



# Water Resources Act 1991

## 1991 CHAPTER 57

### PART VI

#### FINANCIAL PROVISIONS IN RELATION TO THE AUTHORITY

#### CHAPTER III

#### GRANTS AND LOANS

#### *Grants to the Authority*

#### **146 Revenue grants**

- (1) The Secretary of State may, with the approval of the Treasury, make grants to the Authority of such amounts as he thinks fit.
- (2) The payment by the Secretary of State of a grant under this section shall be on such terms as he may, with the approval of the Treasury, provide.
- (3) The Secretary of State shall—
  - (a) prepare in respect of each financial year an account of the sums paid by him to the Authority under this section; and
  - (b) before the end of September in the following financial year send that account to the Comptroller and Auditor General;and the form of the account and the manner of preparing it shall be such as the Treasury may direct.
- (4) The Comptroller and Auditor General shall examine, certify and report on each account sent to him under this section and shall lay copies of it and of his report before each House of Parliament.

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*Status: This is the original version (as it was originally enacted).*

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#### **147 Grants for drainage works**

- (1) Subject to subsection (2) below, the relevant Minister may make grants towards expenditure incurred by the Authority in—
  - (a) the improvement of existing drainage works; or
  - (b) the construction of new drainage works.
- (2) Grants under subsection (1) above shall be—
  - (a) of such amounts as the Treasury may from time to time sanction; and
  - (b) subject to such conditions as may, with the approval of the Treasury, be prescribed by regulations made by the relevant Minister.
- (3) No grant shall be made under subsection (1) above towards expenditure incurred in connection with any improvement or construction unless—
  - (a) the plans and sections for it have been approved by the relevant Minister; and
  - (b) the relevant Minister is satisfied that the work is being or has been properly carried out.
- (4) The relevant Minister may, with the approval of the Treasury, make grants to the Authority in respect of expenditure properly incurred by it with a view to carrying out drainage works, being expenditure towards which, if the works had been properly carried out, a grant would have been payable under subsection (1) above.
- (5) Where the Authority is about to incur—
  - (a) such expenditure in respect of any work as is expenditure towards which, if the work is properly carried out, a grant will be payable under subsection (1) above; or
  - (b) expenditure in respect of which it appears to the relevant Minister that a grant will be payable under subsection (4) above,the relevant Minister may, with the approval of the Treasury, make advances to the Authority on account of the expenditure.
- (6) In this section “the relevant Minister”—
  - (a) in relation to Wales, means the Secretary of State; and
  - (b) in relation to England, means the Minister.

#### **148 Grants towards cost of flood warning systems**

- (1) The relevant Minister may make grants, of such amounts as the Treasury may from time to time sanction, towards expenditure incurred by the Authority in providing or installing apparatus, or carrying out other engineering or building operations, for the purposes of a flood warning system.
- (2) No grant shall be payable under this section towards expenditure incurred in connection with any work unless—
  - (a) the work has been approved by the relevant Minister; and
  - (b) the relevant Minister is satisfied that the work is being or has been properly carried out.
- (3) Grants under this section shall be made subject to such conditions as may be imposed by the relevant Minister with the approval of the Treasury.

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- (4) Where any such expenditure as is mentioned in subsection (1) above is about to be incurred by the Authority, the relevant Minister may, with the approval of the Treasury, make advances to the Authority on account of the expenditure.
- (5) In this section—
- “flood warning system” means any system whereby, for the purpose of providing warning of any danger of flooding, information with respect to—
- (a) rainfall, as measured at a particular place within a particular period; or
  - (b) the level or flow of any inland water, or part of an inland water, at a particular time; or
  - (c) other matters appearing to the Authority to be relevant for that purpose, is obtained and transmitted, whether automatically or otherwise, with or without provision for carrying out calculations based on such information and for transmitting the results of those calculations;
- “inland water” means any of the following in any part of Great Britain, that is to say—
- (a) any river, stream or other watercourse, whether natural or artificial and whether tidal or not;
  - (b) any lake or pond, whether natural or artificial, and any reservoir or dock; and
  - (c) any channel, creek, bay, estuary or arm of the sea;
- “rainfall” includes any fall of snow, hail or sleet; and
- “the relevant Minister” has the same meaning as in section 147 above.

#### **149 Other grants in respect of exercise of powers under Part VII for drainage purposes**

- (1) The relevant Minister may, with the approval of the Treasury, make to the Authority grants in respect of expenditure incurred by the Authority, and advances on account of expenditure to be incurred by the Authority, in connection with the Authority’s functions by virtue of section 165(1)(b) or (c) below—
- (a) in making payments arising from the exercise of any power of the Authority by virtue of this Act to acquire land by agreement or compulsorily;
  - (b) in providing housing accommodation for persons employed or to be employed by the Authority in controlling works of such a kind or so located that those persons are or will be required to reside in the vicinity of the works;
  - (c) for making payments by virtue of any provision having effect under section 177 below in respect of injury sustained by any person by reason of the exercise by the Authority of any powers under section 165 below;
  - (d) in paying compensation by virtue of any provision having effect under section 177 below in respect of injury sustained by reason of the exercise by the Authority of its powers under section 167 below.
- (2) The relevant Minister may, with the approval of the Treasury, make to the Authority grants in respect of, or advances on account of, expenditure incurred or to be incurred in carrying out works for the rebuilding or repair of any bridge maintained by the Authority, other than works appearing to the relevant Minister to be maintenance works of a routine kind.

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- (3) The relevant Minister may, with the approval of the Treasury, make to the Authority grants in respect of the cost of any works executed by the Authority in pursuance of section 165(4) below.
- (4) In this section “the relevant Minister” has the same meaning as in section 147 above.

#### **150 Grants for national security purposes**

- (1) The Secretary of State may make grants to the Authority for the purpose of defraying or contributing towards any losses it may sustain by reason of compliance with directions given under section 207 below in the interests of national security.
- (2) The approval of the Treasury shall be required for the making of grants under this section.

#### *Borrowing by the Authority*

#### **151 Borrowing powers of the Authority**

- (1) The Authority shall be entitled to borrow in accordance with the following provisions of this section, but not otherwise.
- (2) Subject to subsection (4) below, the Authority may, with the consent of either of the Ministers and with the approval of the Treasury, borrow temporarily in sterling, by way of overdraft or otherwise, from persons other than the Ministers, such sums as it may require for meeting its obligations and carrying out its functions.
- (3) Subject to subsection (4) below, the Authority may borrow, otherwise than by way of temporary loan, such sums in sterling from either of the Ministers as it may require for capital purposes in connection with the carrying out of its flood defence functions.
- (4) The aggregate amount outstanding in respect of the principal of sums borrowed under this section by the Authority shall not at any time exceed £100 million or such greater sum, not exceeding £160 million, as the Ministers may specify by order made by statutory instrument.
- (5) No order shall be made under subsection (4) above unless a draft of the order has been laid before the House of Commons and has been approved by a resolution of that House.

#### **152 Loans to the Authority**

- (1) Each of the Ministers shall have power, with the approval of the Treasury, to lend any sums to the Authority which the Authority has power to borrow under section 151(3) above.
- (2) Any loan made by one of the Ministers under this section shall be repaid to him at such times and by such methods, and interest on the loan shall be paid to him at such rates and at such times, as that Minister may with the approval of the Treasury from time to time determine.
- (3) Any sums required by either of the Ministers for making a loan under this section shall be paid out of money provided by Parliament; and any sums received by either of them in pursuance of subsection (2) above shall be paid into the Consolidated Fund.

- (4) Each of the Ministers shall-
- (a) prepare in respect of each financial year an account of the sums lent by him to the Authority under this section; and
  - (b) before the end of September in the following financial year send that account to the Comptroller and Auditor General;
- and the form of the account and the manner of preparing it shall be such as the Treasury may direct.
- (5) The Comptroller and Auditor General shall examine, certify and report on each account sent to him under this section and shall lay copies of it and of his report before each House of Parliament.

### **153 Treasury guarantees of the Authority's borrowing**

- (1) Each of the Ministers shall have power, with the consent of the Treasury, to guarantee, in such manner and on such conditions as he may think fit, the repayment of the principal of, the payment of interest on and the discharge of any other financial obligation in connection with any sum which the Authority borrows from any person.
- (2) Immediately after a guarantee is given under this section the Minister who gave it shall lay a statement of the guarantee before each House of Parliament.
- (3) Where any sum is paid out for fulfilling a guarantee under this section the Minister who gave the guarantee shall, as soon as possible after the end of each financial year (beginning with that in which the sum is paid out and ending with that in which all liability in respect of the principal of the sum and in respect of the interest thereon is finally discharged), lay before each House of Parliament a statement relating to that sum.
- (4) Any sums required by either of the Ministers for fulfilling a guarantee under this section shall be paid out of money provided by Parliament.
- (5) If any sums are paid out in fulfilment of a guarantee under this section, the Authority shall make to the Minister who gave the guarantee, at such times and in such manner as that Minister may from time to time direct—
- (a) payments of such amounts as that Minister may so direct in or towards repayment of the sums so paid out; and
  - (b) payments of interest, at such rate as that Minister may so direct, on what is outstanding for the time being in respect of sums so paid out;
- and the consent of the Treasury shall be required for the giving of a direction under this subsection.
- (6) Any sums received by either of the Ministers under subsection (5) above shall be paid into the Consolidated Fund.