

**RATES OF INTEREST ON LOANS BY THE
PUBLIC WORKS LOAN COMMISSIONERS TO
LOCAL AUTHORITIES**

NOTICE

TREASURY MINUTE dated 7th September 1983

THE Lords Commissioners of Her Majesty's Treasury read Section 3(2) of the National Loans Act 1968 (1968 C.13 as amended) whereby any sums borrowed from the Public Works Loan Commissioners shall bear interest at such rates as the Treasury may determine from time to time in accordance with Section 5 of the said Act.

My Lords understand that the Public Works Loan Commissioners will be operating arrangements under which local authorities are permitted to borrow from the Commissioners up to a specified quota at a certain fixed rate of interest and in excess of such quota at one of two higher fixed rates.

In accordance therewith the Chancellor of the Exchequer now recommends that with effect from 14th September 1983 and until the coming into operation of a further determination;

- I. The rate of interest applicable to any such fixed rate loan will be that in force on the day the authority applies to borrow or, if the application is before noon three working days before the loan is credited to the account of the authority's banker, the rate in force at 11 a.m. two banking days before credit day;
- II. Different rates of interest shall be charged on such fixed rate loans according to whether the principal of a loan is repaid by instalments or at the maturity and, if repaid by instalments, whether by equal instalments of the principal with interest paid on the decreasing balance of the principal (E.I.P.), or by instalments of equal repayments of the principal and interest paid thereon (E.R.);
- III. The rates of such interest shall be :—

*Per Cent per Annum
Loans Repayable*

<i>P.W.L.B. Quota Rates</i>	<i>By Instalments</i>		<i>At</i>
	<i>E.I.P.</i>	<i>E.R.</i>	<i>Maturity</i>
Over 1 but not over 3 years	103/8	101/2	111/8
Over 3 but not over 4 years	103/4	107/8	113/8
Over 4 but not over 5 years	11	111/8	111/2
Over 5 but not over 6 years	111/4	111/4	113/4
Over 6 but not over 7 years	113/8	113/8	113/4
Over 7 but not over 8 years	113/8	111/2	113/4
Over 8 but not over 9 years	111/2	115/8	115/8
Over 9 but not over 10 years	115/8	113/4	111/2
Over 10 but not over 15 years	113/4	111/2	11
Over 15 but not over 25 years	111/4	107/8	103/4
Over 25 years	107/8	103/4	105/8

P.W.L.B. Non-Quota "A" Rates

Over 1 but not over 5 years	12	121/8	121/4
Over 5 but not over 10 years	121/8	121/4	12
Over 10 but not over 15 years	121/4	12	111/2
Over 15 but not over 25 years	113/4	113/8	111/4
Over 25 years	113/8	111/8	111/8

P.W.L.B. Non-Quota "B" Rates

Over 1 but not over 5 years	13	131/8	131/4
Over 5 but not over 10 years	131/8	131/4	13
Over 10 but not over 15 years	131/4	13	121/2
Over 15 but not over 25 years	123/4	123/8	121/4
Over 25 years	123/8	121/8	121/8

The amount which a local authority borrows within its annual quota will bear interest at the appropriate rate in the quota set of rates. Where authorities borrow further sums these will attract interest at the appropriate rate in the non-quota set of rates unless the Public Works Loan Commissioners agree that they should be offset against the following year's quota.

My Lord's concur.

The Treasury determine the rates of interest accordingly.

Treasury Chambers,
Parliament Street,
London SW1P 3AG.

14th September 1983.

(66)

**RATES OF INTEREST ON LOANS FROM THE
NATIONAL LOANS FUND**

NOTICE

THE Treasury in pursuance of Section 5 of the National Loans Act 1968 (as amended) hereby give notice that on or after 14th September 1983;

- I. Different rates of interest shall apply according to whether the principal of a loan is repaid by instalments or at maturity and, if repaid by instalments, whether by equal instalments of the principal with interest paid on the decreasing balance of the principal (E.I.P.), or by instalments of equal repayments of the principal and interest paid thereon (E.R.);
- II. The lowest rates of interest satisfying the conditions laid down in Subsection (3) of the said Section 5 shall be:—

*Per Cent per Annum
Loans Repayable*

	<i>By Instalments</i>		<i>At</i>
	<i>E.I.P.</i>	<i>E.R.</i>	<i>Maturity</i>
Up to 1 year	—	—	101/8
Over 1 but not over 5 years	11	111/8	111/2
Over 5 but not over 10 years	115/8	113/4	111/2
Over 10 but not over 15 years	113/4	111/2	11
Over 15 but not over 25 years	111/4	107/8	103/4
Over 25 years	107/8	103/4	105/8

The Treasury also gives notice that the rate of interest to apply on the quarter day of 6th September 1983 on variable interest rate loans is 10¼ per cent.

Treasury Chambers,
Parliament Street,
London SW1P 3AG.

14th September 1983.

(65)

CERTIFICATES OF TAX DEPOSIT (SERIES 6)

ON and after 13th September 1983 the rates of interest applicable to deposits accepted under the Prospectus (Series 6) dated 11th October 1982 will be as follows:

- (a) for deposits of £100,000 or over:

<i>held for</i>	<i>applied in settlement of a scheduled liability</i>	<i>withdrawn for cash</i>
under 1 month	93/4 per cent	8 per cent
1 but less than 3 months	93/4 per cent	8 per cent
3 but less than 6 months	10 per cent	8 per cent
6 to 12 months	101/4 per cent	8 per cent
in the relevant year of the interest period		

- (b) for deposits of less than £100,000: 91/2 per cent if the deposit is