



Public Works Loans Act 1965

1965 CHAPTER 63

2 New form of local loan and automatic charge for securing it.

(1) The [^{F1}Treasury] may, without first taking security under section 12 of the ^{M1}Public Works Loans Act 1875, enter into an agreement for [^{F2}making a local loan to a relevant authority under section 3 of the National Loans Act 1968]; and in this section “relevant authority” means—

(a) in relation to England and Wales,

[^{F3}(i) a billing authority or a precepting authority, as defined in section 69 of the Local Government Finance Act 1992;

[^{F4}(ia) a fire and rescue authority in Wales constituted by a scheme under section 2 of the Fire and Rescue Services Act 2004 or a scheme to which section 4 of that Act applies;]

(ii) a levying body within the meaning of section 74 of [^{F5} the Local Government Finance Act 1988] ; ^{F6} . . .

(iii) a body as regards which section 75 of that Act applies [^{F7}and]^{F8}[^{F9} . . .]]

(iv) a functional body, within the meaning of the Greater London Authority Act 1999 ^{F10} . . .

^{F10}(v)

[^{F11}(b) in Scotland—

(i) any local authority within the meaning of the ^{M2} Local Government (Scotland) Act 1973,

(ii) any joint board or joint committee within the meaning of that Act, and

(iii) any other authority having the power to requisition any sum from any such local authority.]

(2) ^{F12}

(3) Where the [^{F13}Treasury] make an agreement to which this section applies with a relevant authority other than one authorised to borrow money under [^{F14}[^{F15}section 1 of [^{F16}or paragraph 2 of Schedule 1 to,] the Local Government Act 2003] (borrowing powers)] or [^{F17}Schedule 3 to the ^{M3}Local Government (Scotland) Act 1975] then, so long as any part of the principal of and interest on the loan remains outstanding, the

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loan shall be a charge on all the revenues of the authority (including any grants or contributions from the Exchequer which are receivable by the authority).

- (4) A charge imposed on an authority's revenues by the last foregoing subsection shall, subject to any provision to the contrary applicable to the charge which has been made by or under any enactment, rank equally with any other charges on those revenues.
- (5) The enactments specified in the Schedule to this Act shall have effect subject to the adaptations and modifications set out in that Schedule, being adaptations and modifications consequential on the foregoing provisions of this section; and in that Schedule "automatic charge" means a charge imposed, for securing a loan made in pursuance of an agreement to which this section applies, by [^{F18}]^{F19}section 13 of the Local Government Act 2003] (security for money borrowed)] by [^{F20}paragraph 8 of Schedule 3 to the said Act of 1975] or by subsection (3) of this section.

Textual Amendments

- F1** Word in s. 2(1) substituted (25.2.2020) by [The Public Bodies \(Abolition of Public Works Loan Commissioners\) Order 2020 \(S.I. 2020/176\)](#), art. 1(2), [Sch. 1 para. 61\(2\)\(a\)](#) (with art. 9)
- F2** Words in s. 2(1) substituted (25.2.2020) by [The Public Bodies \(Abolition of Public Works Loan Commissioners\) Order 2020 \(S.I. 2020/176\)](#), art. 1(2), [Sch. 1 para. 61\(2\)\(b\)](#) (with art. 9)
- F3** S. 2(1)(a)(i)–(iii) substituted (E.W.) for words by S.I. 1990/776, art. 8, [Sch. 3 para. 10](#)
- F4** S. 2(1)(a)(ia) substituted (E.W.) (1.10.2004 except in relation to W., 10.11.2004 for W.) by [Fire and Rescue Services Act 2004 \(c. 21\)](#), s. 61, [Sch. 1 para. 21\(2\)](#); S.I. 2004/2304, art. 2; S.I. 2004/2197, art. 2
- F5** Words in s. 2(1)(a)(ii) substituted (E.W.) (1.10.2004 except in relation to W., 10.11.2004 for W.) by [Fire and Rescue Services Act 2004 \(c. 21\)](#), s. 61, [Sch. 1 para. 21\(3\)](#); S.I. 2004/2304, art. 2; S.I. 2004/2197, art. 2
- F6** Word in s. 2(1)(a) repealed (3.7.2000) by 1999 c. 29, ss. 139(2), 423, [Sch. 34 Pt. I](#) (with Sch. 12 para.9(1); S.I. 1999/3434, art. 4, Sch. 2 Table 2
- F7** Word in s. 2(1)(a)(iii) inserted (1.4.2005) by [Courts Act 2003 \(c. 39\)](#), s. 110(1), [Sch. 8 para. 125\(a\)](#); S.I. 2005/910, art. 3(y)
- F8** Word in s. 2(1)(a) repealed (1.4.2001) by 1999 c. 22, s. 106, [Sch. 15 Pt. V\(6\)](#) (with Sch. 14 paras. 7(2), 36(9)); S.I. 2001/916, [art. 2\(c\)\(i\)](#)
- F9** S. 2(1)(a)(iv) and word "and" immediately preceding added (3.7.2000) by 1999 c. 29, s. 139(2) (with Sch. 12 para. 9(1)); S.I. 1999/3434, art. 4, [Sch. 2](#) Table 2
- F10** S. 2(1)(a)(v) and preceding word repealed (1.4.2005) by [Courts Act 2003 \(c. 39\)](#), s. 110(1), Sch. 8 para. 125(b), [Sch. 10](#); S.I. 2005/910, art. 3(y)
- F11** S. 2(1)(b)(i)–(iii) substituted (S.) for s. 2(1)(b) by [Abolition of Domestic Rates Etc. \(Scotland\) Act 1987 \(c. 47, SIF 81:2, 103:2\)](#), ss. 2, 6, [Sch. 1 Pt. III para 22](#)
- F12** S. 2(2) repealed (E.W.) by [Local Government Act 1972 \(c. 70\)](#), [Sch 30](#) and (S.) by [Local Government \(Scotland\) Act 1975 \(c. 30\)](#), [Sch. 7](#)
- F13** Word in s. 2(3) substituted (25.2.2020) by [The Public Bodies \(Abolition of Public Works Loan Commissioners\) Order 2020 \(S.I. 2020/176\)](#), art. 1(2), [Sch. 1 para. 61\(3\)](#) (with art. 9)
- F14** Words substituted by virtue of [Local Government and Housing Act 1989 \(c. 42, SIF 81:1\)](#), ss. 194(1), 195(2), [Sch. 11 para. 6\(a\)](#) (subject to a saving in S.I. 1990/431, [Sch. 1 para. 1\(c\)](#))
- F15** Words in s. 2(3) substituted (27.11.2003 for W. for the purpose of and in relation to financial years beginning on or after 1.4.2004, 1.4.2004 for E.) by [Local Government Act 2003 \(c. 26\)](#), s. 128(6), [Sch. 7 para. 2\(a\)](#); S.I. 2003/2938, art. 7(a) (with art. 8Sch.); S.I. 2003/3034, art. 2, Sch. 1 Pt. I
- F16** Words in s. 2(3) inserted (1.4.2004) by [The Local Authorities \(Capital Finance\) \(Consequential, Transitional and Saving Provisions\) Order 2004 \(S.I. 2004/533\)](#), arts. 1, [7\(4\)](#)
- F17** Words substituted by [Local Government \(Scotland\) Act 1975 \(c. 30\)](#), [Sch. 6 Pt. II para. 30\(b\)](#)

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- F18** Words substituted by virtue of Local Government and Housing Act 1989 (c. 42, SIF 81:1), ss. 194(1), 195(2), **Sch. 11 para. 6(b)** (subject to a saving in S.I. 1990/431, **Sch. 1 para. 1(c)**)
- F19** Words in s. 2(5) substituted (27.11.2003 for W. for the purpose of and in relation to financial years beginning on or after 1.4.2004, 1.4.2004 for E.) by Local Government Act 2003 (c. 26), s. 128(6), **Sch. 7 para. 2(b)**; S.I. 2003/2938, art. 7(a) (with art. 8Sch.); S.I. 2003/3034, art. 2, Sch. 1 Pt. I
- F20** Words substituted by Local Government (Scotland) Act 1975 (c. 30), s. 38(1), **Sch. 6 Pt. II para. 30(c)**

Modifications etc. (not altering text)

- C1** S. 2 extended by Public Works Loans Act 1967 (c. 61), **s. 2(1)**, (E.W.) Local Government Act 1972 (c. 70), **Sch. 13 Pt. I para. 2(1)(f)** and (S.) Local Government (Scotland) Act 1975 (c. 30), **Sch. 3 para. 2(1)(f)**
S. 2 applied (S.)(temp. 14.11.1995 to 31.3.1996) by S.I. 1995/2766, **art. 2(1)**
- C2** S. 2(3) restricted by Public Works Loans Act 1967 (c. 61), **s. 2(2)**
- C3** S. 2(5) modified by Public Works Loans Act 1967 (c. 61), **s. 2(2)(b)**

Marginal Citations

- M1** 1875 c. 89.
M2 1973 c. 65.
M3 1975 c. 30.

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