



Statutory Corporations (Financial Provisions) Act 1974

1974 CHAPTER 8

An Act to make provision for compensating certain statutory corporations in respect of financial loss due to compliance with the national policy relating to limitation of prices, and for extending the borrowing powers of certain statutory corporations; and for purposes connected with those matters. [8th February 1974]

1 F1

Textual Amendments

F1 Ss. 1, 3, 5(1), Sch. 1 repealed by [Statutory Corporations \(Financial Provisions\) Act 1975 \(c. 55\)](#), s. 1(11), [Sch. 5](#)

2 F2

Textual Amendments

F2 S. 2 repealed by [Statutory Corporations \(Financial Provisions\) Act 1975 \(c. 55\)](#), [Sch. 5](#)

3 F3

Textual Amendments

F3 Ss. 1, 3, 5(1), Sch. 1 repealed by [Statutory Corporations \(Financial Provisions\) Act 1975 \(c. 55\)](#), s. 1(11), [Sch. 5](#)

Status: Point in time view as at 01/02/1991.

Changes to legislation: There are currently no known outstanding effects for the Statutory Corporations (Financial Provisions) Act 1974. (See end of Document for details)

4 Extension of borrowing powers of certain statutory corporations.

- (1) With a view to securing that the borrowing powers of the bodies corporate specified in the first column of Schedule 2 to this Act will extend—
 - (a) to the borrowing of money in a currency other than sterling from any person and in any manner, and
 - (b) to the borrowing of money in sterling from the Commission of the European Communities and from the European Investment Bank,
 the enactments specified in the second column of that Schedule shall have effect subject to the amendments specified in the third column of that Schedule, and any other enactment which applies any of those enactments to any of those bodies corporate shall be construed as applying it as so amended.
- (2) For the purpose of extending the borrowing powers of development corporations and of the Commission for the New Towns, and of making provision consequential upon the extension of those powers, the enactments specified in Schedule 3 to this Act shall have effect subject to the amendments specified in that Schedule.
- (3) Any increase in—
 - (a) the sums required by the Treasury for fulfilling guarantees given in respect of money borrowed under any of the enactments specified in Schedule 2 to this Act, or
 - (b) the sums received by the Treasury in consequence of any such guarantee,
 which is an increase attributable to any of the amendments specified in that Schedule shall be charged on and issued out of the Consolidated Fund or (as the case may be) shall be paid into that Fund.

5 Interpretation.

- (1) F4
- (2) Except in so far as the context otherwise requires, any reference in this Act to an enactment shall be construed as a reference to that enactment as amended or extended by or under any other enactment.

Textual Amendments

F4 Ss. 1, 3, 5(1), Sch. 1 repealed by [Statutory Corporations \(Financial Provisions\) Act 1975 \(c. 55\)](#), s. 1(11), [Sch. 5](#)

6 Short title.

This Act may be cited as the Statutory Corporations (Financial Provisions) Act 1974.

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SCHEDULE 1

F5

Textual Amendments

F5 Ss. 1, 3, 5(1), Sch. 1 repealed by Statutory Corporations (Financial Provisions) Act 1975 (c. 55), s. 1(11), Sch. 5

SCHEDULE 2

Section 4.

AMENDMENTS RELATING TO BORROWING POWERS

Modifications etc. (not altering text)

C1 The text of Schs. 2, 3 is in the form in which it was originally enacted: it was not reproduced in Statutes in Force and except as specified does not reflect any amendments or repeals which may have been made prior to 1.2.1991.

Bodies Corporate	Act	Amendment
1.(1)The British Railways Board.	The Transport Act 1962 (10 & 11 Eliz. 2. c. 46).	In section 19(2), after the word “Minister” there shall be inserted the words “or, with the consent of the Secretary of State and the approval of the Treasury, may borrow (otherwise than by way of temporary loan) in a currency other than sterling from any person, or in sterling from the Commission of the European Communities or from the European Investment Bank”.
(2)The British Transport Docks Board.		In section 21(1) the words “subsection (1) of” shall be omitted.
(3)The British Waterways Board.		
(4)The National Bus Company.		
(5)The Scottish Transport Group.		
(6) . . .		

F6

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2.(1)–(3) . . . F7	. . . F7	. . . F7
3. The British Gas Corporation	The Gas Act 1972 (1972 c. 60).	In section 17(3), in paragraph (b), after the word “Treasury” there shall be inserted the words “in sterling from the Commission of the European Communities or the European Investment Bank, or”.
4. . . . F8	. . . F8	. . . F8
5. . . . F9	. . . F9	. . . F9
6.(1) The British Overseas Airways Corporation.	The Air Corporations Act 1967 (1967 c. 33).	In section 7(2) (as substituted by paragraph 19 of Schedule 10 to the Civil Aviation Act 1971), after the word “Board” there shall be inserted the words “or, subject to those limits and with the consent of the Secretary of State and the approval of the Treasury, may borrow in sterling from the Commission of the European Communities or from the European Investment Bank”.
(2) The British European Airways Corporation.		In section 10(1), in paragraph (a) the word “temporary” shall be omitted ; and in paragraph (c), for the words “any such loan as is mentioned in the last preceding paragraph” there shall be substituted the words “a loan raised by the corporation”.
7. (1)–(2) . . . F10	. . . F10	. . . F10
8. . . . F11	. . . F11	. . . F11
9. The Covent Garden Market Authority.	The Covent Garden Market Act 1961 (9 & 10 Eliz. 2. c. 49).	In section 38, in subsection (2), the words “may borrow by the issue of stock or debentures” shall be omitted, and at the end of

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<p>10. F12</p>	<p>. F12</p>	<p>that subsection there shall be inserted the words “may borrow from any person by the issue of stock or debentures, or may borrow from any person any sum in a currency other than sterling, or may borrow any sum in sterling from the Commission of the European Communities or the European Investment Bank”.</p> <p>The Covent Garden Market Act 1966 (1966 c. i).</p> <p>In section 34, at the end of subsection there shall be inserted the words “or the repayment of the principal of, and the payment of interest on, any money borrowed by the Authority (otherwise than by the issue of stock or debentures) under subsection (1) or subsection (2) of section 38 of the Act of 1961”.</p>
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Textual Amendments

- F6** Sch. 2 para. 1 entries repealed by Transport Act 1980 (c. 34, SIF 126), **Sch. 9 Pt. III**
- F7** Sch. 2 para. 2 entries relating to the Electricity Council, the North of Scotland Hydro-Electric Board and the South of Scotland Electricity Board repealed by Electricity Act 1989 (c. 29, SIF 44:1), s. 112(3)(4), 113(2), Sch. 17 para. 35(1), **Sch. 18**
- F8** Sch. 2 para. 4 repealed by British Telecommunications Act 1981 (c. 38, SIF 96), s. 89, **Sch. 6 Pt. II**
- F9** Sch. 2 para. 5 repealed by Airports Authority Act 1975 (c. 78), **Sch. 6**
- F10** Sch. 2 para. 7 repealed by Civil Aviation Act 1980 (c. 60, SIF 9), s. 28, **Sch. 3 Pt. II**
- F11** Sch. 2 para. 8 repealed by Iron and Steel Act 1975 (c. 64), **Sch.7**
- F12** Sch. 2 para. 10 repealed by Maplin Development Authority (Dissolution) Act 1976 (c. 51), **Sch.**

SCHEDULE 3

Modifications etc. (not altering text)

- C2** The text of Schs. 2, 3 is in the form in which it was originally enacted: it was not reproduced in Statutes in Force and except as specified does not reflect any amendments or repeals which may have been made prior to 1.2.1991.

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PART I

1–4 F13

Textual Amendments

F13 Sch. 3 Pt. I (paras. 1–4) repealed by *New Towns Act 1981* (c. 64, SIF 123:3), s. 81, **Sch. 13**

PART II

SCOTLAND

5 In section 4(1) of the *New Towns (Scotland) Act 1968* (which provides that a development corporation shall not have the power to borrow money except by the way of advance from the Secretary of State), for the words “by way of advance from the Secretary of State under” there shall be substituted the words “in accordance with sections 37 and 37A of”.

6 After section 37 of that Act there shall be inserted the following section:—

“37A Other borrowing powers of development corporations.

(1) Subject to section 43 of the *New Towns Act 1965*, a development 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 section 43 of the *New Towns Act 1965*, 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.”

7 After section 38 of that Act there shall be inserted the following section:—

“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, and the payment of interest

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on, 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 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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