



Land Drainage Act 1991

1991 CHAPTER 59

PART IV

FINANCIAL PROVISIONS

CHAPTER III

FURTHER FINANCIAL PROVISIONS

55 Powers of internal drainage boards and local authorities to borrow etc.

- (1) Subject to the following provisions of this section, an internal drainage board may borrow, on the security of their property or income—
 - (a) for the purpose of defraying any costs, charges or expenses incurred by them [^{F1}in the exercise or performance of any power or duty under this Act or the Water Resources Act 1991]; or
 - (b) for the purpose of discharging any loan contracted by them under this Act or any provision re-enacted, whether directly or indirectly, by this Act.
- (2) The council of a county [^{F2}, county borough] or London borough and the Common Council of the City of London may borrow for the purposes of this Act.
- (3) The consent of the relevant Minister shall be required for any borrowing by an internal drainage board under this section other than a borrowing for the purpose of discharging any loan previously contracted.
- (4) Money borrowed by an internal drainage board under this section may be borrowed for such period not exceeding fifty years as the board, with the consent of the relevant Minister, may in each case determine.
- (5) Where the drainage board for an internal drainage district borrow any sums in respect of which they have determined that some part only of that district shall be liable, the money borrowed shall be repayable only out of rates levied on, or special levies issued or contributions received in respect of, that part of the drainage district.

Changes to legislation: *Land Drainage Act 1991, Section 55 is up to date with all changes known to be in force on or before 13 April 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes*

- (6) The provisions of the ^{M1}Commissioners Clauses Act 1847 as to mortgages shall be incorporated with the provisions of this section so far as it relates to borrowing by an internal drainage board.
- (7) Where the owner of any land comprised within any internal drainage district is authorised to invest money on real security, he shall, unless the instrument authorising the investment provides to the contrary, have power to invest money on a first mortgage of the drainage rates leviable by the drainage board for that district.
- (8) The reference in subsection (1) above to an internal drainage board borrowing on the security of their property or income is a reference to their borrowing on the security of any property vested in the board or on the security of—
- (a) any rates to be levied by the board under this Act;
 - (b) any special levies to be issued by the board in accordance with regulations under section 75 of the ^{M2}Local Government Finance Act 1988; or
 - (c) any contributions to be paid to the board under this Act.

Textual Amendments

- F1** Words in s. 55(1)(a) substituted (1.4.2004) by [Water Act 2003 \(c. 37\), s. 105\(3\), Sch. 7 para. 40\(3\)](#); [S.I. 2004/641, art. 3\(y\), Sch. 2 \(with Sch. 3 para. 7\)](#)
- F2** Words inserted in s. 55(2) (1.4.1996) by [1994 c. 19, s. 22\(5\), Sch. 11, Pt. II, para. 4\(7\) \(with ss. 54\(5\) \(7\), 55\(5\)\)](#); [S.I. 1996/396, art.3](#)

Marginal Citations

- M1** [1847 c. 16.](#)
- M2** [1988 c. 41.](#)

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Changes and effects yet to be applied to the whole Act associated Parts and Chapters:

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 37(5A)-(5D) inserted by [2016 anaw 3 s. 83\(2\)\(b\)](#)
- s. 37(5A) substituted in earlier affecting provision [2016 anaw 3, s. 83\(2\)\(b\)](#) by [2021 c. 30 s. 95\(2\)\(b\)\(i\)](#)
- s. 37(5B)(5C) words substituted in earlier affecting provision [2016 anaw 3, s. 83\(2\)\(b\)](#) by [2021 c. 30 s. 95\(2\)\(b\)\(ii\)](#)
- s. 37(5D)(5E) substituted in earlier affecting provision [2016 anaw 3, s. 83\(2\)\(b\)](#) by [2021 c. 30 s. 95\(2\)\(b\)\(ii\)](#)