



Water Resources Act 1963

1963 CHAPTER 38

PART VIII

FINANCIAL PROVISIONS

92 Borrowing powers

- (1) A river authority may borrow temporarily, by way of overdraft or otherwise, such sums as they may require—
 - (a) for the purpose of defraying expenses pending the receipt of revenues receivable by them in respect of the period of account to which those expenses are chargeable and taken into account in the estimates made by them for that period;
 - (b) for the purpose of defraying, pending the raising of money by a mortgage under the following provisions of this section, expenses intended to be defrayed by means of that money.
- (2) Subject to the next following subsection, a river authority may borrow money by mortgage for all or any of the following purposes, that is to say—
 - (a) the acquisition of land or of any interest in or right over land;
 - (b) the construction of any buildings or other permanent works;
 - (c) the doing of any other thing the cost of which, in the opinion of the appropriate Minister or Ministers, ought to be spread over a term of years ;
 - (d) the repayment of any money previously borrowed by them or borrowed by a river board or other body for the purposes of functions which, by or under this Act, are transferred (whether from that body or another body) to the river authority.
- (3) No money shall be borrowed under the last preceding subsection for any such purpose as is mentioned in paragraphs (a) to (c) of that subsection except with the consent of the appropriate Minister or Ministers; and a river authority shall not by virtue of paragraph (d) of that subsection have power to borrow for the purpose of making any payment to a sinking fund or of paying any instalment, or making any annual payment, which has or may become due in respect of borrowed money.

Status: This is the original version (as it was originally enacted).

- (4) Moneys borrowed by a river authority under subsection (2) of this section shall be charged indifferently on all the revenues of the authority except any such funds as are referred to in section 88 (1) of this Act.
- (5) Subject to the next following subsection, sections 198 to 200, sections 202, 203, 205 and 206, section 207 (except subsection (5)) and sections 208 to 214 of the Local Government Act 1933, so far as they are applicable to the borrowing of money under subsection (2) of this section, shall apply to any borrowing thereunder subject to the following modifications:—
- (a) for references to a local authority there shall be substituted references to a river authority ;
 - (b) for references to the Minister there shall be substituted references to the appropriate Minister or Ministers;
 - (c) " prescribed ", except in section 205 of that Act, shall mean prescribed by regulations made by the Ministers ;
 - (d) for references to the county fund or the general rate fund there shall be substituted references to the general revenues of the river authority.
- (6) Where under subsection (2) of this section any money is borrowed by a river authority for a purpose falling within their new functions and the purpose consists of or includes the construction of buildings or other permanent works.—
- (a) the river authority may, if they think fit, postpone the repayment (by sinking fund or otherwise) of the principal sum borrowed until the end of the preliminary period;
 - (b) whether repayment is so postponed or not, the purposes for which the river authority are authorised to borrow money under subsection (2)(b) of this section shall include the borrowing of money to pay interest on the principal sum borrowed during the preliminary period.
- In this subsection "the preliminary period" means the period beginning with the date of the borrowing first mentioned in this subsection and ending with whichever of the following dates first occurs, that is to say—
- (i) the date of the fifth anniversary of the date of that borrowing, and
 - (ii) the date on which the buildings or works in question are first brought into use.
- (7) Where money is borrowed in pursuance of paragraph (b) of subsection (1) of this section and subsequently money is raised by a mortgage as mentioned in that paragraph, then, for the purposes of the provisions of the Local Government Act 1933 applied by subsection (5) of this section, in so far as they regulate the repayment of the money raised by that mortgage, the money shall, to the extent of the sum borrowed in pursuance of subsection (1)(b) of this section, be deemed to have been raised at the time when that borrowing took place.
- (8) Nothing in this section shall be construed as authorising a river authority to borrow any money in contravention of any order made under section 1 of the Borrowing (Control and Guarantees) Act 1946 which is for the time being in force.
- (9) The provisions of Part II of Schedule 11 to this Act shall have effect with respect to borrowing before the second appointed day.