



Transport Act 1968

1968 CHAPTER 73

PART IV

FURTHER PROVISIONS AS TO BOARDS, NEW AUTHORITIES AND TRANSPORT SERVICES

Additional financial provisions with respect to Boards and new authorities

41 Financial provisions as to Boards and new authorities

- (1) This section applies to the following authorities, namely, the Boards and the new authorities.
- (2) It shall be the duty of each of the authorities to whom this section applies so to perform their functions under the Act of 1962 or this Act as to secure that the combined revenues of the authority and of their subsidiaries taken together are not less than sufficient to meet their combined charges properly chargeable to revenue account, taking one year with another.
- (3) Each of the authorities to whom this section applies shall secure that their subsidiaries charge to revenue account in every year all charges which are proper to be made to revenue account, including, in particular, proper provision for the depreciation or renewal of assets.
- (4) Notwithstanding anything in paragraph (a) of the proviso to section 18(4) of the Act of 1962, the purposes for which the moneys comprised in the general reserve of any of the authorities to whom this section applies may be applied shall include the purposes of any subsidiary of theirs.
- (5) Subsection (1) of section 18 of the Act of 1962 shall cease to have effect, and references to that subsection in the Act of 1962 shall be construed as references to subsection (2) of this section.
- (6) For section 19(3)(ii) of the Act of 1962 (which provides that the aggregate amount outstanding in respect of the principal of any money borrowed by the London Board under that section' and that Board's commencing capital debt shall not exceed £200

million or such greater sum not exceeding £270 million as the Minister may from time to time by order specify) there shall be substituted the following:—

“(ii) for the London Board three hundred million pounds.”

- (7) In section 19(3)(iii) of the Act of 1962 (which provides that the aggregate amount outstanding in respect of the principal of any money borrowed by the Docks Board under that section and that Board's commencing capital debt shall not exceed £120 million) for the word " twenty " there shall be substituted the word " sixty ".
- (8) In section 22 of the Act of 1962 as amended by the Transport Finances Act 1966, subsections (2) and (3) (which relate to deficits on revenue account of the Railways Board or the London Board) and subsection (6) (which temporarily relieves those Boards of the obligation to establish a general reserve) shall cease to have effect.
- (9) In section 24(2) of the Act of 1962 (under which a person is not qualified to be appointed as auditor of the accounts of a Board or new authority unless he is a member of one or more specified bodies) after the word " member" there shall be inserted the words " or is a firm in Scotland each of the partners wherein is a member ".
- (10) For the purposes of subsections (2) and (3) of this section, the provisions of section 51(5) of this Act shall be disregarded.

42 Additional financial provisions as to Railways Board

- (1) This section applies to the Railways Board.
- (2) On 1st January 1969 there shall be extinguished—
 - (a) the part of the commencing capital debt of the Board under section 39 of the Act of 1962 which under section 40 of that Act constitutes the suspended debt of the Board on that date ; and
 - (b) subject to subsection (3) of this section, such further part of the commencing capital debt of the Board as is required to be extinguished in order to reduce the commencing capital debt of the Board outstanding on that date to £300 million.
- (3) Without prejudice to section 53(5) of this Act, the Minister may from time to time by order vary the amount specified in subsection (2)(b) of this section where that appears to him expedient to take account of—
 - (a) any adjustment in pursuance of the provisions of Schedule 4 to this Act in the property, rights and liabilities transferred under section 5(3) or 29(2) thereof;
 - (b) any transfer of property, rights or liabilities under section 7(5) or (6) or 8(4) of this Act;

but no order shall be made by virtue of paragraph (a) of this subsection more than five years after the appointed day for the purposes of paragraph (b) of the said section 5(3) or, as the case may be, the relevant appointed day for the purposes of the said section 29(2).
- (4) Any order under subsection (3) of this section may contain such transitional provisions as appear to the Minister expedient to take account of any interest underpaid or overpaid on the commencing capital debt of the Board.
- (5) The Minister's power to make an order under subsection (3) of this section shall be subject to the approval of the Treasury and any such order shall be subject to annulment in pursuance of a resolution of the Commons House of Parliament.

- (6) As from 1st January 1969, the aggregate amount outstanding in respect of—
- (a) the principal of any money borrowed by the Board under section 19 of the Act of 1962 ; and
 - (b) the Board's commencing capital debt,
- shall not exceed £550 million or such greater sum not exceeding £700 million as the Minister may from time to time by order specify ; but no order shall be made under this subsection unless a draft thereof has been approved by a resolution of the Commons House of Parliament.
- (7) The Board shall as soon as practicable after 1st January 1969 adjust their accounts so that the total net book value of their capital assets does not exceed the aggregate of the amount specified in subsection (2)(b) of this section and their other liabilities.
- (8) If in any accounting year of the Board there is an excess of the revenue of the Board over the total sums properly chargeable by them to revenue, the Minister may, with the approval of the Treasury, require that excess, so far as it appears to him, after consultation with the Board, to be surplus to the requirements of the Board, to be paid over to the Minister, who shall pay it into the Consolidated Fund.

43 Additional financial provisions as to Waterways Board

- (1) This section applies to the Waterways Board.
- (2) The Minister or any other Minister of the Crown may, with the approval of the Treasury, from time to time make grants to the Board.
- (3) On 1st January 1969—
- (a) without prejudice to any further adjustment under section 53(5) of this Act, there shall be extinguished such part of the commencing capital debt of the Board under section 39 of the Act of 1962 as is required to be extinguished in order to reduce the commencing capital debt of the Board outstanding on that date to £3,750,000; and
 - (b) in section 19(3)(iv) of the Act of 1962 (which provides that the aggregate amount outstanding in respect of the principal of any money borrowed by the Board and of the Board's commencing capital debt shall not exceed £30 million) for the word " thirty" there shall be substituted the word " twelve ".
- (4) In section 23 of the Act of 1962 as amended by the Transport Finances Act 1966, subsections (2) and (3) (which relate to deficits on revenue account of the Waterways Board) and subsection (5) (which temporarily relieves that Board of the obligation to establish a general reserve) shall cease to have effect.
- (5) If in any accounting year of the Board there is an excess of the revenue of the Board over the total sums properly chargeable by them to revenue, the Minister may, with the approval of the Treasury, require that excess, so far as it appears to him, after consultation with the Board, to be surplus to the requirements of the Board, to be paid over to the Minister, who shall pay it into the Consolidated Fund.

44 Account by Minister of receipt and disposal of certain sums

- (1) The Minister shall, as respects each financial year, prepare in such form and manner as the Treasury may direct an account of, and of the disposal by him of, the following sums, namely—

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

- (a) any sums issued to the Minister by the Treasury out of the National Loans Fund under section 20(3) of the Act of 1962 for the purpose of making loans—
 - (i) under section 20(1) of that Act to any of the Boards; or
 - (ii) under section 29(12) of that Act to the Holding Company; or
 - (iii) under the said section 20(1) as applied by section 3(1) or 27(1) of this Act to the Freight Corporation or the Bus Company;
 - (b) any sums which, being received by the Minister—
 - (i) by way of interest on, or the repayment of, any such loan as aforesaid ;
or
 - (ii) by way of interest on, or the repayment of, the commencing capital debt under section 39 of that Act of any of the Boards or of the Holding Company ; or
 - (iii) by way of interest on, or the repayment of, the commencing capital debt of the Freight Corporation or the Bus Company under Schedule 2 to this Act; or
 - (iv) in respect of any surplus of the Holding Company, the Railways Board or the Waterways Board,

are required by section 20(5), 29(10) or 39(8) of the Act of 1962, by section 42(8) or 43(5) of this Act, by the said section 20(5) as applied by the said section 29(12), 3(1) or 27(1), or by the said section 39(8) as applied by paragraph 1 of the said Schedule 2 to be paid by the Minister into the National Loans Fund or the Consolidated Fund, as the case may be.
- (2) The Secretary of State shall, as respects each financial year, prepare in such form and manner as the Treasury may direct an account of, and of the disposal by him of, the following sums, namely—
- (a) any sums issued to the Secretary of State by the Treasury out of the National Loans Fund under section 20(3) of the Act of 1962 for the purpose of making loans to the Scottish Group under section 20(1) of that Act as applied by section 27(1) of this Act;
 - (b) any sums which, being received by the Secretary of State—
 - (i) by way of interest on, or the repayment of, any such loan as aforesaid;
or
 - (ii) by way of interest on, or the repayment of, the commencing capital debt of the Scottish Group under Schedule 2 to this Act,

are required by section 20(5) of the Act of 1962 as applied by the said section 27(1), or by section 39(8) of the Act of 1962 as applied by paragraph 1 of the said Schedule 2, to be paid by the Secretary of State into the National Loans Fund.
- (3) The Minister and the Secretary of State shall each send every account prepared by him under subsection (1) or (2) of this section to the Comptroller and Auditor-General not later than the end of November following the year to which the account relates; and the Comptroller and Auditor-General shall examine, certify and report on the account and lay copies of it, together with his report, before each House of Parliament.
- (4) In consequence of the foregoing provisions of this section—
- (a) in section 20 of the Act of 1962, subsection (6) (which makes provision corresponding to this section in respect of certain of the sums aforesaid) shall cease to have effect; and

- (b) in section 29(12) of that Act (which applies subsections (2) to (6) of the said section 20 to sums lent under the said section 29) for the words "subsections (2) to (6)" there shall be substituted the words " subsections (2) to (5). "