



# Transport Act 1968

## 1968 CHAPTER 73

### PART IV

#### FURTHER PROVISIONS AS TO BOARDS, NEW AUTHORITIES AND TRANSPORT SERVICES

##### *Additional powers of Boards and new authorities*

#### **47 Extension to new authorities of certain functions of Boards**

- (1) Without prejudice to the provisions of sections 48 to 52 of this Act, but subject to the provisions of this section—
- (a) the following provisions of the Act of 1962 (which confer certain powers on the Boards), that is to say—
    - (i) section 11 (development of land);
    - (ii) section 12 (pipe-lines);
    - (iii) section 13 (powers of manufacture and production) other than subsection (2) thereof;
    - (iv) section 14 (supplementary powers);
    - (v) section 15 (compulsory purchase of land);
    - (vi) section 16 (working agreements involving the delegation of special statutory powers);
    - (vii) section 17 (power to promote and oppose Bills);
    - (viii) section 43(1) to (3) (power to make charges for services and facilities); and
  - (b) section 25 of the Act of 1962 (which relates to subsidiaries of the Boards), shall have effect as if each of the new authorities were one of the Boards.
- (2) In relation to the Bus Company and the Scottish Group, subsection (1)(a) of this section shall have effect as if sub-paragraphs (ii) and (v) thereof were omitted.

- (3) In the application of sections 11, 13, 14, 17 and 25 of the Act of 1962 to the Scottish Group any reference to the Minister shall be construed as a reference to the Secretary of State.
- (4) The reference in subsection (1) of section 16 of the Act of 1962 to a working agreement to which that section applies shall include a reference to any arrangements such as are mentioned in section 50(9) of this Act.

#### **48 Manufacture, repair and supply**

- (1) This section applies to the following authorities, namely, the Boards and the new authorities, but in its application to the Scottish Group any reference to the Minister shall be construed as a reference to the Secretary of State.
- (2) Each of the authorities to whom this section applies shall have power—
  - (a) to manufacture for sale to outside persons (that is to say, to persons other than an authority to whom this section applies or a subsidiary of such an authority), and to repair for outside persons, anything which the authority consider can advantageously be so manufactured or, as the case may be, repaired by the authority by reason of the fact that the authority or a subsidiary of theirs have materials or facilities for, or skill in, the manufacture or repair of that thing in connection with some existing activity of that authority or subsidiary;
  - (b) to sell to outside persons, and for that purpose to purchase, anything which is of a kind which the authority or a subsidiary of theirs purchase in the course of some existing activity of that authority or subsidiary;
  - (c) at any place where the authority, in the exercise of their powers under section 14(1)(d) of the Act of 1962, provide a car park, to repair motor vehicles for outside persons, and to sell to outside persons petrol, oil and spare parts and accessories for motor vehicles, and for that purpose to purchase any of those things, whether or not those persons are using the car park;

and the Waterways Board shall have power to sell goods of any description to outside persons, whether or not persons using their waterways, at any place where persons using those waterways may require facilities for the purchase of those goods, and for that purpose to purchase any such goods; and in paragraph (a) or (b) of this subsection the expression "existing activity" means, in relation to any activity at any time undertaken by virtue of that paragraph, any other activity already carried on at that time, including any such activity carried on by virtue of any provision of this section other than paragraph (c) of this subsection and other than the provisions of this subsection relating only to the Waterways Board.

- (3) An authority to whom this section applies shall not engage in any activity authorised by subsection (2) of this section, and shall exercise their control over any subsidiary of theirs so as to ensure that the subsidiary does not engage in any such activity, unless the authority are satisfied that they or the subsidiary can do so without detriment to the duties imposed on the authority by the Act of 1962 or this Act.
- (4) Each of the authorities to whom this section applies shall from time to time submit to the Minister for his approval proposals as to the manner in which any activities authorised by subsection (2) of this section or any activities of manufacture authorised by section 13 of the Act of 1962 are to be carried on by them or any subsidiary of theirs, and shall carry on, or, as the case may be, exercise their control over that subsidiary so as to ensure that the subsidiary carries on, those activities in accordance with the Minister's approval, and the Minister may—

- (a) in approving any proposals, approve them subject to such modifications or subject to compliance with such conditions as he thinks fit; and
  - (b) at any time, after consultation with the authority, direct the authority to discontinue or, as the case may be, to exercise their control over any of their subsidiaries so as to require the subsidiary to discontinue, any of the activities which the authority or subsidiary are carrying on in accordance with the Minister's approval.
- (5) The Minister shall publish, in such manner as he thinks fit, any proposals approved by him under subsection (4) of this section, and shall send copies of those proposals to the Confederation of British Industry and the Trades Union Congress.
- (6) Each authority to whom this section applies shall include in the report in respect of any year required to be submitted by them under section 27(8) of the Act of 1962 such particulars as the Minister may, after consultation with the authority and with the approval of the Treasury, direct with respect to all or any of the activities authorised by subsection (2) of this section or the activities of manufacture authorised by section 13 of the Act of 1962 which have been carried on in that year by the authority or any of their subsidiaries.
- (7) The foregoing provisions of this section shall have effect notwithstanding subsection (1) of section 13 of the Act of 1962 (so far as it confines any authority's powers of manufacture, purchase and repair to those conferred by that section), and in that section—
- subsection (2) (which relates to the powers of the Waterways Board to manufacture for sale and to repair plant and equipment of a kind ordinarily made for use in connection with the operation of an inland waterway);
  - subsection (4) (which is superseded by the provisions of subsection (4) of this section) except as respects proposals approved thereunder before the appointed day for the purposes of this section;
  - subsection (5) (which restricts the power of the Boards to manufacture road vehicles, bodies or chassis for road vehicles or major components of road vehicles);
  - subsection (6) (which restricts the power of the Boards to purchase or trade in road vehicles or in spare parts, accessories, petrol or oil for such vehicles and from engaging in the maintenance or repair of such vehicles, spare parts or accessories); and
  - subsection (7) (which restricts the power of the Boards to engage in shipbuilding),
- shall cease to have effect.
- (8) Section 29(7) of the Act of 1962 (which relates to manufacture or production by subsidiaries of the Holding Company) shall have effect as if each of the new authorities were one of the Boards.
- (9) In this section references to manufacture include references to construction and production, references to repair include references to maintenance, and references to selling or purchasing include references to supplying, or, as the case may be, obtaining, by exchange, hire or hire-purchase.

## **49 Powers with respect to land**

- (1) Where a Board or a new authority propose under section 11 of the Act of 1962 to develop any of their land for use otherwise than for the purposes of their business, the Minister may give his consent under subsection (4) of that section to the acquisition by that Board or authority by agreement of adjoining land for the purpose of developing it with the other land whether or not it appears to him that the other land cannot be satisfactorily developed unless the adjoining land is so acquired; and accordingly, in the said subsection (4), the words from " but the Minister" to " by the Board" (which preclude the Minister from giving his consent unless it so appears to him) shall cease to have effect.
- (2) A Board or new authority may exercise the power conferred by the said subsection (4) without the consent of the Minister in any case where the Minister has under subsection (3) of the said section 11 consented to the incurring by that Board or new authority of a substantial item of expenditure in developing land as aforesaid which includes expenditure proposed to be incurred in that exercise of that power.
- (3) Notwithstanding anything in the said subsection (4), where a Board or new authority propose to dispose of any of their land they shall have power to acquire by agreement adjoining land for the purpose of disposing of it together with the other land ; but the Board or new authority shall not incur any substantial item of expenditure under this subsection without the consent of the Minister, and the Minister may from time to time give directions to the Boards and the new authorities indicating what is to be treated for the purposes of this subsection as a substantial item of expenditure.
- (4) Notwithstanding anything in the said subsection (4), the Railways Board and the Waterways Board shall each have power with the consent of the Minister to acquire land by agreement with a view to its development, whether by that Board or by some other person, for use otherwise than for the purposes of their business if that land—
  - (a) in the case of the Railways Board adjoins other land of that Board; or
  - (b) in the case of the Waterways Board adjoins any of the commercial or cruising waterways of the Board within the meaning of section 104 of this Act,
 and the Minister is satisfied that the land acquired will be so connected by rail or so situated in relation to a railway line or, as the case may be, will be so connected by waterway to, or is so situated in relation to, that commercial or cruising waterway that the rail services of the Railways Board or, as the case may be, the waterway services of the Waterways Board can be directly used by the person for the time being occupying the land proposed to be acquired.
- (5) In the application of subsections (1) to (3) of this section to the Scottish Group, any reference therein to the Minister shall be construed as a reference to the Secretary of State.
- (6) Section 87 of the Act of 1962 (which makes temporary provision as to development of land in London) shall cease to have effect.

## **50 Miscellaneous provisions as to powers**

- (1) In addition to their power under the provisions of sections 3(3)(e), 9(2)(c) or 10(3)(f) of the Act of 1962 to store certain goods and to use certain premises to provide facilities for the storage of other goods, the Railways Board, Docks Board and Waterways Board shall each have power, with the consent of the Minister, to provide such facilities at any other premises; and the said section 3(3)(e) shall apply to goods which have been

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or are to be carried by a subsidiary of the Railways Board as it applies to goods which have been or are to be carried by that Board.

- (2) The Railways Board shall have power to provide and manage hotels in any part of Great Britain and, with the consent of the Minister, elsewhere; and the following provisions of the Act of 1962, that is to say—
  - section 6 (which permits the Board to provide hotels only in places where those using the railway services provided by the Board may require them and to exercise their power of managing hotels only with the consent of the Minister); and
  - section 25(3) (which prevents the Board from having any subsidiary, other than the Hotel Company, which owns or manages a hotel),shall cease to have effect.
- (3) The Waterways Board, the Bus Company and the Scottish Group shall each have power to provide and manage hotels in places where those using the inland waterways owned or managed by the Waterways Board or, as the case may be, the transport services provided by the Bus Company or Scottish Group may require them, for use both by those and other persons.
- (4) In subsections (2) and (3) of this section the references to hotels include references to any other form of residential accommodation or facilities, including caravan and camping sites, for travellers or persons on holiday; and the said subsection (3) shall be without prejudice to the powers of the Waterways Board, the Bus Company or the Scottish Group under section 14(1)(d) of the Act of 1962 to provide amenities and facilities for persons for whom they do not provide residential accommodation or facilities.
- (5) In addition to the powers of the Waterways Board to provide the transport services by road authorised by section 10(3)(c) of the Act of 1962 (carriage of goods which have been or are to be carried by the Board by inland waterway and carriage of goods where the use of an inland waterway owned or managed by the Board has been temporarily interrupted), that Board shall have power, with the consent of the Minister, to provide other transport services by road for the carriage of goods and to carry goods by those services.
- (6) Without prejudice to the powers of the Waterways Board apart from this subsection, that Board shall have power to provide services and facilities for the use for amenity or recreational purposes (including fishing) of the inland waterways and reservoirs owned or managed by them.
- (7) Each of the Boards and new authorities shall have power to provide for any person technical advice or assistance, including research services, as respects any matter in which the Board or new authority have skill or experience.
- (8) Without prejudice to their powers apart from this subsection, each of the Boards and the new authorities shall have power to form, promote and assist, or join with any other person in forming, promoting and assisting, a company for carrying on any activities which that Board or new authority have power to carry on.
- (9) Where a company for carrying on any activities which any of the Boards or new authorities have power to carry on has been formed in the exercise of the powers conferred by subsection (8) of this section by that Board or new authority, whether alone or jointly with some other person, or where in the exercise of their powers under paragraph (a) of section 14(1) of the Act of 1962 any of the Boards or new authorities

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have entered into an agreement with any person for the carrying on by that person, whether as agent for that Board or new authority or otherwise, of any of the activities which that Board or new authority may themselves carry on, then, without prejudice to their powers under paragraph (b) of the said section 14(1), that Board or new authority may, with the consent of the Minister, or, in the case of the Scottish Group, with the consent of the Secretary of State, enter into arrangements with that company or person for the transfer from that Board or new authority to that company or person, in such manner and on such terms (including payments by any of the parties to the arrangements to any other of them) as may be provided for by the arrangements, of any property, rights or liabilities of that Board or new authority relevant to the carrying on of those activities.

- (10) In section 43(3) of the Act of 1962, after the word " recover " there shall be inserted the words " or waive ".

## **51 Subsidiaries and joint subsidiaries**

- (1) This section applies to the following authorities, namely, the Boards and the new authorities.
- (2) For the purposes of paragraphs (d), (f), (g) and (h) of section 14(1) of the Act of 1962, services and facilities provided by, persons employed by, or equipment of, a subsidiary of an authority to whom this section applies, and, for the purposes of section 15(1) of that Act, land required for the purposes of the business of a wholly-owned subsidiary of such an authority, shall be deemed to be services and facilities provided by, persons employed by, equipment of, or land required for the purposes of the business of, that authority; and section 43(1) to (3) of the Act of 1962 shall apply to any subsidiary of an authority to whom this section applies as they apply to that authority.
- (3) In section 27(1) of the Act of 1962 (which empowers the Minister or, as the case may be, the Secretary of State to give directions of a general character as to the exercise and performance by any authority to whom this section applies of their functions in relation to matters which appear to him to affect the national interest) after the word " functions" there shall be inserted the words " (including the exercise of rights conferred by the holding of interests in companies) ".
- (4) A wholly-owned subsidiary of an authority to whom this section applies shall not be regarded as a common carrier when carrying on any activity which that authority have power to carry on and in carrying on which that authority are not to be so regarded.
- (5) Where a company of which two or more authorities to whom this section applies are members would, if those authorities were a single body corporate, be a wholly-owned subsidiary of that body corporate, then, whether or not that company is apart from this subsection a subsidiary of one of those authorities, that company shall be deemed for the purposes of the Act of 1962 and of the provisions other than Parts V and VI of this Act to be a wholly-owned subsidiary of each of those authorities ; and any such company is hereafter in this section referred to in relation to each of those authorities as a " joint subsidiary " of that authority.
- (6) In the case of a joint subsidiary, section 25(1) of the Act of 1962 shall not apply but it shall be the joint duty of both or all the authorities of which it is a joint subsidiary to exercise their control over the subsidiary so as to ensure that the subsidiary—

- (a) does not engage in activities in which none of those authorities have power to engage (including activities in which none of those authorities have power to engage because the consent of the Minister has not been obtained), and
- (b) does not do anything which the Minister has directed any of those authorities not to do, and
- (c) does not, except with the consent of the Minister, borrow money from any person other than those authorities, and
- (d) does not, except with the consent of the Minister, raise money by the issue of shares or stock to any person other than those authorities ;

and the Minister may give to those authorities such directions as appear to him appropriate for ensuring that they carry out the duty imposed on them by this subsection.

- (7) In the application of subsection (6) of this section to a joint subsidiary of the Scottish Group, any reference in that subsection to the Minister shall be construed as including a reference to the Secretary of State.

## 52 Supplementary and miscellaneous provisions

- (1) Section 14(6) of the Act of 1962 (which provides that the powers conferred by the foregoing provisions of that Act are cumulative and that those provisions relate only to the capacity as a statutory corporation of any authority on whom those powers are conferred and that nothing in those provisions shall be construed as authorising the disregard by any such authority of any enactment or rule of law) shall apply to any powers conferred on any Board or new authority by any provision of this Act and to the provision of this Act conferring that power as it applies to the powers and provisions mentioned in the said section 14(6).
- (2) For the purposes of section 15 of the Act of 1962 (which confers on the Boards and the Freight Corporation powers of compulsory purchase for the purpose of their business) activities carried on by any of the Boards or the Corporation by virtue of section 48 or subsections (1) to (7) of section 50 of this Act shall be deemed not to form part of the business of the Board or Corporation.
- (3) Sections 27, 28 and 89 of the Act of 1962 (which relate respectively to the powers of the Minister to give directions to the Boards, to powers exercisable subject to the Minister's consent, and to the duty to give effect to the Minister's directions) shall apply to each of the new authorities as if they were one of the Boards and, in their application to the Scottish Group, as if any reference therein to the Minister were a reference to the Secretary of State; and any reference in the said section 27 or 89 to that Act or in the said section 28 to the foregoing provisions of that Act shall include a reference to this Act.
- (4) In Schedule 1 to the Act of 1962, for paragraph 4 (which relates to the authentication of the application of the seal of a Board) there shall be substituted the following:—
  - “4 The application of the seal of any Board shall be authenticated by the signature of the secretary of the Board or some other person authorised by the Board, either generally or specially, to act for that purpose.”
- (5) It is hereby declared that none of the new authorities are to be regarded as the servant or agent of the Crown, or as enjoying any status, immunity or privilege of the Crown, or (subject to the provisions of sections 160, 161 and 162 of this Act) as exempt from any tax, duty, rate, levy or other charge whatsoever, whether general or local, and that

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their property is not to be regarded as property of, or property held on behalf of, the Crown.