



Housing Act 1957

1957 CHAPTER 56

PART VI

FINANCIAL PROVISIONS

Borrowing

136 Power of local authorities to borrow for purposes of Act

- (1) Subject to the provisions of this Act, a local authority may borrow—
- for the purposes of Part II of this Act, so far as it relates to the execution of repairs and works by local authorities,
 - for the purposes of Part III (except sections seventy-two to seventy-five and Part II of the Second Schedule) and Part IV of this Act,
 - for the purposes of Part V of this Act (except sections one hundred and fifteen and one hundred and twenty),

and a county council (other than the London County Council) may borrow for the purposes of this Act.

- (2) Money borrowed under this Act by the London County Council may be borrowed in manner provided by the London County Council (Loans) Act, 1955.
- (3) The maximum period which may be sanctioned as the period for which money may be borrowed by the London County Council or the Common Council of the City of London for the purposes of this Act shall, notwithstanding the provisions of any Act of Parliament, be eighty years.

137 Borrowing in connection with operations carried out by local authority outside its own area

- (1) Where housing operations under Part V of this Act are being carried out by a local authority outside their own area, that authority shall, subject to the approval of the Minister, have power to borrow money for the purpose of defraying any expenses

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(including, if the Treasury so approve, interest payable in respect of any period before the completion of the operations, or a period of five years from the date of the borrowing, whichever period is the shorter, on money borrowed under this section) incurred by the local authority in connection with any works necessary for the purposes of the operations, or incidental to the carrying out thereof, which under this Act they are authorised to execute:

Provided that any approval of the Minister, in so far as it relates to the sanction of a loan under the foregoing provisions for the purpose of the payment of interest payable in respect of money borrowed, shall be given by order which shall be provisional only and of no effect until confirmed by Parliament.

- (2) The council of any county, borough or district in which operations are being carried out as aforesaid shall have power, with the approval of the Minister, to borrow money for the purposes of any agreement entered into by the council with the local authority under Part V of this Act.
- (3) For the purposes of subsection (3) of section eight of the Statutory Orders (Special Procedure) Act, 1945 (under which that Act may be applied to any enactment passed before that Act which applies the provisional order procedure), the proviso to subsection (1) of this section shall be treated as an enactment passed before that Act.

138 Power to issue local housing bonds

- (1) Without prejudice to any other powers of borrowing, a local authority (other than a metropolitan borough council) or a county council may, with the consent of the Minister, borrow any sums which they have power to borrow for the purposes of this Act, by the issue of bonds (in this Act referred to as "local bonds") in accordance with the provisions of this Act.
- (2) The provisions set out in the Eighth Schedule to this Act shall have effect with respect to local bonds.
- (3) Where on an application made by two or more local authorities or county councils the Minister is satisfied that it is expedient that those authorities or councils should have power to make a joint issue of local bonds, the Minister may by order contained in a statutory instrument make such provision as appears to him necessary for the purpose, and any such order shall provide for the securing of the bonds issued upon the joint rates, property and revenues of the authorities or councils.

The provisions of any such order shall have effect as if they were contained in an order made under section six of the Public Health Act, 1936.

- (4) A local authority or county council by whom any local bonds have been issued may, without the consent of the Minister, borrow for the purpose of redeeming those bonds.

139 Loans by Public Works Loan Commissioners to local authorities

Where a loan is made by the Public Works Loan Commissioners to a local authority for the purposes of this Act or to a county council for the purpose of the provision of houses for employees—

- (a) the loan shall be made at the minimum rate allowed for loans out of the Local Loans Fund applicable to the period for which the loan is made, and

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- (b) the period for which the loan is made may exceed the period allowed under any enactment limiting the period for which loans may be made by the Commissioners, but shall not exceed eighty years.

140 Power of local authorities to lend to other authorities

- (1) A county council may lend to any local authority within their area any money which that authority have power to borrow for the purposes of this Act, subject to any conditions (including conditions with respect to the borrowing by a local authority from the county council of the money so raised) which the Minister may impose by general or special order contained in a statutory instrument.
- (2) Where housing operations under Part V of this Act are being carried out by a local authority outside their own area, that authority shall, subject to the approval of the Minister, have power to advance to the council of any county, borough or district in which the operations are being carried out such sums as may, by reason of any agreement made with that council under that Part, be required by that council in connection with the construction by them of any works which are necessary for the purposes, or incidental to the carrying out, of the operations.