



**AN BILLE UM GHNÍOMHAIREACHT AIRGEADAIS DO
THITHE (LEASÚ), 1987
HOUSING FINANCE AGENCY (AMENDMENT) BILL, 1987**

EXPLANATORY AND FINANCIAL MEMORANDUM

Purpose of Bill

The purpose of the Bill is:

- to increase from £500 million to £1,000 million the amount the Housing Finance Agency plc may borrow to fund house purchase loans; and
- to empower the Minister for the Environment to contribute towards the costs of the Agency and to validate contributions already made.

Section 1

This section defines certain terms used in the Bill.

Section 2

This section further amends section 10 of the Housing Finance Agency Act, 1981, to increase the limit on borrowings by the Agency to £1,000 million. The Housing Finance Agency (Amendment) Act, 1985, increased the limit to £500 million.

Section 3

This section amends the Housing Finance Agency Act, 1981, by substituting a new section 14, primarily to enable the Minister to make contributions to the Agency to assist it in matching the cost of funds raised by conventional borrowing with the return they get from income related payments by borrowers.

The new section—

- (a) provides that, having regard to any contribution towards its costs made by the Minister for the Environment, the Agency must secure that, taking one year with another, all its costs are met from its operations;
- (b) empowers the Minister for the Environment, with the consent of the Minister for Finance, to contribute towards the costs of the Agency; and
- (c) will be deemed to have come into operation on the 1st December, 1986, thus validating contributions made to the Agency in 1986 and earlier this year.

Section 4

This section provides for the short title and for collective citation and construction.

Financial and Staffing Implications

There are no staffing implications. The contribution to the Agency amounted to £6.912 million in 1986 and will be about £9 million in 1987. The 1988 Estimates provide £11 million for this purpose.

An Roinn Comhshaoil,
Deireadh Fómhair, 1987.

EXPLANATORY AND FINANCIAL MEMORANDUM

Purpose of Bill
The purpose of the Bill is:

- to increase from £50 million to £100 million the amount the Housing Finance Agency plc may borrow to fund house purchase loans; and
- to empower the Minister for the Environment to contribute towards the costs of the Agency, and to validate contributions already made.

Section 1
This section defines certain terms used in the Bill.

Section 2
This section further amends section 10 of the Housing Finance Agency Act, 1981, to increase the limit on borrowings by the Agency to £100 million. The Housing Finance Agency (Amendment) Act, 1987, increased the limit to £50 million.

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