

at a certain fixed rate of interest and in excess of such quotas at one of two higher fixed rates.

In accordance therewith the Chancellor of the Exchequer now recommends that with effect from 23rd March 1988 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 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:—

P.W.L.B. Quota Rates	Per Cent per Annum Loans Repayable		At Maturity
	By Instalments E.I.P.	E.R.	
1 year	—	—	8 ⁷ / ₈
Over 1 but not over 2 years	8 ⁷ / ₈	8 ⁷ / ₈	8 ⁷ / ₈
Over 2 but not over 3 years	8 ⁷ / ₈	8 ⁷ / ₈	9
Over 3 but not over 4 years	9	9	9 ¹ / ₈
Over 4 but not over 5 years	9	9	9 ¹ / ₈
Over 5 but not over 6 years	9	9 ¹ / ₈	9 ¹ / ₄
Over 6 but not over 7 years	9 ¹ / ₈	9 ¹ / ₈	9 ³ / ₈
Over 7 but not over 8 years	9 ¹ / ₈	9 ¹ / ₈	9 ³ / ₈
Over 8 but not over 9 years	9 ¹ / ₈	9 ¹ / ₈	9 ¹ / ₂
Over 9 but not over 10 years	9 ¹ / ₈	9 ¹ / ₄	9 ¹ / ₂
Over 10 but not over 15 years	9 ³ / ₈	9 ¹ / ₂	9 ³ / ₈
Over 15 but not over 25 years	9 ³ / ₈	9 ³ / ₈	9 ³ / ₈
Over 25 years	9 ³ / ₈	9 ³ / ₈	9 ³ / ₈
P.W.L.B. Non-quota A Rates			
1 year	—	—	9 ⁵ / ₈
Over 1 but not over 2 years	9 ⁷ / ₈	9 ⁷ / ₈	9 ⁵ / ₈
Over 2 but not over 3 years	9 ⁷ / ₈	9 ⁷ / ₈	9 ³ / ₄
Over 3 but not over 4 years	10	10	9 ⁷ / ₈
Over 4 but not over 5 years	10	10	9 ⁷ / ₈
Over 5 but not over 6 years	9 ¹ / ₂	9 ³ / ₈	9 ³ / ₄
Over 6 but not over 7 years	9 ⁵ / ₈	9 ⁵ / ₈	9 ⁷ / ₈
Over 7 but not over 8 years	9 ⁵ / ₈	9 ⁵ / ₈	9 ⁷ / ₈
Over 8 but not over 9 years	9 ⁵ / ₈	9 ⁵ / ₈	10
Over 9 but not over 10 years	9 ⁵ / ₈	9 ³ / ₄	10
Over 10 but not over 15 years	9 ⁷ / ₈	10	9 ⁷ / ₈
Over 15 but not over 25 years	9 ⁷ / ₈	9 ⁷ / ₈	9 ⁷ / ₈
Over 25 years	9 ⁷ / ₈	9 ⁷ / ₈	9 ⁷ / ₈

PWLB Non-quota B Rate loans will bear interest at 1 per cent above the corresponding Non-quota A rates.

The amount which a local authority borrows within its annual quota will bear interest at the appropriate rate in the quota set of rates. Authorities may borrow further sums at quota rates at the discretion of the Public Works Loan Commissioners. Other borrowing beyond the quota entitlement will be at the appropriate rate in the non-quota set of rates.

My Lords concur.

The Treasury determine the rates of interest accordingly.

Treasury Chambers,
Parliament Street,
London SW1P 3AG.

23rd March 1988

(85)

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 23rd March 1988:—

- 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		At Maturity
	By Instalments E.I.P.	E.R.	
Up to 1 year	—	—	8 ⁷ / ₈
Over 1 but not over 5 years	9	9	9 ¹ / ₈
Over 5 but not over 10 years	9 ¹ / ₈	9 ¹ / ₄	9 ¹ / ₂
Over 10 but not over 15 years	9 ³ / ₈	9 ¹ / ₂	9 ³ / ₈
Over 15 but not over 25 years	9 ³ / ₈	9 ³ / ₈	9 ³ / ₈
Over 25 years	9 ³ / ₈	9 ³ / ₈	9 ³ / ₈

Treasury Chambers,
Parliament Street,
London SW1P 3AG.

23rd March 1988

(86)

CERTIFICATES OF TAX DEPOSITS (SERIES 6)

ON and after 22nd March 1988, 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:

Held for	Applied in Settlement of a Scheduled Liability	Withdrawn for Cash
under 1 month	7 per cent	5 per cent
1 but less than 3 months	8 per cent	5 per cent
3 but less than 6 months	8 per cent	5 per cent
6 but less than 9 months	8 per cent	5 per cent
9 to 12 months	8 per cent	5 per cent

in the relevant
year of the
interest period

- (b) for deposits of less than £100,000: 7 per cent if the deposit is applied in payment of a scheduled liability and 5 per cent if the deposit is withdrawn for cash.

Information on Certificates of Tax Deposit can be obtained from the Reuters Monitor Service, Page Index TREF and TREG or by telephoning any Inland Revenue Tax Collecting Office or the Finance Division (CTD) at Worthing (0903) 700222, extension 2064 or 2065 between 0830 and 1600 hours.

21st March 1988.

(59)