CHAPTER 26

An Act to authorise the payment out of the Consolidated Fund of loans to be made for capital purposes by the Minister of Power in pursuance of arrangements under section five of the Iron and Steel Act, 1953; and for connected purposes. [13th April, 1960]

BE it enacted by the Queen'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:—

Issue of sums out of Consolidated Fund for the provision of capital.

1 & 2 Eliz. 2. c. 15.

1.—(1) Subject to the provisions of this section, the Treasury may issue out of the Consolidated Fund to the Minister of Power any sums—

(*a*) which fall to be paid by the Minister by virtue of any exercise by him of the powers conferred by section five of the Iron and Steel Act, 1953 (under which he may make arrangements with any person for certain purposes which include the provision of production facilities for the supply of iron and steel products), and

(*b*) which are to be advanced by way of loan by the Minister under arrangements under the said section five which require the sums to be applied to defray expenditure properly chargeable to capital account, including the provision of working capital,

and subsection (7) of the said section five (which directs the payment of such sums out of moneys provided by Parliament) shall have effect subject to the provisions of this section.

(2) The Treasury shall not issue any sums to the Minister under this section unless they have approved the terms contained in the said arrangements with respect to the repayment of the sums advanced, the giving of security and the payment of interest, and the Minister shall not without the consent of the Treasury enter into any agreement to vary any of those terms.

(3) Sums issued by the Treasury to the Minister of Power under this section shall not together exceed the sum of one hundred and twenty million pounds, and no sums shall be so issued after the end of March, nineteen hundred and sixty-five.

(4) For the purpose of providing sums to be issued out of the Consolidated Fund under this section, or of providing for the replacement 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.

(5) Such of the sums paid into the Exchequer under subsection (7) of section five of the Iron and Steel Act, 1953 (which requires the Minister to pay into the Exchequer any sums received by him in consequence of any exercise by him of the powers conferred by that section), as represent interest on, or other payments received by the Minister in respect of, advances made by him out of sums issued to him under this Act 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, and

(*b*) so much thereof as represents interest shall be applied towards meeting such part of the annual charges for the national debt as represents interest.

(6) The Minister of Power shall, as respects each financial year, prepare in such form and manner as the Treasury may direct an account of sums issued to him under this Act, and of the interest and other payments received by him in respect of advances made by him out of the sums so issued to him, and of the disposal of those sums respectively, and send it to the Comptroller and Auditor General not later than the end of November following the year; and the Comptroller and Auditor General shall examine, certify and report on the account and lay copies of it, together with his report, before each House of Parliament.

2. This Act may be cited as the Iron and Steel (Financial Provisions) Act, 1960. **Short title.**