STATUTORY INSTRUMENTS

1983 No. 147 (N.I. 1)

The Financial Provisions (Northern Ireland) Order 1983

- - - - - - *11th February 1983*

PART I

Introductory

Title and commencement

1.—(1) This Order may be cited as the Financial Provisions (Northern Ireland) Order 1983.

(2) This Order shall come into operation as follows—

(a) Part III and Schedules 1 to 3 and Part 1 of Schedule 4, on 1st April 1983;

(b) Article 6 and Part II of Schedule 4, on 1st April 1984;

(c) the other provisions, on the fourteenth day after the day on which this Order is made.

Interpretation

2. The Interpretation Act (Northern Ireland) 1954[F1] shall apply to Article 1 and the following provisions of this Order as it applies to a Measure of the Northern Ireland Assembly.

F1 1954 c. 33. (N.I.).

PART II

Financial limits, etc.

Increase in certain issues out of Consolidated Fund

3.—[F2](1) . . . . . .

Para.(2) rep. by 1984 NI 7

F2 Art. 3(1) repealed (29.4.2014) by Financial Provisions Act (Northern Ireland) 2014 (c. 6), s. 13(1), **Sch.**

Articles 4,5 rep. by 1984 NI 7

Abolition of Capital Purposes Fund

6. Section 25 of the Exchequer and Financial Provisions Act (Northern Ireland) 1950[F3] (establishment of Capital Purposes Fund) is hereby repealed.

F3 1950 c. 3.

PART III

Government loans

Interpretation (Part III)

7. In this Part—

"the Act of 1957" means the Government Loans Act (Northern Ireland) 1957

[F4]"the Department" means the Department of Finance and Personnel;

"government loan" means a loan made under Article 8;

"prescribed" means prescribed by regulations made by the Department subject to negative resolution;

"statutory provision" has the meaning assigned by section 1(f) of the Interpretation Act (Northern Ireland) 1954.

[[F5]"variable interest loan" means a government loan the rate of interest on which may vary.**]**

F4 1957 c. 10.
F5 1984 NI 7

Advances for government loans

8.—(1) The Department may advance money from the Consolidation Fund for the purpose of making any of the loans described in Schedule 1.

(2) The aggregate of the sums advanced as government loans (including government loans outstanding under the Act of 1957 immediately before the commencement of this Part), less the total amount of principal repaid to the Consolidated Fund in respect of those loans, shall not exceed**[**[F6] £2,400 million**]**.

(3) The Department may borrow money for the purpose of providing for advances under this Article.

F6 1991 NI 6

Terms, etc., of government loans

9.—(1) A government loan shall be made—

(a) upon such security; and

(b) on such terms as to rate of interest, repayment and otherwise,

as may be determined by the Department.

(2) Schedule 2 shall have effect with respect to the provisions deemed to be included in agreements relating to government loans to district councils and certain joint committees.

(3) Borrowers of government loans shall pay the prescribed fees at the prescribed times.

(4) A loan referred to in paragraph 2 or 3 of Schedule 1 shall not be made for the purpose of discharging a debt incurred before the date on which the application for the loan is made.

(5) The Department may publish in the Belfast Gazette notices stating—

(a) the rates of interest upon which it is prepared to consider advancing money for any government loan or class of government loans specified in the notice**[**F7 subject, in the case of variable interest loans, to any subsequent variation in the ratio of interest**]**; and

[F8(aa) the rates of interest chargeable under Article 12 in respect of any variable interest loan or class of variable interest loans specified in the notice; and**]**

(b) the terms (including terms as to the amount of premium, if any, to be paid to the Consolidated Fund) upon which it is prepared, during such period or periods as may be mentioned in the notice, to agree to the premature repayment of any government loan or class of government loans specified in the notice.

[F7(5A) In the case of variable interest loans, notices published under paragraph (5)(a)**[**F8 or (aa)**]** may state the rates of interest by describing a formula which may give varying results at various times.**]**

(6) In this Article "security" includes a reference to a charge imposed by a statutory provision for securing loans made under Article 8.F8. . .

F7 1984 NI 7
F8 1989 NI 7

General powers of Department as to government loans

10. The Department may, in relation to a government loan—

(a) make the loan by a single advance or by several advances;

(b) issue an advance under a loan at such time as appears to it to be expedient;

(c) refuse wholly, or for so long as it thinks fit, to issue any advance under the loan if—

(i) any sum is in arrear which is payable in respect of the loan, or of any previous loan or advance made by or through the Department, to the borrower or his predecessor for any purpose (whether that sum is payable as interest or as an instalment of principal or as a periodical payment of any annuity or rentcharge or otherwise); or

(ii) any provisions implied by virtue of Schedule 2 are not duly complied with;

(d) before the full amount of the loan has been advanced, reduce the amount, or delay the issue, of any further advance;

(e) refuse to make advances under the loan after 5 years from the date of the agreement for the loan.

Default by borrower

11. If a borrower of a government loan makes default—

(a) in paying any money due in respect of the loan for a period exceeding 10 days after the money becomes due; or

(b) in complying with any provisions implied by Schedule 2;

the entire amount of the principal outstanding under the loan at the time of the default, together with—

(i) interest on it at the appropriate rate or rates;

(ii) such interest as is chargeable under Article 12 on any sum which is in arrear at the time of default; and

(iii) an amount equivalent to the premium which would have been payable by the borrower under Article 9 if the premature repayment of the loan had been agreed on the date when the loan and interest are repaid to the Department under this Article,

shall thereupon become payable and shall be paid by the borrower to the Department on demand.

Additional interest on arrears of government loans

12.—(1) Where any sum payable (whether for interest or as an instalment of principal or as a periodical payment of an annuity or rentcharge or otherwise) by the borrower in respect of any**[**F9 variable interest loan is in arrear or in respect of any government loan which is not a variable interest loan**]** is in arrear for more than thirty-one days, the Department may, notwithstanding any rule of law to the contrary, charge and recover interest on that sum from that borrower from—

(a) the date when that sum became due, until

(b) the date when that sum is paid.

[F9(1A) The rate of interest charged under paragraph (1) in respect of a variable interest loan shall be such as may be determined by the Department under Article 9.**]**

(2) The rate of interest charged under paragraph (1)**[**F9 in respect of a government loan which is not a variable interest loan**]** shall be the aggregate of—

(a) the relevant rate in force on the date when the sum referred to in that paragraph became due; and

(b) 2½ per cent., per annum.

(3) In this Article "relevant rate" means the rate of interest specified in a notice published under Article 9 as the normal rate for local or public loans for periods up to five years and repayable by annuity.

F9 1989 NI 7

Variation of terms of repayment of loans

13.—(1) The Department may, in such cases and to such extent as it thinks fit, waive the payment of—

(a) interest on any government loan (including interest charged under Article 12); and

(b) premium payable by virtue of Article 9.

(2) Notwithstanding anything in any enactment, the Department may by agreement with the borrowers of any government loan or class of government loan vary the terms of repayment of that loan or class of loans in such respects and in such manner as may be agreed.

(3) Any instrument securing the repayment of any loan or class of loans in respect of which any variation has been agreed under paragraph (2) shall have effect subject to that variation.

(4) This Article does not affect the right of the Department to recover from the borrower or any surety the full amount of—

(a) any principal outstanding on foot of the loan;