STATUTORY INSTRUMENTS

1980 No. 1211

INDUSTRIAL DEVELOPMENT

The Financial Limits (National Enterprise Board and Secretary of State) Order 1980

Laid before the House of Commons in draft

Made - - - - *8th August* 1980

Coming into Operation on the day after it is made

The Secretary of State in exercise of his powers under section 8(2A) of the Industry Act 1975**(a)** and section 5(3) of the Industry Act 1980**(b)** hereby makes the following Order:—

1. This Order may be cited as the Financial Limits (National Enterprise Board and Secretary of State) Order 1980 and shall come into operation on the day after it is made.

2. The limit specified in section 8(2) of the Industry Act 1975 (which relates to the National Enterprise Board) shall be reduced to £2,250 million.

3. The financial limit for the purposes of section 3 of the Industry Act 1980 (which relates to companies of which control has been transferred to the Secretary of State by the National Enterprise Board) shall be £750 million.

Adam Butler,
Minister of State,
Department of Industry.

8th August 1980.

(a) 1975 c. 68, amended by 1979 c. 32 and 1980 c. 33. **(b)** 1980 c. 33.

EXPLANATORY NOTE

(*This Note is not part of the Order.*)

This Order reduces from £3,000 million to £2,250 million the limit on the aggregate outstanding, otherwise than by way of interest, in respect of—

(*a*) the general external borrowing of the National Enterprise Board and its subsidiaries,

(*b*) sums issued to meet Treasury guarantees of borrowings by the Board to the extent that those sums have not been repaid,

(*c*) the public dividend capital of the Board, and

(*d*) loans guaranteed by the Board.

It also specifies £750 million as the limit on—

(*a*) expenditure in relation to the acquisition by the Secretary of State of any shares in companies in which controlling interests have been transferred to him by the Board (but excluding an amount equal to so much of the capital debt of the Board as related to securities of a company when control of it was transferred to the Secretary of State),

(*b*) the general external borrowing (otherwise than outstanding interest) of such companies and their subsidiaries, and

(*c*) sums issued to meet guarantees by the Secretary of State of the obligations of such companies to the extent that those sums have not been repaid.

These two limits together amount to £3,000 million, the maximum permitted by section 5(4) of the Industry Act 1980.

ISBN 0 11 07211 1