



Infrastructure (Financial Assistance) Act 2012

CHAPTER 16

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Infrastructure (Financial Assistance) Act 2012

2012 CHAPTER 16

An Act to make provision in connection with the giving of financial assistance in respect of the provision of infrastructure. [31st October 2012]

BE IT ENACTED by the Queen's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:—

1 Expenditure on financial assistance for the provision of infrastructure

- (1) There may be paid out of money provided by Parliament expenditure incurred—
 - (a) by the Treasury, or
 - (b) by the Secretary of State with the consent of the Treasury,in giving, or in connection with giving, financial assistance to any person in respect of the provision of infrastructure.
- (2) “Infrastructure” includes—
 - (a) water, electricity, gas, telecommunications, sewerage or other services,
 - (b) railway facilities (including rolling stock), roads or other transport facilities,
 - (c) health or educational facilities,
 - (d) court or prison facilities, and
 - (e) housing.
- (3) “Provision” includes acquisition, design, construction, conversion, improvement, operation and repair.
- (4) In this Act “financial assistance” means loans, guarantees or indemnities, or any other kind of financial assistance (actual or contingent).

- (5) Expenditure which could be paid out of money provided by Parliament under subsection (1) is to be charged on and paid out of the Consolidated Fund if—
 - (a) the expenditure is incurred under an agreement entered into by the Treasury or the Secretary of State, and
 - (b) the Treasury are satisfied that arrangements cannot reasonably be made for the expenditure to be paid out of money provided by Parliament.
- (6) Where money is paid in reliance on subsection (5), the Treasury must as soon as is reasonably practicable lay a report before Parliament specifying the amount paid.
- (7) References in this Act to infrastructure assistance are to financial assistance the giving of which is in reliance on the authority provided by this section.
- (8) Nothing in this Act applies in relation to the giving of financial assistance under a statutory power.

2 Limit on expenditure and liabilities

- (1) The amount of the Government's expenditure and liabilities under this Act must not at any time exceed £50,000 million.
- (2) For this purpose the amount of the Government's expenditure and liabilities under this Act is the aggregate of—
 - (a) the expenditure incurred by the Treasury or the Secretary of State in giving, or in connection with giving, infrastructure assistance, and
 - (b) the current amount of the actual or contingent liabilities of the Treasury or the Secretary of State in respect of infrastructure assistance,less any sums received by the Treasury or the Secretary of State in connection with infrastructure assistance.
- (3) Where any expenditure, liabilities or sums mentioned in subsection (2) are in currencies other than sterling, their amount in sterling is to be determined for the purposes of subsection (1) at what appears to the Treasury to be the appropriate rate of exchange.
- (4) The Treasury may by order made by statutory instrument substitute a greater amount for the amount for the time being specified in subsection (1).
- (5) A statutory instrument containing an order under subsection (4) may not be made unless a draft of the instrument has been laid before and approved by a resolution of the House of Commons.

3 Reports

- (1) The Treasury must, in relation to each relevant period—
 - (a) prepare a report in accordance with this section, and
 - (b) lay it before the House of Commons as soon as is reasonably practicable after the end of that period.
- (2) "Relevant period" means—
 - (a) the period beginning with the day on which this Act is passed and ending with 31 March 2013, and
 - (b) each subsequent period of 12 months.

- (3) Each report must provide details of—
 - (a) the arrangements entered into by the Treasury or the Secretary of State during the relevant period for giving, or in connection with giving, infrastructure assistance,
 - (b) the expenditure incurred by the Treasury or the Secretary of State during that period in giving, or in connection with giving, infrastructure assistance,
 - (c) the amount of the actual or contingent liabilities of the Treasury or the Secretary of State at the end of that period in respect of infrastructure assistance,
 - (d) the sums received during that period by the Treasury or the Secretary of State in connection with infrastructure assistance, and
 - (e) the amount of the Government's expenditure and liabilities under this Act, determined as at the end of that period in accordance with section 2.
- (4) The report in relation to the first relevant period must also include details of the arrangements described in subsection (3)(a) entered into by the Treasury or the Secretary of State before the beginning of that period in anticipation of the coming into force of section 1.
- (5) No report is required in relation to a relevant period if there is nothing to record under subsections (3) and (4).

4 Short title, commencement and extent

- (1) This Act may be cited as the Infrastructure (Financial Assistance) Act 2012.
- (2) This Act comes into force on the day on which it is passed.
- (3) This Act extends to England and Wales, Scotland and Northern Ireland.

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