CHAPTER 77

An Act to provide money for the provision of housing accommodation in Great Britain for married persons serving in, or employed in connection with, the armed forces of the Crown, and for purposes connected therewith. [16th December 1949.]

Most Gracious Sovereign,

WE, Your Majesty's most dutiful and loyal subjects the Commons of the United Kingdom in Parliament assembled, towards providing such sums as may be required for the provision of housing accommodation in Great Britain for married persons serving in, or employed in connection with, the armed forces of the Crown, have resolved that money be provided in manner hereafter mentioned in this Act; and do therefore most humbly beseech Your Majesty that it may be enacted, and be it enacted by the King's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:—

Provision of money for housing accommodation for married persons serving in, or employed in connection with, the armed forces of the Crown.

1.—(1) During the five financial years ending on the thirty-first day of March, nineteen hundred and fifty-five, the Treasury may, subject as hereinafter provided, issue from time to time out of the Consolidated Fund of the United Kingdom or the growing produce thereof (hereinafter referred to as "the Consolidated Fund") sums not exceeding in the aggregate forty million pounds, to be applied as appropriations in aid of moneys provided by Parliament for those years for the provision of approved housing accommodation in Great Britain for married persons serving in, or employed in connection with, the armed forces of the Crown, being accommodation the cost of the provision of which would, apart from this Act, fall to be defrayed out of moneys provided by Parliament for the defence services:

Provided that the amount so issued for any year to defray Navy, Army or Air Force expenditure in respect of the provision of approved housing accommodation in Great Britain for persons serving in, or employed in connection with, the Royal Navy or Royal Marines, the Army or the Air Force, as the case may be, shall not at any date exceed the aggregate of the amounts proposed to be so issued to defray that expenditure by the estimates upon which the House of Commons has, before that date, resolved to grant sums to His Majesty to defray that expenditure for that year.

(2) For the purpose of providing sums (or any part of sums) to be issued under the foregoing subsection, or of providing for the replacement of all or any part of sums so issued, the Treasury

may, at any time, if they think fit, raise money in any manner in which they are authorised to raise money under the National Loans Act, 1939, and any securities created and issued to raise money under this subsection shall be deemed for all purposes to have been created and issued under that Act. 2 & 3 Geo. 6 c. 117.

(3) The following provisions of this subsection shall have effect as respects the repayment of sums issued under subsection (1) of this section, that is to say—

(*a*) the aggregate of the sums so issued in any financial year shall be repaid into the Exchequer, as mentioned in the next following paragraph, with interest thereon at the appropriate rate, the said interest accruing, as respects the whole aggregate, from the end of that year;

(*b*) the said aggregate shall be repaid by sixty equal annual instalments of principal and interest combined, the first of such instalments falling due at the end of the financial year next following that in which the sums in question were issued and one of the remainder falling due at the end of each of the fifty-nine succeeding financial years;

(*c*) any instalment to be paid into the Exchequer under the last foregoing paragraph shall be paid out of moneys provided by Parliament for the defence services.

For the purposes of this subsection, the expression " the appropriate rate " means, as respects the aggregate of sums issued in any financial year, the rate of interest applicable to a loan made, immediately before the end of that year, out of the Local Loans Fund on the security of local rates, being a loan the duration of which is sixty years.

(4) Sums paid into the Exchequer under the last foregoing subsection shall be issued out of the Consolidated Fund at such times as the Treasury may direct, and shall be applied by the Treasury as follows, that is to say—

(*a*) so much thereof as represents principal shall be applied in redeeming or paying off debt of such description as the Treasury think fit;

(*b*) so much thereof as represents interest shall be applied to the payment of interest which would, apart from this provision, have fallen to be paid out of the permanent annual charge for the National Debt.

(5) In this section the expression " approved " means approved for the purposes of this Act by the Treasury, and the expression " defence services " means the Navy, Army and Air services.

2. This Act may be cited as the Armed Forces (Housing Loans) Act, 1949. **Short title.**