



Regional Development Agencies Act 1998

1998 CHAPTER 45

PART I

REGIONAL DEVELOPMENT AGENCIES

Development agencies

1 Establishment

- (1) For the purposes of this Act, England shall be divided into the regions specified in Schedule 1 and for each such region there shall be a development agency.
- (2) A development agency established by this section shall be a body corporate to be known by the name of the region for which it is established with the addition of the words “Development Agency”.
- (3) Any reference in Schedule 1 to a local government or administrative area is to that area as it is for the time being.

2 Constitution

- (1) A regional development agency shall consist of not less than 8 nor more than 15 members appointed by the Secretary of State.
- (2) In appointing a person to be a member of a regional development agency the Secretary of State shall have regard to the desirability of appointing a person who has experience of, and has shown capacity in, some matter relevant to the functions of the agency.
- (3) Before appointing a person to be a member of a regional development agency, the Secretary of State shall consult—
 - (a) such persons as appear to him to represent local authorities whose areas fall to any extent within the agency’s area,
 - (b) such persons as appear to him to represent employers in the agency’s area,
 - (c) such persons as appear to him to represent employees in the agency’s area,

Status: This is the original version (as it was originally enacted).

- (d) such persons as appear to him to represent the interests of those who live, work or carry on business in rural parts of the agency's area, and
 - (e) such other persons as he considers appropriate.
- (4) The Secretary of State—
- (a) shall designate one of the members of a regional development agency as the chairman of the agency, and
 - (b) may designate another of them as the deputy chairman of the agency.
- (5) Schedule 2 (which makes further provision about the constitution of regional development agencies) shall have effect.

3 Status

A regional development agency shall not be regarded as the servant or agent of the Crown or as enjoying any status, immunity or privilege of the Crown and its property shall not be regarded as the property of, or property held on behalf of, the Crown.

Activities

4 Purposes

- (1) A regional development agency shall have the following purposes—
- (a) to further the economic development and the regeneration of its area,
 - (b) to promote business efficiency, investment and competitiveness in its area,
 - (c) to promote employment in its area,
 - (d) to enhance the development and application of skills relevant to employment in its area, and
 - (e) to contribute to the achievement of sustainable development in the United Kingdom where it is relevant to its area to do so.
- (2) A regional development agency's purposes apply as much in relation to the rural parts of its area as in relation to the non-rural parts of its area.

5 Powers

- (1) Subject to the following provisions of this Part, a regional development agency may do anything which it considers expedient for its purposes, or for purposes incidental thereto.
- (2) A regional development agency may only—
- (a) give financial assistance,
 - (b) dispose of land for less than the best consideration which can reasonably be obtained, or
 - (c) form, or acquire an interest in, a body corporate,
- if the Secretary of State consents.
- (3) A regional development agency may only provide housing by acquiring existing housing accommodation and making it available on a temporary basis for purposes incidental to its purposes.

6 Delegation of functions by Ministers

- (1) A Minister of the Crown may, to such extent and subject to such conditions as he thinks fit, delegate any eligible function of his to a regional development agency.
- (2) A function is eligible for the purposes of subsection (1) if—
 - (a) it does not consist of a power to make regulations or other instruments of a legislative character or a power to fix fees or charges, and
 - (b) the Secretary of State considers that it can appropriately be exercised by the regional development agency concerned.
- (3) No delegation under subsection (1) may be made without the agreement of the regional development agency concerned, unless a corresponding delegation is made at the same time to all the other regional development agencies.
- (4) No variation of a delegation under subsection (1) may be made without the agreement of the regional development agency concerned, unless—
 - (a) the delegation did not require the agency's agreement, and
 - (b) a corresponding variation of every corresponding delegation to another regional development agency is made at the same time.
- (5) A delegation under subsection (1) may be revoked at any time.
- (6) Schedule 3 (which makes provision for transfer schemes in connection with the delegation of a function, or the revocation of the delegation of a function, under this section) shall have effect.

7 Strategy

- (1) A regional development agency shall—
 - (a) formulate, and keep under review, a strategy in relation to its purposes, and
 - (b) have regard to the strategy in exercising its functions.
- (2) The Secretary of State may give a regional development agency guidance and directions in relation to the exercise of its functions under subsection (1), in particular, with respect to—
 - (a) the matters to be covered by the strategy,
 - (b) the issues to be taken into account in formulating the strategy,
 - (c) the strategy to be adopted in relation to any matter, and
 - (d) the updating of the strategy.
- (3) The issues mentioned in subsection (2)(b) include issues relating to any one or more of the following—
 - (a) the agency's area,
 - (b) the area of any other regional development agency, and
 - (c) any part of the United Kingdom outside England.

8 Regional consultation

- (1) If the Secretary of State is of the opinion—
 - (a) that there is a body which is representative of those in a regional development agency's area with an interest in its work, and
 - (b) that the body is suitable to be given the role of regional chamber for the agency,

he may by directions to the agency designate the body as the regional chamber for the agency.

- (2) The Secretary of State may by directions require a regional development agency for which there is a regional chamber under subsection (1)—
 - (a) to have regard, in the exercise of its functions under section 7(1)(a), to any views expressed by the chamber, and
 - (b) to consult the chamber in relation to the exercise of such of its functions as may be specified in the directions.
- (3) The Secretary of State may give a regional development agency for which there is no regional chamber under subsection (1) such guidance and directions as he thinks fit for the purpose of securing that it carries out appropriate consultation in relation to the exercise of its functions.

Financial arrangements

9 General financial duties

- (1) The Secretary of State may—
 - (a) after consultation with a regional development agency, and
 - (b) with the approval of the Treasury,
 determine the financial duties of the agency; and different determinations may be made for different functions of the agency.
- (2) The Secretary of State shall give a regional development agency notice of every determination of its financial duties under this section, and such a determination may—
 - (a) relate to a period beginning before, on, or after, the date on which it is made,
 - (b) contain supplemental provisions, and
 - (c) be varied by a subsequent determination.
- (3) The Secretary of State may, after consultation with the Treasury, give a direction to a regional development agency requiring it to pay to him an amount equal to the whole or such part as may be specified in the direction of any sum, or any sum of a description, so specified which is or has been received by the agency.
- (4) Where it appears to the Secretary of State that a regional development agency has a surplus, whether on capital or revenue account, he may, after consultation with the Treasury, direct the agency to pay to him such amount not exceeding the amount of that surplus as may be specified in the direction.

10 Government grants

The Secretary of State may, with the approval of the Treasury, make to a regional development agency grants of such amounts, and on such terms, as he thinks fit.

11 Borrowing

- (1) A regional development agency shall be entitled to borrow in accordance with the following provisions of this section, but not otherwise.

- (2) Subject to subsection (5), a regional development agency may, with the consent of the Secretary of State, borrow temporarily in sterling, by way of overdraft or otherwise, from persons other than the Secretary of State, such sums as it may require for meeting its obligations and carrying out its functions.
- (3) The Secretary of State shall not give consent for the purposes of subsection (2) without the approval of the Treasury.
- (4) Subject to subsection (5), a regional development agency may borrow from the Secretary of State, by way of temporary loan or otherwise, such sums in sterling as it may require for meeting its obligations and carrying out its functions.
- (5) A regional development agency may not borrow under this section if the effect would be—
 - (a) to take the aggregate amount outstanding in respect of the principal of sums borrowed under this section by regional development agencies over the collective borrowing limit, or
 - (b) to increase the amount by which the aggregate amount so outstanding exceeds that limit.
- (6) For the purposes of subsection (5), the collective borrowing limit is—
 - (a) £200 million, or
 - (b) such greater sum as the Secretary of State may, with the approval of the Treasury, specify by order made by statutory instrument.
- (7) An order under subsection (6)(b) shall not be made unless a draft of the order has been laid before, and approved by a resolution of, the House of Commons.

12 Government guarantees of an agency's borrowing

- (1) The Secretary of State may, with the consent of the Treasury, guarantee, in such manner and on such conditions as he may think fit, the repayment of the principal of, the payment of interest on, and the discharge of any other financial obligation in connection with, any sum which a regional development agency borrows from any person.
- (2) Where the Secretary of State gives a guarantee under this section he shall forthwith lay a statement of the guarantee before each House of Parliament.
- (3) Where any sum is paid out for fulfilling a guarantee under this section, the Secretary of State shall, as soon as reasonably practicable after the end of each financial year (beginning with that in which the sum is paid out and ending with that in which all liability in respect of the principal of the sum and in respect of interest on it is finally discharged), lay before each House of Parliament a statement relating to that sum.
- (4) If any sums are paid out in fulfilment of a guarantee under this section, the regional development agency which borrowed the sum by reference to which the guarantee was given shall make to the Secretary of State, at such times and in such manner as he may from time to time direct—
 - (a) payments of such amounts as he may so direct in or towards repayment of the sums so paid out, and
 - (b) payments of interest, at such rate as he may so direct, on what is outstanding for the time being in respect of sums so paid out,

Status: This is the original version (as it was originally enacted).

and the consent of the Treasury shall be required for the giving of a direction under this subsection.

13 Government loans

- (1) The Secretary of State may, with the approval of the Treasury, lend to a regional development agency any sums which it has power to borrow under section 11(4).
- (2) Any loan made under this section shall be repaid to the Secretary of State at such times and by such methods, and interest on the loan shall be paid to him at such rates and at such times, as he may with the approval of the Treasury from time to time determine.
- (3) If in any financial year the Secretary of State lends any sums to a regional development agency under this section, he shall—
 - (a) prepare in respect of that financial year an account of the sums so lent by him, and
 - (b) send that account to the Comptroller and Auditor General before the end of September in the following financial year,and the form of the account and the manner of preparing it shall be such as the Treasury may direct.
- (4) The Comptroller and Auditor General shall examine, certify and report on each account sent to him under this section and shall lay copies of it and of his report before each House of Parliament.
- (5) The Treasury may issue to the Secretary of State out of the National Loans Fund such sums as are necessary to enable him to make loans to a regional development agency under this section; and any sums received by the Secretary of State in pursuance of subsection (2) shall be paid into the National Loans Fund.

14 Accounts and records

- (1) A regional development agency shall—
 - (a) keep proper accounts and proper accounting records, and
 - (b) prepare in respect of each accounting period a statement of accounts giving a true and fair view of the state of affairs and the income and expenditure of the agency.
- (2) Every statement of accounts prepared under subsection (1) shall comply with any requirement which the Secretary of State has, with the consent of the Treasury, notified in writing to the agency and which relates to any of the following matters, namely—
 - (a) the information to be contained in the statement,
 - (b) the manner in which that information is to be presented, or
 - (c) the methods and principles according to which the statement is to be prepared.
- (3) Subject to subsections (4) and (5), “accounting period”, in relation to a regional development agency, means a period beginning with 1st April and ending with the next 31st March.
- (4) The Secretary of State may, in relation to an accounting period of a regional development agency, direct that the period shall end with such date other than the next 31st March as may be specified in the direction.

- (5) Where the Secretary of State has given a direction under subsection (4), the following accounting period of the agency to which the direction was given shall begin with the day after the date specified in the direction and, subject to any further direction under subsection (4), shall end with the next 31st March.
- (6) In this section, “accounting records”, in relation to a regional development agency, includes all books, papers and other records of the agency relating to, or to matters dealt with in, the accounts required to be kept by this section.

15 Audit

- (1) The accounts of a regional development agency for each accounting period shall be audited by the Comptroller and Auditor General.
- (2) A copy of—
 - (a) any accounts of a regional development agency which are audited under subsection (1), and
 - (b) the report made on those accounts by the Comptroller and Auditor General, shall be sent to the Secretary of State as soon as reasonably practicable after the report is received by the agency; and the Secretary of State shall lay before each House of Parliament a copy of those accounts and that report.
- (3) In this section—

“accounting period” and “accounting records” have the same meanings as in section 14; and

references to accounts, in relation to a regional development agency, include any statement prepared by it under that section.

Information, reports and accountability

16 Provision of information etc. to the Secretary of State

A regional development agency shall provide the Secretary of State with such information, advice and assistance as he may require.

17 Annual report

- (1) As soon as reasonably practicable after the end of each accounting period, a regional development agency shall prepare a report on its activities during that period and shall send a copy of that report to the Secretary of State.
- (2) A report under this section shall—
 - (a) be in such form and contain such information as the Secretary of State may specify by directions to the agency, and
 - (b) set out any other directions given to the agency under this Part during the period to which the report relates.
- (3) Following receipt of a report under this section, the Secretary of State shall lay a copy of it before each House of Parliament and arrange for copies of it to be published in such manner as he considers appropriate.
- (4) In this section, “accounting period” has the same meaning as in section 14.

18 Regional accountability

- (1) The Secretary of State may by directions require a regional development agency for which there is a regional chamber under section 8(1)—
 - (a) to supply the chamber with information of such description as may be specified in the directions,
 - (b) to answer questions put by the chamber about information supplied to it by the agency and to do so in such manner as may be so specified, and
 - (c) to take such other steps for the purpose of accounting to the chamber for the exercise of its functions as may be so specified.
- (2) A regional development agency shall hold a public meeting within such period after the publication of its annual report as the Secretary of State may by directions specify.
- (3) A regional development agency shall give such notice of a meeting held for the purposes of subsection (2) as the Secretary of State may by directions specify and publish it in such manner as he may so specify.
- (4) The Secretary of State may give a regional development agency guidance and directions with respect to the conduct of a meeting held for the purposes of subsection (2).

Vesting and acquisition of land

19 Vesting of land by order

- (1) The Secretary of State may, in relation to land in England, by order made by statutory instrument provide that land specified in the order which is vested in a local authority or other public body or in a wholly-owned subsidiary of a public body shall vest in a regional development agency.
- (2) An order under subsection (1) may not specify land vested in statutory undertakers which is used for the purpose of carrying on their statutory undertakings or which is held for that purpose.
- (3) In the case of land vested in statutory undertakers, the power to make an order under subsection (1) shall be exercisable by the Secretary of State and the appropriate Minister.
- (4) The reference in subsection (3) to the Secretary of State and the appropriate Minister shall—
 - (a) in relation to statutory undertakers who are or are deemed to be statutory undertakers for the purposes of any provision of Part XI of the Town and Country Planning Act 1990, be construed as if contained in that Part, and
 - (b) in relation to any other statutory undertakers, be construed in accordance with an order made by the Secretary of State by statutory instrument.
- (5) If, for the purposes of subsection (3), any question arises as to which Minister is the appropriate Minister in relation to any statutory undertakers, that question shall be determined by the Treasury.
- (6) An order under subsection (1) shall have the same effect as a declaration under the Compulsory Purchase (Vesting Declarations) Act 1981 except that, in relation to such

Status: This is the original version (as it was originally enacted).

an order, the enactments mentioned in Schedule 4 shall have effect subject to the modifications specified there.

- (7) Compensation under the Land Compensation Act 1961, as applied by subsection (6) and Schedule 4, shall be assessed by reference to values current on the date the order under subsection (1) comes into force.
- (8) No compensation is payable under Part IV of the Land Compensation Act 1961 by virtue of an order under subsection (1).
- (9) No order under subsection (1) shall be made unless a draft of the order has been laid before and approved by resolution of each House of Parliament.
- (10) In this section—
“local authority” also includes a county borough council and a parish council;
“statutory undertakers”, except where the context otherwise requires, means—
(a) persons authorised by any enactment to carry on any railway, light railway, tramway, road transport, water transport, canal, inland navigation, dock, harbour, pier or lighthouse undertaking, or any undertaking for the supply of hydraulic power,
(b) a relevant airport operator (within the meaning of the Airports Act 1986),
(c) British Shipbuilders, the Civil Aviation Authority and the Post Office,
(d) any other authority, body or undertakers specified in an order made by the Secretary of State by statutory instrument, and
(e) any wholly-owned subsidiary of any person, authority or body mentioned in paragraphs (a) to (c) or of any authority, body or undertakers specified in an order under paragraph (d),
and “statutory undertaking” shall be construed accordingly;
“wholly-owned subsidiary” has the meaning given by section 736 of the Companies Act 1985.
- (11) A statutory instrument containing an order under subsection (4) or (10) shall be subject to annulment in pursuance of a resolution of either House of Parliament.

20 Acquisition of land

- (1) A regional development agency may for its purposes, or for purposes incidental thereto, acquire land by agreement or, on being authorised to do so by the Secretary of State, compulsorily.
- (2) A regional development agency may, for those purposes, be authorised by the Secretary of State, by means of a compulsory purchase order, to acquire compulsorily such new rights over land as are specified in the order.
- (3) Where the land referred to in subsection (1) or (2) forms part of a common, open space or fuel or field garden allotment, a regional development agency may acquire (by agreement or, on being authorised to do so by the Secretary of State, compulsorily) land for giving in exchange for the land or, as the case may be, rights acquired.
- (4) The Acquisition of Land Act 1981 shall apply to the compulsory acquisition of land by virtue of subsection (1) or (3), subject to the modifications specified in Part I of Schedule 5.

Status: This is the original version (as it was originally enacted).

- (5) Schedule 3 to that Act shall apply to the compulsory acquisition of a right by virtue of subsection (2), but with the modification that the reference in paragraph 4(3) to statutory undertakers includes a reference to a regional development agency.
- (6) Part II of Schedule 5 (which applies the Compulsory Purchase Act 1965 to the acquisition of rights by virtue of subsection (2)) shall have effect.
- (7) The provisions of Part I of that Act (so far as applicable), other than section 31, shall apply to the acquisition of land by a regional development agency by agreement; and, in that Part as so applied, “land” has the meaning given by the Interpretation Act 1978.
- (8) In subsection (2)—
 - “new rights over land” means rights over land which are not in existence when the order specifying them is made;
 - “compulsory purchase order” has the same meaning as in the Acquisition of Land Act 1981.

21 Rights of entry

- (1) Any person who is duly authorised in writing by a regional development agency may at any reasonable time enter any land for the purpose of surveying it, or estimating its value, in connection with—
 - (a) any proposal by the agency to acquire the land or any other land, or
 - (b) any claim for compensation in respect of any such acquisition.
- (2) A person authorised under this section to enter any land shall, if so required, produce evidence of his authority before entry.
- (3) A person may only exercise a right under this section to enter any land if at least 28 days' notice of the intended entry was given to every owner or occupier of the land.
- (4) A notice under subsection (3) shall—
 - (a) state the purpose for which entry is required, and
 - (b) inform the person to whom it is given of his rights under this section.
- (5) The power under subsection (1) to survey land includes power to search, bore and remove soil samples for the purpose of ascertaining the nature of the subsoil or the presence in it of minerals or pollutants.
- (6) No person shall carry out under this section any works authorised by virtue of subsection (5) unless notice of his intention to do so was included in the notice under subsection (3).
- (7) The authority of the appropriate Minister shall be required for the carrying out under this section of works authorised by virtue of subsection (5) if the land in question is held by statutory undertakers and they object to the proposed works on the ground that the execution of the works would be seriously detrimental to the carrying on of their undertaking.
- (8) Where any land is damaged—
 - (a) in the exercise of a right of entry conferred under this section, or
 - (b) in the making of any survey for the purpose of which any such right of entry has been so conferred,

compensation in respect of the damage may be recovered by any person interested in the land from the regional development agency which authorised the exercise of the powers conferred by this section.

- (9) The provisions of section 118 of the Town and Country Planning Act 1990 (determination of claims for compensation) shall apply in relation to compensation under subsection (8) as they apply in relation to compensation under Part IV of that Act.
- (10) In subsection (3), “owner” has the same meaning as in the Acquisition of Land Act 1981.
- (11) Expressions used in subsection (7) have the same meanings as they have in section 325(9) of the Town and Country Planning Act 1990 (supplementary provisions as to rights of entry).

22 Offences in relation to rights of entry

- (1) Any person who intentionally obstructs a person acting in exercise of his powers under section 21 commits an offence and shall be liable on summary conviction to a fine not exceeding level 3 on the standard scale.
- (2) Any person who is admitted into a factory, workshop or workplace in compliance with the provisions of section 21 commits an offence if he discloses to any person any information obtained by him in it as to any manufacturing process or trade secret.
- (3) Subsection (2) does not apply if the disclosure is made by a person in the course of performing his duty in connection with the purpose for which he was authorised to enter the premises.
- (4) A person who is guilty of an offence under subsection (2) shall be liable—
 - (a) on summary conviction, to a fine not exceeding the statutory maximum;
 - (b) on conviction on indictment, to imprisonment for a term not exceeding 2 years or to a fine or to both.

23 Supplementary provisions

Schedule 6 (which contains supplementary provisions about land vested in or acquired by a regional development agency under this Act) shall have effect.

Miscellaneous and supplementary

24 Connection of private streets to highway

- (1) For its purposes, or for purposes incidental thereto, a regional development agency may serve a notice (a “connection notice”) on the local highway authority requiring the authority to connect a private street to an existing highway (whether or not it is a highway which for the purposes of the Highways Act 1980 is a highway maintainable at the public expense).
- (2) A connection notice must specify—
 - (a) the private street and the existing highway;

Status: This is the original version (as it was originally enacted).

- (b) the works which appear to the agency to be necessary to make the connection; and
 - (c) the period within which those works should be carried out.
- (3) Before serving a connection notice a regional development agency shall consult the local highway authority about the proposed contents of the notice.
- (4) Within the period of 2 months beginning with the date on which the connection notice was served, the local highway authority may appeal against the notice to the Secretary of State.
- (5) After considering any representations made to him by the regional development agency concerned and the local highway authority, the Secretary of State shall determine an appeal under subsection (4) by setting aside or confirming the connection notice (with or without modifications).
- (6) A connection notice becomes effective—
- (a) where no appeal is made within the period of 2 months referred to in subsection (4), upon the expiry of that period;
 - (b) where an appeal is made within that period but is withdrawn before it has been determined by the Secretary of State, on the date following the expiry of the period of 21 days beginning with the date on which the Secretary of State is notified of the withdrawal;
 - (c) where an appeal is made and the connection notice is confirmed by a determination under subsection (5), on such date as the Secretary of State may specify in the determination.
- (7) Where a connection notice becomes effective, the local highway authority shall carry out the works specified in the notice within such period as may be so specified and may recover the expenses reasonably incurred by them in doing so from the regional development agency which served the notice.
- (8) If the local highway authority do not carry out the works specified in the notice within such period as may be so specified, the regional development agency which served the notice may itself carry out or complete those works or arrange for another person to do so.
- (9) In this section—
- “highway” and “local highway authority” have the same meanings as in the Highways Act 1980;
 - “private street” has the same meaning as in Part XI of that Act.

25 Power to alter regions

- (1) The Secretary of State may by order make alterations in the extent of the regions in Schedule 1.
- (2) The alterations that may be made by an order under this section do not include alterations that result in a reduction or increase in the number of regions in that Schedule.
- (3) Where the Secretary of State proposes to make an order under this section, he shall take such steps as he considers sufficient to secure that members of the public who

may be interested in the proposed order are informed of it and of the period within which they may make representations to him about it.

- (4) Before making an order under this section, the Secretary of State shall consult—
 - (a) every regional development agency affected by the proposed order,
 - (b) every local authority whose area includes the whole or any part of an area to which the proposed order relates, and
 - (c) such other persons as he thinks fit,and have regard to any representations made to him within the period for making representations about the proposed order.
- (5) The Secretary of State may cause a local inquiry to be held in connection with the making of an order under this section; and subsections (2) to (5) of section 250 of the Local Government Act 1972 (which relate to the giving of evidence at, and defraying the cost of, local inquiries) shall apply in relation to any inquiry held under this subsection as they apply in relation to an inquiry which a Minister causes to be held under subsection (1) of that section.
- (6) An order under this section may make such supplementary or transitional provision as the Secretary of State thinks fit including—
 - (a) provision as to the membership of a regional development agency,
 - (b) provision for the transfer of property, rights and liabilities,
 - (c) provision for the transfer of staff, and
 - (d) provision as to pending legal proceedings.
- (7) The power to make an order under this section shall be exercisable by statutory instrument.
- (8) No order shall be made under this section unless a draft of it has been laid before and approved by resolution of each House of Parliament.
- (9) An order under this section which would, apart from this subsection, be treated for the purposes of the standing orders of either House of Parliament as a hybrid instrument shall proceed in that House as if it were not such an instrument.

26 Change of name of agency

- (1) A regional development agency may, by a resolution in relation to which the requirements mentioned in subsection (2) are met, change the name by which it is to be known.
- (2) The requirements referred to are—
 - (a) that the resolution is considered at a meeting of the agency which is specially convened for the purpose,
 - (b) that particulars of the resolution were included in the notice of the meeting, and
 - (c) that the resolution is passed at the meeting by not less than two-thirds of the members of the agency who vote on it.
- (3) A regional development agency which changes its name under this section shall—
 - (a) send notice of the change to the Secretary of State, and
 - (b) publish the notice in such manner as the Secretary of State may direct.

- (4) A change of name under this section shall not affect the rights or obligations of the regional development agency concerned or any other person, or render defective any legal proceedings; and any legal proceedings may be commenced or continued as if there had been no change of name.

27 General power to give guidance and directions

- (1) The Secretary of State may give a regional development agency—
- (a) guidance, or
 - (b) directions,
- in relation to the exercise of its functions.
- (2) Directions under this section may—
- (a) restrict the agency in relation to the exercise of its functions, or
 - (b) require it to exercise its functions in any manner specified in the directions.
- (3) Directions under this section may be of a general or particular nature.
- (4) The generality of the power conferred by this section shall not be prejudiced by any other power conferred by this Part.

28 Guidance: supplementary

- (1) Any power to give guidance under this Part shall be exercisable only after consultation with the regional development agency concerned.
- (2) In exercising its functions, a regional development agency shall have regard to any guidance given under this Part.
- (3) Any power to give guidance under this Part includes power to vary or revoke the guidance.
- (4) The Secretary of State shall arrange for any guidance given under this Part to be published in such manner as he considers appropriate.

29 Consents of Secretary of State

A consent given under this Part by the Secretary of State to a regional development agency—

- (a) may be given unconditionally or subject to conditions,
- (b) may be given in relation to a particular case or in relation to such descriptions of case as may be specified in the consent, and
- (c) except in relation to anything already done or agreed to be done on the authority of the consent, may be varied or revoked by a notice given by the Secretary of State to the agency.

30 Validity of transactions

- (1) A person who enters into a transaction with a regional development agency shall not be concerned to see or enquire—
- (a) whether there has been any failure by the agency to observe its purposes, or

- (b) whether the transaction would contravene any direction given by the Secretary of State.
- (2) A transaction entered into by a regional development agency shall not be invalidated merely because the agency—
 - (a) failed to observe its purposes, or
 - (b) carried out the transaction in contravention of any direction given by the Secretary of State.

31 Notices

- (1) This section has effect in relation to any notice required or authorised by this Part to be given to or served on any person.
- (2) Any such notice may be given to or served on the person in question either by delivering it to him, or by leaving it at his proper address, or by sending it by post to him at that address.
- (3) Any such notice may—
 - (a) in the case of a body corporate, be given to or served on the secretary or clerk of that body, and
 - (b) in the case of a partnership, be given to or served on a partner or a person having the control or management of the partnership business.
- (4) For the purposes of this section and of section 7 of the Interpretation Act 1978 (service of documents by post) in its application to this section, the proper address of any person to or on whom a notice is to be given or served shall be his last known address, except that—
 - (a) in the case of a body corporate or its secretary or clerk, it shall be the address of the registered or principal office of that body, and
 - (b) in the case of a partnership, a partner or a person having the control or management of the partnership business, it shall be that of the principal office of the partnership;and for the purposes of this subsection the principal office of a company registered outside the United Kingdom or of a partnership carrying on business outside the United Kingdom shall be its principal office within the United Kingdom.
- (5) If the person to be given or served with any notice mentioned in subsection (1) has specified an address within the United Kingdom other than his proper address within the meaning of subsection (4) as the one at which he or someone on his behalf will accept documents of the same description as that notice, that address shall also be treated for the purposes of this section and section 7 of the Interpretation Act 1978 as his proper address.
- (6) If the name or address of any owner, lessee or occupier of land to or on whom any notice mentioned in subsection (1) is to be served cannot after reasonable inquiry be ascertained, the document may be served either by leaving it in the hands of a person who is or appears to be resident or employed on the land or by leaving it conspicuously affixed to some building or object on the land.

32 Minor amendments

Schedule 7 (which makes minor amendments relating to regional development agencies) shall have effect.

33 Interpretation of Part I

In this Part, “local authority” means a county council, a district council, a London borough council, the Common Council of the City of London and the Council of the Isles of Scilly.

PART II

EXISTING BODIES

*The Development Commission***34 Transfer of property, rights and liabilities to agencies**

- (1) The Secretary of State may by directions require the Development Commission to make one or more schemes for the transfer to regional development agencies of such of the Commission’s property, rights and liabilities as appear to him appropriate to be transferred in consequence of the carrying out by regional development agencies of an activity of the Commission.
- (2) Schedule 8 shall have effect in relation to schemes under subsection (1).

35 Powers in relation to the Commission

- (1) The Secretary of State may by order made by statutory instrument—
 - (a) make provision conferring on the Commission functions with respect to the provision of services of any description to regional development agencies,
 - (b) make provision for the transfer of any function of the Commission to another public body,
 - (c) make provision conferring on another public body a function corresponding to any extent to a function of the Commission,
 - (d) make provision terminating the exercise by the Commission of any of its functions,
 - (e) make provision extinguishing any liability of the Commission in respect of money lent or advanced to it at any time by the Secretary of State,
 - (f) make provision for winding up the Commission’s affairs, and
 - (g) make provision for the dissolution of the Commission.
- (2) No provision may be made under subsection (1)(e) without the consent of the Treasury.
- (3) An order under this section may contain such supplementary, incidental, consequential or transitional provisions as the Secretary of State thinks fit.
- (4) The provision which may be made under subsection (3) includes—
 - (a) provision changing the name of a public body which acquires functions by virtue of provision made under subsection (1)(b) or (c), and

- (b) provision for the transfer to another public body of any of the Commission's property, rights and liabilities (including rights and liabilities under the contracts of employment of its staff).
- (5) The provision which may be made by an order under this section for the transfer of property, rights or liabilities of the Commission includes provision—
- (a) requiring the Commission to make one or more schemes for the transfer of such of the Commission's property, rights and liabilities as appear to the Secretary of State appropriate to be transferred in consequence of the order, and
 - (b) applying Schedule 8 in relation to a scheme under the order, with such modifications as the Secretary of State thinks fit.
- (6) The provision which may be made by an order under this section includes provision amending, repealing or otherwise modifying any enactment.
- (7) No order under this section shall be made unless a draft of it has been laid before and approved by resolution of each House of Parliament.
- (8) Any sums arising out of the transfer of property, or out of property transferred, to a Minister of the Crown by an order under this section shall be paid into the Consolidated Fund.
- (9) If an order under this section makes provision under subsection (1)(e), the assets of the National Loans Fund shall be reduced by the aggregate amount by which the liabilities of the Commission are thereby reduced.
- (10) In this section—
- “the Commission” means the Development Commission;
 - “enactment” includes any instrument made under any enactment.

The Urban Regeneration Agency

36 Transfer of property, rights and liabilities to agencies

- (1) The Secretary of State may by directions require the Urban Regeneration Agency to make one or more schemes for the transfer to regional development agencies of such of the Agency's property, rights and liabilities as appear to him appropriate to be transferred in consequence of the carrying out by regional development agencies of an activity of the Agency.
- (2) Schedule 9 shall have effect in relation to schemes under subsection (1).

37 Powers in relation to the Agency

- (1) The Secretary of State may by order made by statutory instrument—
- (a) make provision conferring on the Agency functions with respect to the provision of services of any description to regional development agencies,
 - (b) make such provision in relation to the functions of the Agency as he thinks fit for the purpose of changing it into a body whose only purpose is to hold, manage and dispose of property,
 - (c) make provision changing the name by which the Agency is to be known,
 - (d) make provision terminating the exercise by the Agency of any of its functions,

Status: This is the original version (as it was originally enacted).

- (e) make provision extinguishing any liability of the Agency in respect of money lent or advanced to it at any time by the Secretary of State,
 - (f) make provision for winding up the Agency's affairs, and
 - (g) make provision for the dissolution of the Agency.
- (2) No provision may be made under subsection (1)(e) without the consent of the Treasury.
- (3) An order under this section may contain such supplementary, incidental, consequential or transitional provisions as the Secretary of State thinks fit, including provision for the transfer to another public body of any of the Agency's property, rights and liabilities (including rights and liabilities under the contracts of employment of its staff).
- (4) An order under this section may, in connection with the transfer of property, rights or liabilities of the Agency, contain provision establishing a new body corporate, or enabling an existing body corporate established under any enactment, to receive property, rights or liabilities transferred.
- (5) The provision which may be made by an order under this section for the transfer of property, rights or liabilities of the Agency includes provision—
- (a) requiring the Agency to make one or more schemes for the transfer of such of the Agency's property, rights and liabilities as appear to the Secretary of State appropriate to be transferred in consequence of the order, and
 - (b) applying Schedule 9 in relation to a scheme under the order, with such modifications as the Secretary of State thinks fit.
- (6) The provision which may be made by an order under this section includes provision amending, repealing or otherwise modifying any enactment.
- (7) No order under this section shall be made unless a draft of it has been laid before and approved by resolution of each House of Parliament.
- (8) Any sums arising out of the transfer of property, or out of property transferred, to a Minister of the Crown by an order under this section shall be paid into the Consolidated Fund.
- (9) If an order under this section makes provision under subsection (1)(e), the assets of the National Loans Fund shall be reduced by the aggregate amount by which the liabilities of the Agency are thereby reduced.
- (10) In this section—
- “the Agency” means the Urban Regeneration Agency;
 - “enactment” includes any instrument made under any enactment.

PART III

GENERAL

38 Corporation tax

- (1) The following provisions apply for the purposes of the Corporation Tax Acts.
- (2) Any trade or part of a trade transferred under a transfer scheme is to be treated as having been, at the time of its commencement and at all times since that time, a separate trade carried on by the transferee.

Status: This is the original version (as it was originally enacted).

- (3) Where any trade, or part of a trade, is transferred under a transfer scheme, the trade carried on by the transferee after the date of the transfer is to be treated as the same trade as that which, by virtue of subsection (2), it is treated as having carried on before that date.
- (4) All property, rights and liabilities transferred under a transfer scheme are to be treated as having been, at the time when they became vested in the transferor, and at all times since that time, property, rights and liabilities of the transferee.
- (5) Anything done, in relation to property, rights and liabilities transferred under a transfer scheme, by the transferor is to be deemed to have been done by the transferee.
- (6) Where any property, rights and liabilities transferred under a transfer scheme became vested in the transferor by virtue of a transfer made by a company in which, at the time of the transfer, the transferor held an interest, that interest is to be deemed to have been held at that time by the transferee.
- (7) Where any property, rights and liabilities transferred under a transfer scheme became vested in the transferor by virtue of a qualifying transfer, or two or more successive qualifying transfers—
 - (a) subsection (4) has effect as if the reference to the time when the property, rights and liabilities became vested in the transferor were a reference to the time when they became vested in the original transferor (that is to say, the transferor under the qualifying transfer or, as the case may be, the first of the qualifying transfers), and
 - (b) if the property, rights and liabilities became vested in the original transferor by virtue of a transfer made by a company in which, at the time of the transfer, the original transferor held an interest, that interest is to be deemed to have been held at that time by the transferee under the transfer scheme.
- (8) The previous provisions of this section are subject to such apportionments of unallowed tax losses and of expenditure by reference to which capital allowances may be made as may be specified in the transfer scheme concerned.
- (9) This section has effect in relation to accounting periods beginning after the final accounting period.
- (10) In this section—
 - “capital allowance” has the same meaning as in the Tax Acts;
 - “final accounting period” means the last complete accounting period of the transferor under the transfer scheme concerned;
 - “qualifying transfer” means a transfer made to one of the following bodies by another such body—
 - (a) the Development Commission,
 - (b) the Urban Regeneration Agency,
 - (c) a regional development agency;
 - “transfer scheme” means—
 - (a) an order under section 25 which includes provision for the transfer of property, rights or liabilities, and
 - (b) a scheme under any of sections 34 to 37 for the transfer of property, rights or liabilities;

“unallowed tax losses” means any losses, allowances or amounts which, as at the end of the final accounting period, are tax losses within the meaning given by section 400(2) of the Income and Corporation Taxes Act 1988.

39 Stamp duty

- (1) Stamp duty shall not be chargeable on—
 - (a) a transfer scheme, or
 - (b) an instrument or agreement which is certified to the Commissioners of Inland Revenue by a Minister of the Crown as made in pursuance of a transfer scheme.
- (2) No instrument or agreement which is certified as mentioned in subsection (1)(b) shall be taken to be duly stamped unless—
 - (a) it is stamped with the duty to which it would, but for that subsection, be liable, or
 - (b) it has, in accordance with section 12 of the Stamp Act 1891, been stamped with a particular stamp denoting that it is not chargeable with any duty or that it is duly stamped.
- (3) Section 12 of the Finance Act 1895 shall not operate to require—
 - (a) the delivery to the Inland Revenue of a copy of this Act, or
 - (b) the payment of stamp duty under that section on any copy of this Act,and shall not apply in relation to any instrument on which, by virtue of subsection (1), stamp duty is not chargeable.
- (4) In subsection (1), “transfer scheme” means—
 - (a) an order under section 25 which includes provision for the transfer of property, rights or liabilities, and
 - (b) a scheme under any of sections 34 to 37 and paragraph 1 of Schedule 3 for the transfer of property, rights or liabilities.

40 Directions: supplementary

- (1) Any power to give a direction under this Act shall be exercisable only after consultation with the body concerned.
- (2) Any direction under this Act shall be in writing.
- (3) It is the duty of a body to which a direction is given under this Act to comply with the direction.
- (4) Any power to give a direction under this Act includes power to vary or revoke the direction.

41 General interpretation

In this Act—

“Minister of the Crown” has the same meaning as in the Ministers of the Crown Act 1975;

“regional development agency” means a development agency established by section 1.

42 Expenses

There shall be paid out of money provided by Parliament any administrative expenses of a Minister of the Crown attributable to this Act.

43 Commencement

The preceding provisions of this Act shall come into force on such day as the Secretary of State may by order made by statutory instrument appoint; and different days may be so appointed for different purposes.

44 Extent

- (1) Subject to subsection (2), this Act extends to England and Wales only.
- (2) The extent of any amendment by this Act is the same as that of the enactment amended.

45 Short title

This Act may be cited as the Regional Development Agencies Act 1998.