



# Local Government etc. (Scotland) Act 1994

## 1994 CHAPTER 39

### PART IV

#### MISCELLANEOUS

##### *Finance*

#### **165 Powers of authorities to borrow and lend money.**

- (1) The Secretary of State may by regulations made with the consent of the Treasury make provision with respect to the powers of authorities—
  - (a) to borrow and lend money; and
  - (b) to establish and operate loans funds.
- (2) Regulations under this section may make different provision in respect of different authorities and may include such incidental, supplemental and consequential provision as the Secretary of State considers appropriate.
- (3) Without prejudice to the generality of the powers conferred by subsections (1) and (2) above, regulations under this section may—
  - (a) specify the purposes for which an authority may borrow money;
  - (b) place limits on amounts which an authority may borrow;
  - (c) specify the means by which an authority may borrow;
  - (d) make provision for—
    - (i) the means by which money borrowed by an authority may be secured; and
    - (ii) the protection of persons borrowing from an authority;
  - (e) specify from whom an authority may borrow or to whom they may lend;
  - (f) specify the terms on which an authority may lend;

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*Changes to legislation: There are currently no known outstanding effects for the Local Government etc. (Scotland) Act 1994, Section 165. (See end of Document for details)*

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- (g) make provision as to what assets and liabilities may be paid or transferred into or out of a loans fund and on what terms;
  - (h) provide for investigations to be carried out at the instance of the Secretary of State into the administration of a loans fund;
  - (i) place requirements on an authority to obtain such consent as may be prescribed before taking prescribed actions; and
  - (j) where an authority have failed to comply with the regulations, provide for the Secretary of State to apply to the Court of Session for an order ordaining compliance, and for the court to grant such an application if they think fit.
- (4) Where it appears to the Secretary of State to be necessary or expedient, in the light of any regulations made under this section, to amend any reference in any enactment, whether passed before or after the coming into force of this section—
- (a) to a loans fund; or
  - (b) to any provision in Schedule 3 to the 1975 Act,
- he may by regulations make such amendment.
- (5) Regulations under this section shall be made by statutory instrument, but shall not be made unless a draft of any such statutory instrument has been laid before and approved by resolution of each House of Parliament.
- (6) For the purposes of this section “authority” means a local authority, a joint board<sup>F1</sup> . . .<sup>F2</sup>, the Strathclyde Passenger Transport Authority or a Transport Partnership created by order under section 1 of the Transport (Scotland) Act 2005].

#### Textual Amendments

- F1** Words in s. 165(6) repealed (1.4.1996) by 1995 c. 25, s. 120(3), **Sch. 24** (with ss. 7(6), 115, 117); S.I. 1996/186, **art. 3(xxxvi)**
- F2** Words in s. 165(6) substituted (19.3.2020) by Transport (Scotland) Act 2019 (asp 17), **ss. 122(3), 130(2)** (with s. 126); S.S.I. 2020/68, reg. 2(a)

**Changes to legislation:**

There are currently no known outstanding effects for the Local Government etc. (Scotland) Act 1994, Section 165.