



Public Works Loans Act 1875

1875 CHAPTER 89

Preliminary

1 Short title

This Act may be cited as the " Public Works Loans Act, 1875."

2 Commencement of Act

This Act shall, save as otherwise provided in this Act, come into operation on the first day of April one thousand eight hundred and seventy-six, which date is herein-after referred to as the commencement of this Act.

3 Extent of Act

This Act shall extend to the Isle of Man.

Public Works Loan Commissioners

4 Constitution, &c. of Public Works Loan Commissioners

For the purpose of loans out of moneys issued in pursuance of this Act, and for the purpose of the execution of this Act and of any enactment passed or hereafter to be passed authorising or referring to such loans, there shall be a body of Commissioners (in this Act referred to as the Loan Commissioners), who may be styled the Public Works Loan Commissioners.

Every person who may from time to time be appointed by Act of Parliament a Public Works Loan Commissioner shall, on signing the declaration in the second schedule to this Act, be deemed to be one of the Public Works Loan Commissioners under this Act.

The Public Works Loan Commissioners shall hold office during such period as may be authorised by any Act appointing them, and if no period is so authorised, during the period of five years after the passing of such Act, and, if at the expiration of such period

Status: This is the original version (as it was originally enacted).

successors have not been appointed, may continue to hold office until successors be appointed, subject to this qualification, that they shall not grant any new loan after the expiration of such period.

Whenever any vacancy among the Commissioners occurs by any Commissioner dying or declining to act, or declining further to act, the remaining Commissioners or a majority of them may by writing under their hands and seals, with the concurrence of the Treasury, appoint such person to fill the vacancy as seems fit, and the person so appointed shall, on signing the declaration in the second schedule to this Act, be deemed to be one of the Public Works Loan Commissioners under this Act, and shall hold office for the period during which the Commissioner in whose place he is appointed would have held office.

A Public Works Loan Commissioner shall not receive any salary, fee, or emolument in respect of his services as such Commissioner.

5 Powers, &c. of Commissioners

With respect to the Loan Commissioners the following provisions shall have effect:

- (1) The Loan Commissioners may sue and be sued in the name of their secretary for the time being; and no action or suit in law or equity brought or commenced by or against the said Commissioners in the name of their secretary for the time being shall abate or be discontinued by the death, or removal of such secretary, or by the act of such secretary without the consent of the said Commissioners ; but the secretary to the said Commissioners for the time being shall always be deemed the plaintiff or defendant in such action or suit as the case may be ; and
- (2) The Commissioners may examine any persons willing to be examined on any matters connected with the execution of this Act, and may for that purpose, or otherwise for the purpose of the execution of this Act, administer an oath, and take any affidavits or declaration ; and
- (3) The Loan Commissioners shall annually cause to be made out up to the end of every financial year a report of their transactions under this Act during the year, and such report shall contain or have annexed thereto the prescribed particulars respecting moneys issued to and loans granted by the Commissioners either before or after the passing of this Act, and the execution of the duties of the Loan Commissioners, and such other particulars as the Loan Commissioners may from time to time think fit:

Such particulars shall include a statement of any difference that may have arisen between the loan Commissioners and any public department respecting the grant of any loan or the construction of any Act relating to loans by the Loan Commissioners :

Such report shall be transmitted to the Treasury within two months after the date up to which it is required to be made, and shall be forthwith laid by the Treasury before both Houses of Parliament if Parliament be then sitting, or if not, within one month after the then next sitting of Parliament; and

- (4) Any minute made of proceedings at meetings of the Commissioners, if signed by any person purporting to be the chairman, either of the meeting of the Commissioners at which such proceedings took place, or of the next ensuing meeting of the Commissioners, shall be receivable in evidence in all legal proceedings without further proof, and until the contrary is proved every meeting of the Commissioners, in respect of the proceedings of which minutes have been so made, shall be deemed to have been

duly convened and held, and all the members thereof to have been duly qualified to act; and

- (5) An act or proceeding of the Commissioners shall not be questioned on account of any vacancy or vacancies in their body.

6 Officers and their salaries and expenses

The Loan Commissioners may from time to time appoint or employ a secretary, solicitor, civil engineer, surveyor, and such number of officers, clerks, messengers, and other persons as they may, with the consent of the Treasury, deem necessary, and may remove any person so appointed or employed.

The Loan Commissioners may from time to time assign to any person so appointed or employed by them such salary or remuneration as they may, with the sanction of the Treasury, think proper.

A person appointed or employed by the Loan Commissioners, in pursuance of this section, shall not receive any remuneration in respect of such appointment or employment or otherwise in respect of the execution of his duties under this Act, except such as may be assigned to him in pursuance of this section.

Every such salary or remuneration, and all expenses incurred by the Loan Commissioners in the execution of this Act, shall be paid out of moneys provided by Parliament.

7 Securities given to and property vested in secretary to vest in his successor

"Where under this or any other Act or any conveyance, obligation, or security, any real or personal property, or any estate or interest therein, or any chose in action, has been or may be vested in, conveyed, made payable, or secured to the secretary of the Loan Commissioners for the time being as such secretary, and in respect of his office, all such real and personal property, estate and interest, and chose in action whatsoever, upon the death, removal, or resignation of any such secretary from time to time, and as often as the same happens and the appointment of a successor takes place, shall (subject to the same trusts, and equities, if any, as the same were before respectively subject to) vest in such succeeding secretary, by force of this Act and without any act or deed whatever to be done by the secretary dying, resigning or removed, or by the heirs, executors, or administrators of such secretary, or by any person or persons claiming under him, them or any of them, and notwithstanding the same may have been expressed to be vested in, conveyed, made payable to or secured to such secretary, his heirs, executors, administrators, and assigns, or any of them ; and shall be proceeded upon in the name of any succeeding secretary, by any action or suit in law or equity, or in any other manner as the same might have been proceeded upon by or in the name or names of such secretary dying, resigning, or removed.

Where the secretary of the Loan Commissioners is a party to any action, suit, or other legal proceeding, such secretary acting under the direction of the Commissioners shall be deemed to represent the Crown, so far as regards the interest of the Crown in any loan granted under this Act or any money due under a security for any such loan, and it shall not be necessary to make the Crown or any other person on behalf of the Crown, a party to such action, suit, or proceeding, in respect of such interest as aforesaid.

8 Execution of conveyances, leases, &c. by secretary on behalf of Commissioners

All conveyances, leases, mortgages, releases, arrangements, and things which the Loan Commissioners are authorised by this Act to grant, execute, make, or concur in, and all powers, acts, and things which the Loan Commissioners are authorised by this Act to exercise, do, or concur in, in relation to any mortgaged property or rate, may be granted, executed, made, concurred in, exercised, and done by their secretary for the time being under their direction, and when so granted, executed, made, concurred in, exercised, and done by such secretary, shall be deemed to have been granted, executed, made, concurred in, exercised, and done by him under the direction of the Commissioners, unless the contrary is shown by some person interested in contesting the validity thereof.

Any property, chose in action, estate, interest, powers, authorities, and privileges vested in or exerciseable by the secretary of the Commissioners in pursuance of this Act shall be dealt with and exercised by him under the direction of the Commissioners and not otherwise.

Objects, Terms, and Duration of Loan

9 Loans for public works

The Loan Commissioners may, if they think it expedient, from time to time, in manner mentioned in this Act, make loans for the purpose of any of the works mentioned in the first schedule to this Act, to any person having power under an Act of Parliament or otherwise to borrow for such purpose.

The Loan Commissioners in considering the propriety of granting a loan shall have regard to the sufficiency of the security for its repayment, and, subject to the provisions of any special Act, shall determine whether the work for which the loan is asked would be such a benefit to the public as to justify a loan out of public money, having regard to the amount of money placed at their disposal by Parliament.

10 Interest on loan

Every loan granted under this Act shall bear interest at a rate not less than the rate authorised by a special Act relating to such loan, or if no rate be so authorised, not less than five per cent. per annum; provided that when the aggregate amount of principal moneys due by any harbour authority to the Commissioners under "The Harbours and Passing Tolls, &c. Act, 1861," exceeds one hundred thousand pounds, the rate of interest on such excess shall be three and a half per cent., or such higher rate, not exceeding five per cent., as may in the judgment of the Treasury be necessary to enable the loan to be made without loss to the Exchequer.

11 Term of years for repayment of loan

Every loan granted under this Act shall be made repayable by instalments (in the form of an annuity or otherwise) within a period from the date of the actual advance of such loan, not exceeding the period authorised by a special Act relating to such loan, or if no period be so authorised not exceeding twenty years.

Where a loan has been granted repayable within a period less than the full period allowed by the foregoing provisions of this section, the Loan Commissioners, if the

repayment of the loan with interest is in their opinion sufficiently secured by such security as is required by this Act, and if they think fit, may extend the period for the repayment of Such loan to a period not exceeding the said full period from the date of the advance of such loan.

Where no period is authorised by a special Act relating to the loan, the Treasury, on the recommendation of the Loan Commissioners, stating special circumstances, may either before or after the grant of the loan, extend the period within which the loan is to be repaid to such period as may be recommended by the Loan Commissioners.

The Loan Commissioners in considering whether the period for the repayment of a loan should or should not be the said full period, and the Loan Commissioners and the Treasury in considering whether the period should be extended as aforesaid, shall have regard to the durability of the work for the purpose of which the loan is granted, and to the expediency of the cost of the work being paid by the generation of persons who will immediately benefit by such work.

The first instalment for the repayment of every loan shall be made payable within a period not exceeding five years from the date of the advance of such loan.

12 Security for loans

The Loan Commissioners before advancing any money on account of a loan shall take security for the repayment of the loan with the interest, consisting of the security authorised by the special Act relating to the loan, or if none is so authorised, of a mortgage of property or of a rate, or of both property and a rate, and (save as hereinafter mentioned) of personal security.

The Loan Commissioners may, if they think fit, dispense with personal security in any case in which in their opinion the mortgaged property or rate is sufficient security for the payment of the principal and interest of the loan within the stipulated period.

Funds for Loans

13 Annual estimate of amounts required

For the purpose of passing an annual Act of Parliament, granting money for the purpose of loans by the Loan Commissioners, every intending borrower shall send to the Commissioners on or before the thirty-first day of December in every year a statement of the new loan or instalments of a loan already granted which the sender will probably apply to borrow during the ensuing financial year ; and the Commissioners shall as soon as practicable submit all such statements to the Treasury, with such observations thereon and information respecting the same as they may think expedient, and as may be necessary for enabling the Treasury to lay before the House of Commons an estimate of the amount required to be granted for the purpose of loans by the Loan Commissioners.

The Loan Commissioners shall not, except with the permission of the Treasury, grant any loan or advance any instalment of a loan which has not been included in such a statement as above mentioned.

The Treasury, if they think that after providing for the loans and instalments included in the said statements, or such of them as will actually be advanced, there will be a balance out of the sum granted by Parliament sufficient to meet any loan or instalment

not included in the statements, may, if they think fit, grant such permission, and may grant it conditionally upon the said balance being in their opinion sufficient when the time for the actual payment arrives.

If the regulations under this Act require quarterly statements to be sent by borrowers of the amounts which will be required by such borrowers, the Treasury may, if they think fit, refuse to issue in any quarter of a financial year any larger sum than the total of the amounts named in the statements referring to such quarter.

14 Issue of money for purpose of loans

When any money has been granted by Parliament for the purpose of loans by the Loan Commissioners, the Treasury may from time to time, as they think fit, issue out of the Consolidated Fund of the United Kingdom, or the growing produce thereof, the required sums, not exceeding in the whole the amount so granted. "

The said sums shall be issued in such manner as the Treasury may from time to time direct during the period authorised by the Act granting the same, or if no period is authorised, during the financial year for which such Act was passed, and not subsequently.

15 Borrowing for the purpose of raising money

If the Act granting money for the purpose of loans by the Loan Commissioners authorises the Treasury to borrow such money, or any part thereof, the Treasury may raise any sums (not exceeding the amount authorised by the said Act to be borrowed, and not exceeding in any one financial year the excess of the issues out of the Consolidated Fund under this Act during that year over the repayments to the Consolidated Fund during that year in respect of the principal of loans granted by the Loan Commissioners either before or after the commencement of this Act,) in such one or more of the following methods as may be directed by the Act authorising the money to be borrowed, and subject to any such direction as may be deemed most convenient for the public service, namely, by the creation of three pounds per centum per annum permanent annuities, or of annuities for any term not exceeding thirty years, or by the issue of Exchequer bonds or Exchequer bills, or by otherwise borrowing the same (for a period not exceeding six months) on the credit of the charge created by this Act on the Consolidated Fund, or by all of such means; and the sums so raised shall be placed to the credit of the account of Her Majesty's Exchequer, and form part of the Consolidated Fund.

The annuities created in pursuance of this section, and the principal moneys borrowed in pursuance of this section (otherwise than by the issue of Exchequer bonds), and all interest from time to time due thereon, or on Exchequer bonds issued under this section (not exceeding the rate of five per cent. per annum) shall be charged upon and be payable out of the Consolidated Fund, or out of the growing produce thereof, at such times in each year as may be fixed by the Treasury.

The principal of any Exchequer bonds issued under this section shall be paid out of moneys provided by

The annuities, whether terminable or perpetual, shall be created by warrant of the Treasury to the Bank of England, directing them to inscribe in their books the amount of such annuities in the names directed by the warrant.

The said annuities shall, in manner directed by the warrant, be consolidated in the said books, if terminable, with annuities payable at the same date, and, if permanent, with annuities at the same rate of interest, and payable at the same date, and shall be transfer, able in the said books in like manner as the annuities with which they are consolidated, and shall be subject to the enactments relating to those annuities so far as is consistent with the tenor of those enactments.

16 Issue of money to the National Debt Commissioners

All money issued by the Treasury for the purposes of loans under this Act shall be issued to the National Debt Commissioners, and placed to such account as may be from time to time directed by the Treasury, and shall be held by the National Debt Commissioners in trust on the part of the public, but subject to the disposal of the Loan Commissioners for the purpose of loans by them under this Act.

17 Repayments to Commissioners to go to Consolidated Fund

All sums paid or applicable in or towards the discharge of the principal or interest of any loan granted by the Loan Commissioners, either before or after the passing of this Act, or of any other sum due in respect of such loan, shall be paid into the receipt of Her Majesty's Exchequer in such manner as the Treasury from time to time direct, and shall be carried to the Consolidated Fund ; but where any security for any such loan is enforced, by taking possession, sale, levy of a rate, or otherwise, the net receipts only shall be paid into the receipt of Her Majesty's Exchequer in pursuance of this section.

Recovery of Loans

18 Charge on property and priority of loan by the Commissioners

Where a loan is granted by the Loan Commissioners on the security of a mortgage of any property (whether with or without any other security), the property from and after the date of the mortgage shall be charged with the payment to the use of Her Majesty of the loan with interest as in the mortgage mentioned, in priority, save so far as otherwise specified in the mortgage, over every other debt, mortgage, or charge whatsoever affecting the property, except any loan due to any creditor not assenting to such priority which has been advanced in good faith before the loan advanced by the Commissioners and secured by a mortgage of the property executed to a person who is entitled as a bona fide creditor to the repayment thereof with interest.

Provided that if there is more than one such creditor and not less than four fifths in value of such creditors consent in writing that the said charge shall have priority over the loans and mortgages of such creditors, in such case the loans and mortgages of all such creditors, as well those who have not agreed as those who have agreed, shall be postponed to the loan granted by the Commissioners and to the said charge thereof, and to the security for the same.

Nothing in any special Act, and no rule of law or custom shall affect the priority given by this section, except so far as the special Act negative such priority in terms expressly referring to this Act.

19 Charges on rate of loan and loan not to be repudiated by locality having had the benefit of it

Where a loan is granted by the Loan Commissioners on the security of a mortgage of any rate (whether with or without any other security) such rate from and after the date of the mortgage shall be charged with the payment to the use of Her Majesty of the loan with interest as in the mortgage mentioned.

Where the loan has been granted to any borrower who appeared to the Commissioners to have power to levy and mortgage such rate and has been expended upon the work in respect of which or in or for the benefit of the locality in which such rate or any part thereof is levied, the mortgage of the rate for securing the repayment of the loan with interest shall be valid, and may be enforced in pursuance of this Act, notwithstanding any defect in the power or title of the borrower by whom the mortgage purports to be granted; and in particular the Commissioners may, although such borrower was not legally constituted or is dissolved, or is otherwise incapable and always was incapable of making, levying, or mortgaging such rate, have the same power of making and levying and enforcing the making or levying the said rate for the purpose of repaying such loan and interest, and all other sums due under the mortgage, as if such borrower had been duly constituted, and was not dissolved, and had had full power to make, levy, and mortgage such rate."

20 Securities to be taken in name of secretary

All securities for any loan granted by the Loan Commissioners in pursuance of this Act may be given to the secretary of the Commissioners on their behalf. Every such security is in this Act referred to as a security given to the Commissioners.

21 Taking possession by Commissioners of property on default of payment

Where a mortgage of property has been given to secure any loan granted by the Loan Commissioners, and default is made in making payment according to the terms of such mortgage, then at any time after such default and without any consent on the part of any person interested in the equity of redemption of the mortgaged property, the Commissioners, without prejudice to any other remedy, shall have power to do all or any of the following things; namely,

- (1) Take possession of the mortgaged property, or any part thereof; and
- (2) Grant any lease of the mortgaged property, or any part thereof, for such term and upon such reasonable conditions as they may think expedient, and that either for a premium or rent, or both; and
- (3) Sell or mortgage the mortgaged property, or any part thereof.

22 Powers of Commissioners when in possession

The Loan Commissioners, when authorised to take possession of any mortgaged property, may take possession either by themselves or by any person appointed by them (whether such person is interested in the mortgaged property or not), and upon possession of any mortgaged property being so taken,—

- (1) All the estate, right, interest, powers, authorities, and privileges, of what nature or kind soever, which were at the time of the making of the mortgage or may for the time

- being be vested in or exercisable by the mortgagor or any person claiming through or under the mortgagor, either in relation to the property or necessary for carrying on and managing the same, shall become vested in the secretary of the Commissioners ; and
- (2) The Commissioners may by themselves or any person appointed as aforesaid manage and carry on the; property, and receive the revenue arising therefrom, or in any way receivable in respect thereof, or otherwise, in pursuance of the mortgage, and exercise all or any of the powers, and authorities vested in their secretary by this Act; and
 - (3) The Commissioners or their secretary or such person as aforesaid shall not be liable for the repairs or maintenance of the mortgaged property, but may apply any moneys received in respect thereof or raised from any rate towards such repairs or maintenance to such extent as the Commissioners may think expedient; and
 - (4) The Commissioners may, with the consent of the Treasury, advance out of moneys at their disposal under this Act sums for the completion, repair, improvement, or security of the mortgaged property, and every such sum shall be deemed and shall be a loan secured on the property and repayable with the like interest from the time of the advance, and by the like person, and shall have the like priority and be recoverable in the like manner as if it were part of the original loan secured by the said mortgage ; and
 - (5) If the revenue received from or in respect of the property is insufficient to keep down the current expenses of working, maintaining, and repairing the same, together with the instalments of principal and the interest for the time being due on the mortgage, and no rate or no sufficient rate can be levied to meet the deficiency, the Commissioners may, with the consent of the Treasury, destroy or cause to be destroyed, or (if they sell the same) authorise the purchaser with the like consent to destroy the same, and sell or authorise the purchaser to sell the materials thereof and other the articles, goods, and effects belonging thereto, and neither the Commissioners, nor their secretary, nor the purchaser so authorised, nor his representatives, shall be liable in damages or otherwise to any person whomsoever for such destruction; and the provisions of this Act with respect to the sale of any mortgaged property shall apply to any sale under this section ; and
 - (6) Possession under this Act may be relinquished at such time and in such manner and upon such terms and conditions as the Commissioners think fit, and upon such relinquishment all powers, authorities, and privileges' which on the taking of possession became vested in the secretary of the Commissioners shall, so far as they are not reserved, revert to and become vested in the person in whom the same would have been vested if possession had not been taken, but the Commissioners may, if they think fit, on the relinquishment of possession, reserve any of the said powers, authorities, and privileges, with a view to the payment of any sum due to them:
 - (7) Every such relinquishment of possession of any mortgaged property shall be without prejudice to the power of again taking possession thereof under the provisions of this Act.

23 Powers in relation to rate where default made

Where a loan made by the Commissioners is secured by the mortgage of a rate (whether with or without any other security), and the Commissioners might, if such loan were secured upon a mortgage of property, take possession of such property, the Commissioners may, without prejudice to any other remedy, by notice in writing served at the office or last known place of address of the mortgagor, or where from any cause the same cannot be so served by notice in writing published in the

prescribed manner, declare their intention to exercise the powers conferred by this Act, and thereupon the Commissioners shall have and may exercise the same power as the mortgagor of making and levying the rate mortgaged, and for that purpose the Commissioners or their secretary with their concurrence may appoint an officer who, subject to the direction of the Commissioners, shall have and may exercise the same powers, authorities, and duties as if he had been appointed by the mortgagor.

The Commissioners, in making an estimate of the rate to be levied for the purpose of paying any sum due, may add such sum as they think sufficient for defraying and may defray thereout all costs, charges, and expenses, including remuneration to any officer or other person employed, incurred, by the Commissioners in the execution of their powers under this section or otherwise by reason of the default in payment.

Any balance remaining in the hands of the Commissioners shall be paid by them to the mortgagor.

The Commissioners may, by a like notice, declare their intention to relinquish the powers conferred by this section, and that either absolutely or with reservations and conditions, and thereupon all such powers shall revert in the mortgagor, subject to the said reservations and conditions.

24 Liability of Commissioners after taking possession, or in default of payment

When the Loan Commissioners have taken possession of any property under this Act, or exercised the powers conferred by this Act in relation to any rate, neither they nor their secretary, nor any person appointed by them in that behalf, shall be liable to account to any person interested in the equity of redemption in such property or rate for any moneys which, but for their wilful neglect or default, they or he might have received when so in possession or exercising such powers, or for any moneys other than those which have actually come to their or his hands.

25 Sale and mortgage by Commissioners of mortgaged premises

Where the Loan Commissioners have power to sell or mortgage, they shall have power to sell or mortgage either together or in parcels, by public auction or private contract, and subject to such conditions as to title or evidence of title or otherwise as the Commissioners may think proper.

They may also buy in at any auction and rescind any contract for sale or mortgage, and resell or remortgage, without being responsible for any loss occasioned thereby.

Where a sale cannot be made in the ordinary way for a sum equal to the amount remaining due under the mortgage, the Loan Commissioners may, if they think fit, sell in such manner and subject to such conditions, stipulations, and agreements as they may think expedient for the purpose of ensuring the completion or carrying on of the work comprised in such mortgage by the purchaser thereof, with a view to the public good or general benefit or for any other purpose, notwithstanding such conditions, stipulations, and agreements may be prejudicial to the sale, or may not be beneficial to the persons interested in the equity of redemption in the property.

The Loan Commissioners may for the purpose of any sale or mortgage execute all such agreements, conveyances, and instruments as they may think fit.

26 Purchaser not liable to see to the validity of sale or application of money

Every sale or mortgage made by the Commissioners or their secretary, and purporting to be made in pursuance of this Act, shall, so far as regards the interest of the purchaser and mortgagee, be deemed to be valid, and the purchaser or mortgagee shall not be bound to see or inquire whether the sale or mortgage is authorised, nor in the case of a mortgage whether the money raised is required to be raised, nor as to the necessity or expediency of or authority for making the conditions, stipulations, or agreements subject to which the sale or mortgage was made, nor otherwise as to the propriety or regularity of such sale or mortgage, nor be affected by express notice as to any matters into which he is not bound to see or inquire.

The receipt in writing of the Bank of England, or one of their cashiers or other proper officer for the purpose of the Bank of England, or other prescribed receipt, shall be a full discharge for the money paid on the sale or mortgage, and the person paying the same shall not be bound to see to the application of such money, or be liable or in any manner accountable for the misapplication or non-application thereof.

27 Terms of lease, sale, or mortgage

Any lease, mortgage, conveyance, or other disposition made by the secretary of the Commissioners under this Act of any mortgaged property may be in the prescribed form, and shall convey to the person in whose favour such lease, mortgage, conveyance, or other disposition is made, and according to the terms thereof, all or any part of the estate, right, interest, powers, authorities, and privileges, which under the mortgage and this Act are vested in or capable of being exercised by the Loan Commissioners, or their secretary, either before or after possession taken, and the same shall thereupon be vested in and may be exercised and put in force by such person accordingly.

Nothing in this Act shall operate to invalidate or affect the rights of any person entitled bona fide to any debt, estate, or interest, having priority over or ranking *pari passu* with the loan granted by the Commissioners, or the security for such loan, or the rights of any lessee under any lease made either prior to such security or with the concurrence of the Commissioners.

28 Application of money arising on taking possession, sale, mortgage, &c. by Commissioners

Any money arising from the taking possession, lease, sale, mortgage, or other disposition under this Act by or under the direction of the Loan Commissioners of any mortgaged property shall be applied first in discharge of all costs, charges, and expenses incurred by or under the direction of the Commissioners in respect thereof, or otherwise by reason of the default in payment, and secondly in discharge of the whole of the principal of the loan secured by the mortgage and for the time being unpaid (notwithstanding that the same or any instalment thereof may not have become actually due), and in discharge of all interest accrued due on such principal, and of all other sums (if any) due under the mortgage.

The surplus (if any) of such money either shall be paid to the mortgagor or other person or persons entitled thereto, or, if the Commissioners think fit, shall be paid by the secretary of the Commissioners into the Court of Chancery in England in like manner as if he were a trustee of such money for the persons entitled thereto, and the court

may make such orders for the payment and distribution of such money to or among those persons as may from time to time seem to the court just.

29 Payment of loan before it is due, and transfer of security for all or part of loan

The Loan Commissioners may, if they think fit, at anytime accept payment of the whole or any part of the principal and interest of any loan or other moneys secured by any mortgage under this Act before the time when the same is due; and may release or convey the mortgaged property or rate to the person paying the same, or as he may direct, upon such terms and conditions and in such manner and form as the Commissioners may think expedient.

The person in whose favour any conveyance of the mortgaged property or rate under this section is made shall, subject to any limitations inserted therein, be entitled to the like priorities, powers, and authorities as the Commissioners or their secretary were entitled to, either subject to or with priority over or concurrently with any priorities, powers, and authorities reserved to the Commissioners by the conveyance.

The Commissioners shall have full power to enter into and concur in all such arrangements as they may deem expedient for the purposes of carrying into effect a release or conveyance under this section.

30 Discharge of security and reversion of property on repayment of loan

Upon all money due under a mortgage under this Act being fully paid the Commissioners shall, when required, give in the prescribed manner to the person liable to the payment thereof a receipt in writing for the same, and such further sufficient discharge (if any) as may seem to the Commissioners to be necessary, and upon such receipt being given the mortgage rate shall be released from the charge and the mortgaged property, or the part thereof not sold or disposed of under this Act shall, (unless the Commissioners, on the request and at the expense of the person paying the said money, make any other disposition thereof,) revert in the person who would have been entitled thereto if the mortgage had not been made, subject nevertheless to any lease, mortgage, or other act previously made or done by or under the direction of the Commissioners.

31 Bankruptcy of debtor

Where an individual liable to pay as principal or surety the principal or interest of any loan under this Act becomes bankrupt or insolvent, or enters into any composition or arrangement with his creditors, or has his affairs liquidated by arrangement, or takes the benefit of, or becomes subject to the provisions of any Act passed for the relief of persons in debt, or for enabling the property of such persons to be distributed among their creditors, or where any company liable to pay as principal or surety the principal or interest of any loan under this Act becomes bankrupt or is wound up, the whole of such loan shall become due immediately, notwithstanding that the date for the payment thereof or part thereof has not arrived, unless in the case of a surety the Commissioners think fit to accept some other surety.

32 Form of mortgage

Every security given under this Act may be in such form as may be prescribed, and the fact of the secretary of the Loan Commissioners being a party thereto shall be

conclusive evidence that the same is in the prescribed form, and every such security shall be valid and effectual to pass all the estate, right, and interest purporting to be passed thereunder by the parties executing the same, subject to the provisions of this Act.

33 Recovery of debt on personal security

Every sum payable under any security made in pursuance of this Act shall be made payable to the use of Her Majesty, her heirs and successors, and may be recovered as a specialty debt due to the Crown, in like manner as if the security had been made in the form provided by the Act of the thirty-third year of the reign of Henry the Eighth, chapter thirty-nine ; but no person shall be liable for any larger sum than that which he is expressed to be bound to pay.

Every sum payable in respect of a loan granted by the Loan Commissioners (either before or after the passing of this Act) or under the security for such loan, shall be compounded for or released only under the authority of Parliament in each case.

The Loan Commissioners may issue a warrant to the proper officer forthwith to enforce payment of such debt to the Crown as aforesaid, and if necessary to enter satisfaction therefor, and shall have the control over any proceedings taken to enforce such debt, and such proceedings shall not be discontinued, quashed, or abated without the written authority of the Loan

The Court of Exchequer, or other competent court, or any judge thereof, may, upon the production of the said warrant, direct an immediate writ of extent, or of diem clausit extremum, to issue without any writ of scire facias or any affidavit or other proof of the cause of the proceeding.

Nothing in this Act shall render it the duty of the Loan Commissioners to issue such warrant or to register such writ or debt, unless they are of opinion that it is necessary for the purpose of securing the payment of the debt, or that otherwise under the particular circumstances it is expedient so to do.

34 Recovery of loan after the expiration of term for repayment

The expiration of the period within which a loan under this Act is made repayable (whether such period is the full period allowed by this or the special Act or a shorter period) shall not in any way affect any power of the Loan Commissioners of recovering or enforcing payment of any sum due in respect of such loan.

Supplemental Provisions as to Loans and Securities

35 Security for completion of works partly finished or not commenced

Where the Commissioners grant a loan in aid of any work which is either partly completed or not commenced, they may, by a bond to Her Majesty or otherwise, take such security for the application of the loan to the work, and for the due completion of the work (including the raising of sufficient funds for that purpose), as they may think sufficient for securing the interest of the public.

36 Examination as to proper application of moneys lent

Where the Loan Commissioners advance any loan for any purpose on the security of a rate, it shall be the duty of the Local Government Board to satisfy themselves that the loan is applied to such purpose; they may from time to time make such, examination as they may think necessary with a view to ascertain that such loan has been so applied.

The Local Government Board may appoint any officer to conduct on their behalf any examination under this section, and such officer shall have the same powers to require the attendance of persons and the production of accounts and other documents, so far as such attendance or production is required for the purpose of such examination, as an inspector of the Local Government Board has under the Acts relating to the relief of the poor.

37 Suspension of payment of principal and interest

The Treasury may, on the recommendation of the Loan Commissioners, postpone for any time not exceeding five years the payment of the instalments of principal and interest, or either, due or to become due in respect of a loan granted by the Commissioners for the purpose of any work, and that upon such terms and conditions for the completion and improvement of such work, and the ultimate payment of such principal and interest, as the Treasury may on the said recommendation authorise.

38 Change of security

The Loan Commissioners may, subject to the prescribed regulations, if under the circumstances of the case they think fit, accept any security in lieu of any security previously given to them, or of any part of such security, and that subject to such terms and conditions as they direct; so, however, that the substituted security shall be of the character which the Commissioners might take if the loan were originally granted at the time of such substitution, and that no change of security under this section shall extend the period for the repayment of the loan.

39 Concurrence by Commissioners in leases, sales, &c. of mortgaged property

The Loan Commissioners may concur in any lease, conveyance, release, or other disposition of any property mortgaged under this Act, or any part thereof, and in the arrangements relative thereto, upon such terms and conditions as they may think fit, and either with or without consideration, so that in their opinion the payment, with interest, of the loan charged on the mortgaged property is sufficiently secured or is not thereby made less secure.

*Special Provisions as to Borrowers***40 Power to various authorities to mortgage and levy rates**

The justices for any county, or any riding, division, parts, or liberty of a county, in general or quarter sessions assembled, may (if they resolve by a majority of not less than five justices so to do) borrow money from the Loan Commissioners for the purpose of building, rebuilding, enlarging, repairing, improving, and fitting up any police station and justices room, and offices connected therewith, or any of such purposes, and may levy a rate or any increase of a county rate for the purpose of paying

the principal and interest of such loan, and may mortgage such rate or the county rate to the Loan Commissioners in accordance with this Act.

The council of any borough may borrow money from the Loan Commissioners for the purpose of building, rebuilding, enlarging, repairing, improving, and fitting up any police station and justices room, and offices connected therewith, or any of such purposes, and may levy a rate or an increase of the borough rate for the purpose of paying the principal and interest of such loan, and may mortgage such rate or the borough rate to the Loan Commissioners in accordance with this Act.

The said justices and council respectively shall have power to give the mortgage in such manner and form as the Loan Commissioners may direct.

Miscellaneous

41 Regulations by Commissioners

The Loan Commissioners may from time to time make regulations for carrying into effect this Act, and in particular with respect to the quorum and proceedings of the Commissioners and the authentication of documents made or issued or directions given or acts done by them, and with respect to loans under this Act and applications therefor, and annual and quarterly statements of the amounts required to be borrowed, and the information to be given and conditions to be complied with by the applicants, and with respect to the forms to be used, including the forms of the securities, and with respect to any fees or sums to be paid by the applicants or by other persons dealing with such Commissioners, and with respect to the relations between such Commissioners and the National Debt Commissioners and the Bank of England.

Every such regulation shall be submitted for the approval of the Treasury, and as approved by them with such modifications and additions as they think fit, shall be published in the London Gazette, and when so published shall have effect as if it was enacted in this Act.

Every such regulation shall be laid before both Houses of Parliament as soon as may be after the making thereof if Parliament be then sitting, or if Parliament be not then sitting within one month after the then next meeting of Parliament. Every regulation, purporting to be made in pursuance of this section, shall after the expiration of six months after its publication in the London Gazette be deemed to have been duly made and to have been within the powers of this Act.

Regulations made under this section may be from time to time rescinded, altered, and added to in like manner as the original regulations.

42 Payment of fees and other sums into the Exchequer. 48. Accounts

All fees and other sums payable by any person in pursuance of the regulations made under this Act, or which may be paid otherwise in respect of the execution of any duties by the Loan Commissioners or their officers under this Act, shall be accounted for and paid into the receipt of Her Majesty's Exchequer, in such manner as the Treasury may from time to time direct, and be carried to the Consolidated Fund.

The Public Offices Fees Act, 1866, shall apply to any such fees or sums.

- 43** The Loan Commissioners shall keep at the Bank of England such account, and under such title as the Treasury may from time to time direct, and every such account shall be deemed to be a public account.

Such accounts as the Treasury may from time to time direct of all moneys issued from or payable to the Consolidated Fund in pursuance of this Act during every financial year, and of all transactions under this Act during that year, including all sums due for the time being from any person in respect of any loan granted by the Loan Commissioners either before or after the passing of this Act, shall be kept by the National Debt Commissioners and the Loan Commissioners respectively, and such other persons (if any), and be audited by the Comptroller and Auditor General in such manner as the Treasury may from time to time direct.

44 Perjury

Any person who, when examined by the Loan Commissioners in pursuance of this Act, or any regulation made under this Act, wilfully gives false evidence, or who, for the purpose of obtaining a loan under this Act, wilfully gives information to such Commissioners which is false in any material particular, shall be guilty of perjury.

45 Authority, and laying before Parliament Treasury warrants

The warrant of the Treasury issued under the authority of this Act shall be a sufficient authority to the Bank of England for doing the things thereby directed to be done for the purposes of this Act, and copies of any such warrant relating to the borrowing of money shall be laid before both Houses of Parliament, within one month of the date thereof, if Parliament be then sitting, and if not within one month after the then next meeting of Parliament.

46 Receipt for money payable on account of loan, &c

The receipt in writing of the Bank of England, or one of their cashiers or other the proper officer for the purpose of the Bank of England, and any other prescribed receipt for any money paid in discharge of the principal or interest of any loan granted under this Act, or of any sum due under any security made under this Act or otherwise payable to or by the direction of the Loan Commissioners or their secretary, shall be a complete discharge to the person paying the same.

47 Notices may be served by post

Notices, directions, orders, and documents required by this Act, or by any regulation made under this Act, to be served or sent may, unless otherwise expressly provided, be served and sent by post, and, until the contrary is proved, shall be deemed to have been served and received respectively at the time when the letter containing the same would be delivered in the ordinary course of post; and in proving such service or sending it shall be sufficient to prove that the letter containing the notice, direction, order, or document was prepaid, and properly addressed, and put into the post.

48 Notices to and by Commissioners

Notices and documents required by this Act, or by any regulation made under this Act, to be served on the Loan Commissioners, may be so served by serving the same

on their secretary, or by sending the same addressed to or delivering the same at the office of the Commissioners.

Notices and documents required for the purposes of this Act, or of any regulation made thereunder, to be served by or on the Loan Commissioners, or to be made or issued by the Loan Commissioners, shall be in writing or in print, or partly in writing and partly in print.

49 Effect of schedules

The schedules to this Act shall be construed and have effect as part of this Act.

50 Application of Act to loans under special Acts

Except so far as a special Act, by express reference to some part of this Act, alters that part, every loan made by the Loan Commissioners shall, notwithstanding any provision in such special Act and any rule of law or custom, be made in accordance with and under the powers of this Act, and be repayable in manner provided by this Act, and by the security for the same granted under this Act, and every such loan, together with the security for the same, shall have the priority and be subject to the powers, authorities, and remedies mentioned in this Act; and although made in pursuance of a special Act, shall be deemed for all purposes to be a loan under this Act.

51 Definitions

In this Act, if not inconsistent with the context—

The expression " person " includes a body of persons, whether corporate or unincorporate:

The expression " the Treasury " means the Commissioners of Her Majesty's Treasury:

The expression " National Debt Commissioners " means the Commissioners for the Seduction of the National Debt:

The expression " Bank of England " means the Governor and Company of the Bank of England :

The expression " financial year " means the year ending the thirty-first day of March :

The expression " prescribed " means prescribed by the regulations made under this Act with the approval of the Treasury :

The expression " special Act " means any Act passed before the passing of this Act which authorises the Loan Commissioners to lend money for the purposes of any work mentioned in the first schedule to this Act and any Act passed after the passing of this Act, which authorises the Loan Commissioners to lend money for any purpose :

The expression " security " includes a mortgage :

The expression " mortgage " includes a charge and any instrument in the nature of a mortgage or charge, and in Scotland any heritable security :

The expression " conveyance " includes any grant, assignment, transfer, or other disposition or assurance ; and the expression " convey " shall be construed accordingly :

The expression " rate " means a rate, cess, or assessment the proceeds of which are applicable to public local purposes and leviable on the basis of a

valuation of property, and includes any sum which, though obtained in the first instance by a precept, certificate, or other instrument requiring payment from some authority or officer, is or can be ultimately raised out of a rate, as before defined, and the making and levy of a rate includes the issue and enforcement of any such precept, certificate, or instrument as aforesaid, and expressions relating to the making and levy of a rate shall be construed accordingly :

Any toll, due, rent, imposition, and other sum not being a rate as above defined shall be deemed to be property for the purposes of this Act.

All references to a mortgagor or borrower shall, if need be, be deemed to include a reference to the successors, heirs, executors, administrators, and assigns of, or other persons claiming through or under such mortgagor, or borrower.

Temporary Provisions and Repeal

52 First Commissioners

The following persons, that is to say, Thomas M. Weguelin, Esq., M.P., Kirkman D. Hodgson, Esq., M.P., Paul Butler, Esq., Thomson Hankey, Esq., M.P., T. N. Hunt, Esq., H. H. Vivian, Esq., M.P., W. Jones Loyd, Esq., Herbert Barnard, Esq., Lord Napier and Ettrick, Richard Musgrave Harvey, Esq., Lord Cottesloe, Sir Charles H. Mills, Bart., M.P., Jervoise Smith, Esq., Edward Howley Palmer, Esq., Right Honourable T. M. Gibson, and Thomas Salt, Esq., M.P shall be the first Public "Works Loan Commissioners under this Act, and shall hold office for a period of five years from the commencement of this Act.

53 Existing officers of Commissioners

The persons who at the commencement of this Act are officers of the Commissioners under the Acts hereby repealed shall be the first officers of the Loan Commissioners under this Act.

The Treasury may, on the petition of any such officer, inquire whether any, and if any, what compensation ought to be made to him by reason of his salary or remuneration being restricted in pursuance of the provisions of this Act, regard being had to the conditions under which he was appointed and employed, the nature of his office or employment, and the duration of his service, and if they think that his claim to compensation is established, may award to him, out of moneys to be provided by Parliament, such compensation by way of increase of salary, allowance, or otherwise, as under the circumstances they think just and reasonable: Provided always, that if any officer has received remuneration in excess of what is considered by the Treasury sufficient remuneration for his office or employment, such excess shall not be considered to give any claim for compensation or increase of salary.

54 Sending of statements and making of regulations before commencement of Act

The first statement of the probable requirements of new loans or instalments of a loan to be sent by persons intending to borrow from the Loan Commissioners shall be sent on or before the thirty-first day of December one thousand eight hundred and seventy-five.

Regulations under this Act may be made by the above-named Commissioners at any time after the passing of this Act.

The first report of the Loan Commissioners shall be made out up to the end of the financial year ending on the thirty-first day of March one thousand eight hundred and seventy-six, and shall relate to the transactions of the Loan Commissioners under the Acts repealed by this Act.

55 Reference in Acts to repealed Acts

A reference in any Act to any enactment hereby repealed, or to the Commissioners for the execution of any Act hereby repealed, shall, so far as is consistent with the tenor thereof, be deemed to refer to the corresponding enactment in this Act and to the Public Works Loan Commissioners under this Act.

56 Saving for loans and transactions under repealed Acts

Save as otherwise provided by this Act this Act shall apply only to loans granted and securities made after the commencement of this Act.

The Loan Commissioners shall have the same power of making farther advances on any mortgage made before the commencement of this Act and intended to secure more than the sum which has actually been advanced thereon as they would have had under the Acts repealed by this Act if they had not been repealed, but such advances shall be made out of money issued under this Act.

The Loan Commissioners, on granting any new loan to persons by whom a loan granted before the commencement of this Act is still owing, may make it a condition of the grant of such new loan that the old loan shall be deemed to have been granted in pursuance of this Act, and on such condition being accepted the old loan shall be deemed to be a loan under this Act.

For the purpose of any loans granted and securities made before the commencement of this Act, the Loan Commissioners under this Act and their secretary and other officers for the time being shall be deemed to be the same commissioners, secretary, and officers as the commissioners, secretary, and officers under the Acts in pursuance of which such loan was granted and securities made, and all securities and documents relating to such commissioners, secretary, and officers shall be construed accordingly.

57 Repeal of Acts

The Acts specified in the third schedule to this Act so far as they are unrepealed are hereby repealed from and after the commencement of this Act, and so much of any other enactment as authorises any loan by the Public Works Loan Commissioners for the purpose of any work other than a work mentioned in the first schedule to this Act, or as is otherwise inconsistent with this Act, is hereby repealed from and after the commencement of this Act.

Provided that—

- (1) The repeal of an enactment by this Act shall not affect—
 - (a) The charge on the Consolidated Fund or moneys provided by Parliament of the principal and interest of Exchequer bonds issued under any enactment

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

hereby repealed ; nor any securities made or issued or anything duly done or suffered under any enactment hereby repealed; nor

- (b) Any power to make or levy rates, or any other power capable of being exercised for the purpose of enabling or compelling the repayment of ' any money due on account of any loan granted by the Public Works Loan Commissioners before the commencement of this Act, whether the same or any part thereof has been actually advanced before or after such commencement; nor
 - (c) Any right, obligation, or liability acquired, accrued, or incurred under or in accordance with any enactment hereby repealed; nor
 - (d) Any penalty, forfeiture, or punishment incurred in respect of any offence committed against any enactment hereby repealed; nor
 - (e) Any powers, investigation, legal proceeding, or remedy in respect of any such security, thing, rate, power, right, obligation, liability, penalty, forfeiture, or punishment as aforesaid; and any such powers, investigation, legal proceeding, and remedy may be exercised and carried on and had as if this Act had not passed ; and
- (2) Neither this Act nor the repeal of any enactment by this Act shall affect the issue of money for the purposes of loans by the Commissioners of Public Works in Ireland, in accordance with the Act of the session of the twenty-ninth and thirtieth years of the reign of Her present Majesty, chapter seventy-three, intituled "An Act to " authorise for a further period application of money for " the purposes of loans for carrying on public works in " Ireland," and the sums mentioned in that Act may be issued in like manner as if this Act had not passed.