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State Intelligence

BILLS RECEIVING ROYAL ASSENT

15th March 1988

In accordance with the Royal Assent Act 1967 the Royal Assent was today notified to the following Acts:

- Consolidated Fund Act 1988 (c. 6)
- Land Registration Act 1988 (c. 3)
- Norfolk and Suffolk Broads Act 1988 (c. 4)
- Welsh Development Agency Act 1988 (c. 5)
- Social Security Act 1988 (c. 7)

(31 SI)

J. E. Grey, Clerk of Public Bills

TREASURY

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

NOTICE

Treasury Minute dated 16th March 1988.

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 16th March 1987 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:

| PWLB Quota Rates | Per cent per annum Loans Repayable by instalments at maturity | | |
|-------------------------------|---|-----|----|
| | E.I.P | E.R | |
| 1 year | — | — | 9½ |
| Over 1 but not over 2 years | 9 | 9 | 9 |
| Over 2 but not over 3 years | 9 | 9 | 9½ |
| Over 3 but not over 4 years | 9 | 9 | 9½ |
| Over 4 but not over 5 years | 9½ | 9½ | 9½ |
| Over 5 but not over 6 years | 9½ | 9½ | 9½ |
| Over 6 but not over 7 years | 9½ | 9½ | 9½ |
| Over 7 but not over 8 years | 9½ | 9½ | 9½ |
| Over 8 but not over 9 years | 9½ | 9½ | 9½ |
| Over 9 but not over 10 years | 9½ | 9½ | 9½ |
| Over 10 but not over 15 years | 9½ | 9½ | 9½ |
| Over 15 but not over 25 years | 9½ | 9½ | 9½ |
| Over 25 years | 9½ | 9½ | 9½ |
| PWLB Non-quota A Rates | | | |
| 1 year | — | — | 9½ |
| Over 1 but not over 2 years | 10 | 10 | 9½ |
| Over 2 but not over 3 years | 10 | 10 | 9½ |
| Over 3 but not over 4 years | 10 | 10 | 9½ |
| Over 4 but not over 5 years | 10½ | 10½ | 9½ |
| Over 5 but not over 6 years | 9½ | 9½ | 9½ |
| Over 6 but not over 7 years | 9½ | 9½ | 9½ |
| Over 7 but not over 8 years | 9½ | 9½ | 9½ |
| Over 8 but not over 9 years | 9½ | 9½ | 9½ |
| Over 9 but not over 10 years | 9½ | 9½ | 9½ |
| Over 10 but not over 15 years | 9½ | 9½ | 9½ |
| Over 15 but not over 25 years | 9½ | 9½ | 9½ |
| Over 25 years | 9½ | 9½ | 9½ |

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

The amount 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 borrowings beyond the quota entitlement will be set 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.

16th March 1988.

(32 SI)