



New Towns (Scotland) Act 1968

1968 CHAPTER 16

Financial and related provisions

37 Advances and grants by Secretary of State to development corporation.

- (1) For the purpose of enabling a development corporation to meet expenditure properly chargeable to capital account (including the provision of working capital), the Secretary of State may, subject to [^{F1}section 60 of the ^{M1}New Towns Act 1981], make to the corporation advances repayable over such periods and on such terms as may be approved by the Treasury.
- (2) For the purpose of enabling a development corporation to meet any other expenditure, the Secretary of State may, out of moneys provided by Parliament, make grants to the corporation of such amount as may be approved by the Treasury.
- (3) It shall be a condition of the making of advances to a development corporation under subsection (1) above that the proposals for development submitted to the Secretary of State under section 6 of this Act shall be approved by the Secretary of State 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.

Textual Amendments

F1 Words substituted by [New Towns Act 1981 \(c. 64, SIF 123:3\)](#), s. 81, [Sch. 12 para. 3\(a\)](#)

Modifications etc. (not altering text)

C1 [S. 37\(1\)](#) amended by [S.I. 1969/453](#)

C2 [S. 37\(1\)](#) extended by [New Towns Act 1981 \(c. 64, SIF 123:3\)](#), s. 66(1)

Marginal Citations

M1 [1981 c. 64\(123:3\)](#).

Status: Point in time view as at 01/02/1991.

Changes to legislation: There are currently no known outstanding effects for the New Towns (Scotland) Act 1968, Cross Heading: Financial and related provisions. (See end of Document for details)

[^{F2}37AA Grants by Secretary of State to development corporation.

- (1) For the purpose of enabling a development corporation—
- (a) to meet expenditure properly chargeable to capital account and incurred or to be incurred in providing, or in making contributions towards the cost to others of providing, any of the facilities specified in subsection (2) below, or
 - (b) to make good to revenue account sums applied in meeting liabilities so chargeable and arising out of the provision of any of those facilities,
- the Secretary of State may, out of money provided by Parliament, make grants to the corporation of such amount as may be approved by the Treasury.
- (2) The facilities referred to in subsection (1) above are—
- (a) roads, paths, bridges and car parks;
 - (b) public open spaces, recreation grounds, playgrounds and landscaping;
 - (c) meeting halls and assembly rooms; and
 - (d) any other facilities similar to those specified in paragraph (a), (b) or (c) above.]

Textual Amendments

F2 S. 37AA inserted as provided by [Enterprise and New Towns \(Scotland\) Act 1990 \(c. 35, SIF 64\)](#), [s. 34](#)

[^{F3}37A Other borrowing powers of development corporations.

- (1) Subject to [^{F4}section 60 of the ^{M2}New Towns Act 1981], a development ^{M2}corporation may borrow temporarily, by way of overdraft or otherwise, either—
- (a) in sterling from the Secretary of State, or
 - (b) with the consent of the Secretary of State and the approval of the Treasury, or in accordance with any general authority given by the Secretary of State with the approval of the Treasury, in any currency from any other person,
- such sums as the development corporation may require for meeting their obligations or performing their functions.
- (2) With the consent of the Secretary of State and the approval of the Treasury, a development corporation may, subject to [^{F4}section 60 of the ^{M3}New Towns Act 1981], borrow, otherwise than by way of temporary loan,—
- (a) in any currency from the commission of the European Communities or from the European Investment Bank, or
 - (b) in any currency other than sterling from any person, other than the Secretary of State and the bodies mentioned in the preceding paragraph,
- such sums as they may require for enabling them to meet expenditure properly chargeable to capital account (including the provision of working capital), or to make good to revenue account sums applied in meeting liabilities so chargeable.]

Textual Amendments

F3 S. 37A added by [Statutory Corporation \(Financial Provisions\) Act 1974 \(c. 8, SIF 99\)](#), [Sch. 3 para. 6](#)

F4 Words substituted by [New Towns Act 1981 \(c. 64, SIF 123:3\)](#), s. 81, [Sch. 12 para. 3\(b\)](#)

Marginal Citations

M2 [1981 c. 64\(123:3\)](#).

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M3 1981 c. 64(123:3).

38 Provisions supplementary to s. 37.

- (1) The Treasury may issue to the Secretary of State out of the [^{F5}National Loans Fund] such sums as are necessary to enable him to make advances to a development corporation under section 37(1) of this Act.
- (2) ^{F6}
- (3) Any sums received by the Secretary of State by way of repayment of or interest on advances under section 37(1) of this Act shall be paid into the [^{F5}National Loans Fund]; and the Secretary of State shall lay before each House of Parliament a statement of any sums payable to him by way of repayment of or interest on any such advances and not duly received by him.
- (4) ^{F6}

Textual Amendments

- F5** Words substituted by S.I. 1969/453
F6 S. 38(2), (4) repealed by S.I. 1969/453

[^{F7}38A Treasury guarantees.

- (1) The Treasury may guarantee, in such manner and on such conditions as they may think fit, the repayment of the principal of, [^{F8}the payment of interest on and the discharge of any other financial obligation in connection with] any sums which a development corporation borrow under this Act from a person other than the Secretary of State.
- (2) Immediately after a guarantee is given under this section, the Treasury shall lay a statement of the guarantee before each House of Parliament; and where any sum is issued for fulfilling a guarantee so given the Treasury shall, as soon as possible after the end of each financial year, beginning with that in which the sum is issued, and ending with that in which all liability in respect of the principal of the sum and in respect of interest thereon is finally discharged, lay before each House of Parliament a statement relating to that sum.
- (3) Any sums required by the Treasury for fulfilling a guarantee under this section shall be charged on and issued out of the Consolidated Fund.
- (4) If any sums are issued in fulfilment of a guarantee given under this section in respect of money borrowed by a development corporation, the development corporation shall make to the Treasury, at such times and in such manner as the Treasury may from time to time direct, payments of such amounts as the Treasury may so direct, in or towards repayment of the sums so issued and payments of interest on what is outstanding for the time being in respect of amounts so issued at such rate as the Treasury may so direct.
- (5) Any sums received under subsection (4) of this section by the Treasury shall be paid into the Consolidated Fund.]

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Textual Amendments

- F7** S. 38A added by Statutory Corporations (Financial Provisions) Act 1974 (c. 8, SIF 99), **Sch. 3 para. 7**
- F8** Words substituted by Miscellaneous Financial Provisions Act 1983 (c. 29, SIF 99:1), s. 4(1), **Sch. 2**

Status:

Point in time view as at 01/02/1991.

Changes to legislation:

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