establishing a trading fund for operations carried on by a person appointed in pursuance of any enactment may provide—
- (a) for the fund to be under the control and management of that person instead of the responsible Minister and, accordingly,
 - (b) for this Act to have effect as if—
 - (i) the reference to the responsible Minister in section 3(1) of this Act and the first reference to him in section 4(1), and
 - (ii) such other references in this Act to the responsible Minister as may be specified in the order, where they are references to him in the exercise of his function of controlling or managing the fund,
 were references to that person.
- (7) In this Act—
- “the funded operations”, in relation to a trading fund, means the operations for which the fund is established,
 - “liabilities”, in relation to a trading fund, does not include liabilities in respect of any amount issued to the fund under section 2B of this Act,
 - “Minister of the Crown” means the holder of an office in Her Majesty’s Government in the United Kingdom, and includes the Treasury,
 - “order” except in section 2B(8) of this Act means an order under this section,
 - “originating debt”, in relation to a trading fund, means any amount remaining after any repayment or reduction of the amount which, by virtue of section 2(3) and (4) of this Act, is the originating debt of the fund, and
 - “the responsible Minister”, in relation to any operations of a department of the government, means the Minister of the Crown responsible for that department.
- (8) References in this Act to the provision of services include—
- (a) the provision of any authority required for carrying on any activity or exercising any right, and
 - (b) the performance of any other functions in connection with the regulation of any activity or right.
- (9) References in this Act to a Minister of the Crown include Ministers acting jointly, but an order may not designate more than one Minister as the authorised lender.]

Subordinate Legislation Made

- P1** [S. 1: s. 1 \(with ss. 2\(1\)\(7\), 2A and 2B\(6\)\), power exercised by \[S.I. 1991/773\]\(#\)](#)
- P2** [S. 1: for earlier exercises of this power see Index to Government Orders](#)
- P3** [S. 1\(1\)\(4\): s. 1\(1\)\(4\) \(with ss. 2\(1\)\(7\), 2A and 2B\), power exercised by \[S. I. 1991/857\]\(#\)](#)
- P4** [S. 1\(1\): power exercised by \[S.I.1991/876\]\(#\)](#)

Textual Amendments

- F1** [Ss. 1–2B substituted for sections 1 and 2 by \[Government Trading Act 1990 \\(c. 30, SIF 99:1\\)\]\(#\), \[s. 1\\(1\\)\]\(#\)](#)

Status:

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Changes to legislation:

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