

*These notes refer to the Scotland Act 1998 (c.46)
which received Royal Assent on 19th November 1998*

SCOTLAND ACT 1998

EXPLANATORY NOTES

COMMENTARY

Part III: Financial Provisions

SECTION 67: Lending by the Secretary of State

Details of Provisions

Subsection (1) provides that the Treasury may issue to the Secretary of State, out of the National Loans Fund, the sums required by him for making loans under section 66. The Treasury alone can operate on the National Loans Fund. The effect of this subsection is to confer the power on Treasury to issue sums to cover the shortfall in funding or to provide a working balance in the Fund referred to at section 66. Such borrowing will be from the National Loans Fund only.

Subsection (2) provides that the aggregate outstanding of principal sums borrowed under section 66 must not exceed £500 million.

Subsection (3) provides that the Secretary of State may by order made with the consent of Treasury substitute for the amount specified in subsection (2) such increased amount as may be specified in the order. This will enable the Secretary of State to increase the amount from time to time, for example, to keep pace with inflation or to meet unforeseen circumstances. Further provision about the making of subordinate legislation is to be found in sections 112 to 115 and Schedule 7.

Subsection (4) provides for sums received under subsection 66(3) by the Secretary of State to be paid into the National Loans Fund.