

Status: Point in time view as at 01/02/1991.

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SCHEDULES

SCHEDULE 3

Section 14(1).

MINOR AND CONSEQUENTIAL AMENDMENTS

The New Towns (Scotland) Act 1968 (c. 16)

1 After section 18 of the New Towns (Scotland) Act 1968 (disposal of land by development corporation) there shall be inserted the following sections—

“18A Secretary of State’s general power.

- (1) The Secretary of State may direct a development corporation to pay to him, on the date specified in the direction, such sum as is so specified, and any sum so received by him shall, subject to section 18C(2) below, be paid into the Consolidated Fund.
- (2) Before giving a direction under this section the Secretary of State shall consult the corporation.
- (3) The debt shall carry interest at the rate for the time being in force under section 40 of the land Compensation (Scotland) Act 1963 from the date specified in the direction until payment.

18B Disposal of land to comply with direction under s. 18A.

- (1) Where, in order to comply with a direction under section 18A above, the corporation considers it desirable to dispose of an land, it may do so by virtue of this section.
- (2) The power of disposal by virtue of this section may be exercised notwithstanding anything in this Act but must be exercised in accordance with subsections (3) and (4) below.
- (3) The power shall not be exercised so as to dispose of land by way of standard security or charge.
- (4) In exercising the power a corporation shall comply with such directions as the Secretary of State may give to it—
 - (a) for restricting the exercise of the power; or
 - (b) for requiring the power to be exercised in any manner specified in the directions.
- (5) Before giving a direction under subsection (4) above the Secretary of State shall consult the corporation unless he is satisfied that because of urgency consultation is impracticable.
- (6) Where a corporation purports to dispose of land by virtue of this section, then—

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- (a) in favour of a person claiming under the corporation, the disposal so purporting to be made shall not be invalid by reason that any direction of the Secretary of State given under this section has not been complied with; and
 - (b) a person dealing with or claiming under the corporation shall not be concerned to see or enquire whether any direction has been given or complied with.
- (7) References in this section to disposing of land include references to granting an interest in or over land.

18C Payments under s. 18A treated as repayments.

- (1) The whole or part of any payment made to the Secretary of State under section 18A above shall, if the Secretary of State with the Treasury's approval so determines, be treated—
 - (a) as made by way of repayment of such part of the principal of advances under section 37(1) of this Act, and
 - (b) as made in respect of the repayments due at such times, as may be so determined.
- (2) Any sum treated under subsection (1) as a repayment of a loan shall be paid by the Secretary of State into the National Loans Fund."

The New Towns Act 1981 (c. 64)

- 2 In section 17 of the New Towns Act 1981 (disposal of land by development corporations)—
- (a) in subsection (2) (disposals requiring Secretary of State's consent) there shall be added at the end the words "or
 - (c) to dispose of any land by way of gift"; and
 - (b) for subsection (4) there shall be substituted the following subsection—

“(4) A development corporation has no power to dispose of land by way of mortgage or charge.”
- 3 In section 35(4) of that Act (which introduces Schedule 9 and defines its scope) there shall be added at the end of paragraph (b) the words “including the winding-up of the Commission”.
- 4 In section 36(4) of that Act (transactions not to be invalidated by non-compliance with subsection (2), etc.), for the words “subsection (2) above” there shall be substituted the words “the obligation to have regard to the considerations specified in subsection (2) above”.
- 5 In section 37 of that Act (restriction on functions of Commission)—
- (a) in subsection (2) (which requires the Secretary of State, in giving directions, to have regard to the provisions of section 36(2)), for the words “provisions of” there shall be substituted the words “Commission's obligation to have regard to the considerations specified in”;
 - (b) for subsection (4) there shall be substituted the following subsection—

“(4) The Commission shall not have power to dispose of any property by way of mortgage or charge”;

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and

- (c) in subsection (6)(a) (provision in favour of person claiming under Commission where authority for disposal is not obtained) for the words “subsection (3)(a)” there shall be substituted the words “subsection (3)(e) above”.

6 In section 39 of that Act (power to transfer undertakings)—

- (a) in subsection (5) (Parliamentary control of order reducing liabilities) for the words from “by an order” to “shall apply” there shall be substituted the words “with the Treasury’s consent, by order”, and
- (b) after subsection (5) there shall be inserted the following—

“(5A) No order shall be made under subsection (5) above unless a draft of the order has been laid before, and approved by resolution of, the House of Commons”.

[F17 (1) Section 50 of that Act (district council to fund so much of the corporation’s or Commission’s debt as is attributable to transferred or managed property) shall have effect and be deemed since its original enactment on 15th November 1976 to have had effect with the substitution, for subsection (2), of the following—

“(2) In each financial year the council shall pay to the corporation a sum determined in accordance with a method specified in the scheme to be equal as nearly as practicable—

- (a) except in a year to which paragraph (b) below applies, to the aggregate of the amounts referred to in subsection (2A) below; or
- (b) in a financial year in which the corporation’s interest in the transferred land vests under the scheme otherwise than on 1st April, to a correspondingly reduced portion of that aggregate.

(2A) The amounts referred to in subsection (2) above are those which are payable by the corporation by way of repayment of capital and payment of interest in that year in respect of the relevant portion (for the time being determined under subsection (7) below) of the corporation’s total capital loan debt.”;

and with the insertion in subsection (7), after the words “In this section”, of the words—

- “(a) “debt” includes amounts in respect of which debits and credits are made as between one account of the corporation and another (and references to the amounts payable by the corporation shall be construed accordingly); and
- (b)”;

and paragraphs (a) and (b) of the definition of “the relevant portion of the corporation’s total capital loan debt” shall accordingly be sub-paragraphs (i) and (ii) of that definition.

(2) In the said section 50, after subsection (2A), there shall be inserted the following subsection—

“(2B) The council may, at any time, with the agreement of the corporation, commute the payments which would fall to be made under this section by the payment to the corporation of such capital sum as they may agree; and where any payments are so commuted (in whole or in part) any future determinations under subsection (7) below shall be such as to give effect to

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the commutation, whether or not the payment was in fact applied in reduction of the corporation's total capital loan debt."]

Textual Amendments

F1 Ss. 3, 4, Sch. 2 para. 2, Sch. 3 para. 7 repealed (*prosp.*) by [Local Government and Housing Act 1989](#) (c. 42, SIF 81:1), s. 194(4), 195(2), **Sch. 12 Pt. II**

- 8 In section 58 of that Act (capital expenditure and revenue account advances)—
- (a) in subsections (1) and (5), for the words “and on such terms” there shall be substituted the words “, carrying interest at such rates and on such other terms”; and
 - (b) in subsection (6), for the words “be made in such terms” there shall be substituted the words “carry interest at such other terms”;
- and in section 61(1) the following words (to the same effect), that is to say, the words from “at a rate of interest” to the end shall be omitted.
- 9 Sections 63, 64 and 66 (payments to Secretary of State) shall cease to extend to Scotland (being re-enacted for Scotland in paragraph 1 above).
- 10 In section 64 of that Act (disposals by development corporations or the Commission to meet a debt imposed under section 63)—
- (a) in subsection (1) the words “or Commission” shall be omitted;
 - (b) in subsection (2), for the words after “notwithstanding” there shall be substituted the words “section 17(1) above and any implied restriction in Part I of this Act on the circumstances in which property of a development corporation may be disposed of, but otherwise must be exercised in accordance with the said Part I except that before giving the corporation directions under section 5(2), the Secretary of State shall consult the corporation (unless he is satisfied that, on account of urgency, such consultation is impracticable)”; and
 - (c) subsections (3) to (8) shall be omitted.
- 11 In section 74(3) of that Act (local inquiries) for paragraphs (a) to (c) there shall be substituted the words “sections 37, 40 and 41 and Schedule 10”.
- 12 (1) In section 77 of that Act (regulations and orders) in subsection (3) (power to make orders under certain sections exercisable by statutory instrument, etc.)—
- (a) after the words “under sections 1, 2,”, where those words first occur, there shall be inserted “39”;
 - (b) after the word “above”, where that word first occurs, there shall be inserted the words “and paragraph 7 of Schedule 9 to this Act”; and
 - (c) the words from “and the power” onwards shall be omitted.
- (2) After that subsection there shall be inserted the following subsection—
- “(3A) Any provision of this Act conferring a power to make orders (whether exercisable by statutory instrument or otherwise), except section 40, implies a power exercisable in the same manner and subject to the same conditions of limitations, to revoke or amend any instrument made under the power.”
- (3) In subsection (4) of that section (negative procedure)—
- (a) after the word “under”, where that word first occurs, there shall be inserted the words “any of the following provisions of”;

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- (b) for the words from “if” to “section 1 and” there shall be substituted the words “that is to say—
 - (a) an order under section 1 where”; and
 - (c) in paragraph (b), for the words “the order is” there shall be substituted the words “an order”.
- 13 In section 80(1) of that Act (definitions), at the appropriate places, there shall be inserted the following definitions—
 - ““dispose”, in relation to property, includes the granting of any interest in or right over it;”and—
 - ““financial year”, in relation to a development corporation or the Commission, shall be construed in accordance with section 67(2) above;”.
- 14 In section 82(2) of that Act (application to Scotland) in paragraph (a) for “(5)” there shall be substituted “(3A)”.
- 15 In Schedule 2 to that Act, in paragraph 1 (disposal of land when area becomes excluded from the new town)—
 - (a) in sub-paragraph (2) (which prohibits certain forms of disposal), the word “gift” shall be omitted; and
 - (b) in sub-paragraph (3) (disposals requiring Secretary of State’s consent), there shall be added at the end the words “or
 - (c) to dispose of any land by way of gift.”
- 16 In Schedule 10 to that Act, in paragraph 4(1) (revenue account grants available to a transferring corporation to be available to the transferee Commission), for the words “section 58(2) above” there shall be substituted the words “section 58A(3) above”.

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