



# New Towns Act 1946

## 1946 CHAPTER 68

### **2 Establishment and general powers of development corporations.**

- (1) For the purposes of the development of each new town the site of which is designated under section one of this Act, the Minister shall by order establish a corporation (hereinafter called a development corporation) consisting of a chairman, a deputy chairman and such number of other members, not exceeding seven, as may be prescribed by the order ; and every such corporation shall be a body corporate by such name as may be prescribed by the order, with perpetual succession and a common seal and power to hold land without licence in mortmain.
- (2) The objects of a development corporation established for the purposes of a new town shall be to secure the laying out and development of the new town in accordance with proposals approved in that behalf under the following provisions of this Act, and for that purpose every such corporation shall have power to acquire, hold, manage and dispose of land and other property, to carry out building and other operations, to provide water, electricity, gas, sewerage and other services, to carry on any business or undertaking in or for the purposes of the new town, and generally to do anything necessary or expedient for the purposes of the new town or for purposes incidental thereto :

Provided that, subject to the provisions of this Act with respect to the making of advances to development corporations, a development corporation shall not have power to borrow money.

- (3) Without prejudice to any provision of this Act requiring the consent of the Minister to be obtained for anything to be done by a development corporation, the Minister may give directions to any such corporation for restricting the exercise by them of any of their powers under this Act, or for requiring them to exercise those powers in any manner specified in the directions :

Provided that—

- (a) before giving any such directions the Minister shall consult with the chairman of the corporation, or, if the chairman is not available, with the deputy chairman, unless he is satisfied that, on account of urgency, such consultation is impracticable ; and

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- (b) any transaction between any person and any such corporation acting in purported exercise of their powers under this Act shall not be void by reason only that it was carried out in contravention of such directions unless that person had actual notice of the directions.
- (4) For the avoidance of doubt it is hereby declared that the provisions of subsection (2) of this section with respect to the powers of development corporations relate only to their capacity as statutory corporations ; and nothing in this section shall be construed as authorising the disregard by a development corporation of any enactment or rule of law.
- (5) The provisions of the Second Schedule to this Act shall have effect with respect to the constitution and proceedings of any development corporation established under this Act.