



Transport (London) Act 1969

1969 CHAPTER 35

PART III

TRANSFERS OF PROPERTY, RIGHTS, LIABILITIES AND FUNCTIONS

16 Transfer of property etc. of London Board

- (1) Subject to the provisions of this Act, on the appointed day for the purposes of this section (in this Act referred to as "the vesting date") all property, rights and liabilities of the London Board shall be transferred to, and by virtue of this Act vest in, the Executive.
- (2) In the case of the following property, rights and liabilities of the London Board, that is to say—
 - (a) property which immediately before the vesting date was used or appropriated for use for the purposes of the part of the Board's undertaking commonly known as country buses and coaches and not for any other purposes of the Board ;
 - (b) property situated outside Greater London which immediately before that date was provided for the convenience or information both of passengers on road services forming part of the activities of the said part of the Board's undertaking and of passengers on other road services of the Board ;
 - (c) rights and liabilities subsisting immediately before that date for the purposes of the activities of the said part of the Board's undertaking,

subsection (1) of this section shall not apply but, subject to the provisions of this Act, the property, rights and liabilities in question shall on the vesting date be transferred to, and by virtue of this Act vest in, such company, being a wholly-owned subsidiary of the Bus Company, as the Bus Company may by notice published in the London Gazette designate for the purpose (hereafter in this Act referred to as "the designated company").

- (3) Schedule 2 to this Act shall apply to any transfer under this section, and subsections (1) and (2) of this section shall have effect subject to the provisions of that Schedule.

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17 Disposal of London Board's statutory functions

- (1) As from the vesting date the statutory provisions referred to in Schedule 3 to this Act shall have effect in accordance with the provisions of that Schedule.
- (2) Subject to the said Schedule 3 and to any other provision in this Act, as from the vesting date the functions of the London Board under any statutory provision other than the Act of 1962, the Act of 1968 and this Act, including any such provision passed or made between the passing of this Act and the vesting date, shall be transferred in accordance with the subsequent provisions of this section.
- (3) If and so far as the statutory provision—
 - (a) relates to that part of the London Board's undertaking, or to property, transferred by this Act to the Executive or, as the case may be, to the designated company ; or
 - (b) authorises the carrying out of works designed to be used in connection with the part of the London Board's undertaking so transferred or the acquisition of land for the purpose of carrying out such works,the functions of the London Board under that statutory provision shall be transferred to the Executive or, as the case may be, to the designated company.
- (4) If the statutory provision authorises the London Board to appoint, nominate, or concur in or approve the appointment or nomination of, a member of some body or the holder of some other office—
 - (a) this Act shall not affect the tenure of office of any person appointed or nominated under that statutory provision before the vesting date; and
 - (b) subject to paragraph (a) of this subsection, the functions of the London Board under that statutory provision shall be transferred to the Executive, or to the designated company, or to both the Executive and the designated company acting either jointly or separately, as the Minister may by order direct.
- (5) Subject to the foregoing provisions of this section, the functions of the London Board under any such statutory provision as is mentioned in subsection (2) of this section shall be transferred to the Executive.

18 Provisions as to pensions functions

- (1) Subject to subsection (3) of this section, the provisions of subsections (2) to (9) of section 74 of the Act of 1962 (which relate to the Minister's power to make orders about pensions) shall have effect as if—
 - (a) the expression " Board " included the Executive; and
 - (b) the references in subsection (1)(a)(ii) of that section to the Commission included references to the London Board; and
 - (c) the reference in subsection (2)(a) of that section to a pension scheme in which employees of the Commission or a subsidiary of the Commission participated before the date there mentioned included a reference to a pension scheme in which employees of, or of a subsidiary of, the London Board participated before the vesting date.
- (2) The Minister shall by order under the said section 74 as applied by subsection (1) of this section provide for the rights, liabilities and functions of the London Board relating to pensions or pension schemes, and any property held by that Board on trust for a pension scheme, to be divided between the Executive and the designated

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company, and on the vesting date transferred to them respectively, in such manner as he considers appropriate; and—

- (a) that order may apply to the transfer under the order such of the provisions of Schedule 2 to this Act subject to such modifications as the Minister may consider appropriate; and
 - (b) save as may be provided by that order, the provisions of sections 16 and 17 of this Act shall not apply in relation to the property, rights, liabilities or functions to which the order relates.
- (3) Nothing in the provisions of the said section 74 as applied by subsection (1) of this section shall prejudice the powers conferred on the Executive by section 6(1)(k) of this Act, and the powers conferred on the Minister by the said section 74—
- (a) except on the application of the Executive made with the approval of the Council—
 - (i) shall not be exercisable in relation to any pension scheme established in pursuance of the powers conferred on the Executive as aforesaid; or
 - (ii) in the case of any Executive-transferred scheme which is a London transport scheme, shall not be exercisable in relation to participants in that scheme who are or have been employees of, or of a subsidiary of, the Executive; and
 - (b) except as aforesaid, and except where the Minister is satisfied that the exercise proposed of those powers will not result in any increase in the obligations or liabilities of the Executive, shall not be exercisable in the case of any other Executive-transferred scheme in relation to participants in that scheme who are or have been such employees as aforesaid ;

and nothing in, or in any order made under, the said section 74 as applied as aforesaid shall require the consent or approval of the Minister to any action by the Executive with respect to such only of the participants in any pension scheme as are or have been such employees as aforesaid.

In this subsection, the expression " Executive-transferred scheme " means a pension scheme in connection with which rights, liabilities and functions of, or property held by, the London Board have been transferred to the Executive under subsection (2) of this section, and the expression "London transport scheme " means a pension scheme specified in Part 2 of the Schedule to the British Transport Reorganisation (Pensions of Employees) (No. 3) Order 1962, or established by or for the former London Transport Executive set up under the Transport Act 1947 or by or for the London Board.

- (4) Any person who—
- (a) on or before the vesting date, ceases to be employed by one, and becomes employed by another, of the following bodies, namely, the London Board, the Executive, any of the national transport authorities and any subsidiary of that Board, the Executive or any of those authorities ; or
 - (b) on the transfer date for the purposes of any transfer under section 21(3) or 22(2) of this Act is employed by a company which immediately before that date was a subsidiary of one body but on that date becomes a Part III subsidiary of another body,

shall not in consequence cease to be eligible to participate in any pension scheme in which he was a participant immediately before so ceasing to be employed or, as the case may be, immediately before that transfer date.

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- (5) In the application of subsection (3) or (4) of this section to a pension scheme the benefits under which are or will be receivable as of right, persons who have obtained pension rights under the scheme without having contributed under the scheme shall be regarded as participants in the scheme; and the reference in the said subsection (4) to being eligible to participate in a pension scheme shall be construed accordingly.
- (6) Subsections (4) and (5) of this section shall have effect subject to any order under the said section 74 made by virtue of subsection (1) of this section, being an order taking effect on or at any time after the vesting date.

19 Transfer or extinguishment of London Board's debts to Minister and power to make deficit grants to Board

- (1) On the vesting date—
- (a) there shall be extinguished—
 - (i) the commencing capital debt of the London Board under section 39 of the Act of 1962 ; and
 - (ii) the liability of the London Board in respect of the principal of all sums lent to that Board by the Minister under section 20 of that Act;
 - (b) the Council shall assume a debt due to the Minister (hereafter in this section referred to as the Council's " transferred capital debt") on such terms as may be imposed by the Minister under subsection (3) of this section;
 - (c) the Executive shall assume a debt due to the Council (hereafter in this section referred to as the Executive's " commencing capital debt") of an amount equal to the Council's transferred capital debt on the terms described in subsection (7) of this section; and
 - (d) the commencing capital debt of the Bus Company under Schedule 2 to the Act of 1968 shall be increased in accordance with the provisions of this section.
- (2) The amount of the Council's transferred capital debt and of the increase of the Bus Company's commencing capital debt taken together shall be equal to one-tenth of the aggregate amount extinguished under subsection (1)(a) of this section; and the respective amounts of that debt and that increase shall be equal to such proportions respectively of the amount of that one-tenth as the Minister may by order prescribe having regard to the manner in which the property, rights and liabilities of the London Board to which section 16 of this Act applies are divided under that section between the Executive and the designated company.
- (3) Subject to subsection (4) of this section, the rate of interest payable on the transferred capital debt of the Council, the time when the principal is to be paid off and the other terms of the debt shall be such as the Minister may with the approval of the Treasury from time to time direct; and—
- (a) any sums received by the Minister by way of interest on, or repayment of, that debt shall be paid into the National Loans Fund ; and
 - (b) in section 44(1) of the Act of 1968 (which requires an account by the Minister of the receipt and disposal of certain sums) at the end there shall be added the following paragraph:—
 - “(c) any sums which, being received by the Minister by way of interest on, or the repayment of, the transferred capital debt of the Greater London Council under section 19 of the Transport (London) Act 1969, are required by subsection (3)(a) of that

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section to be paid by the Minister into the National Loans Fund.”

- (4) For the purposes of any period between the vesting date and the date of the making of the order under subsection (2) of this section the Minister may estimate what the transferred capital debt of the Council and the increase in the commencing capital debt of the Bus Company are likely to be and require the Council and the Bus Company to make to him provisional payments by way of interest on the appropriate estimated amount; and those provisional payments shall be on account of the payments of interest becoming due—
 - (a) in the case of the Council, under subsection (3) of this section;
 - (b) in the case of the Bus Company, under section 39(6) of the Act of 1962 as applied by paragraph 1 of Schedule 2 to the Act of 1968.
- (5) The Minister may from time to time, but not later than the expiration of the period of five years beginning with the vesting date, by order vary the amounts prescribed under subsection (2) of this section where that appears to him expedient to take account of any adjustments in pursuance of provisions of this Act in the property, rights and liabilities of the London Board transferred respectively to the Executive and to the designated company, and any such order may contain such transitional provisions as appear to the Minister expedient to take account of any interest underpaid or overpaid on the transferred capital debt of the Council or, as the case may be, on the commencing capital debt of the Bus Company.
- (6) The Minister's power to make an order under subsection (2) or (5) 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.
- (7) In the case of the commencing capital debt of the Executive, the rate of interest payable, the time when the principal is to be paid off, and the other terms of that debt, shall be the same (subject to the necessary adaptations) as those for the time being applicable under subsection (3) of this section in the case of the transferred capital debt of the Council; and—
 - (a) if any variation is made by an order under subsection (5) of this section in the transferred capital debt of the Council, the like variation shall be made in the commencing capital debt of the Executive and the Council may by directions to the Executive make such transitional provision as appears to the Council expedient to take account of any interest underpaid or overpaid on the commencing capital debt of the Executive;
 - (b) for the purposes of the period referred to in subsection (4) of this section the Council may require the Executive to make to them provisional payments of the like amount as are required to be made by the Council to the Minister and those provisional payments shall be on account of the payments of interest becoming due under this subsection.
- (8) The Minister may, with the approval of the Treasury, make grants to the London Board or, after the vesting date, to the Executive to meet any deficit arising on the revenue account of the London Board in respect of the period beginning with 1st January 1969 and ending with the vesting date.

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20 Power of Council to direct preparation of proposals for transfers of functions etc.

- (1) Subject to subsection (2) of this section, the Council may direct the Executive to prepare and submit to the Council proposals for arrangements whereby—
- (a) specified transport services or facilities for the time being provided by, or by a subsidiary of, the Executive will instead be provided by some other person or will be discontinued; or
 - (b) specified transport services or facilities which the Executive have power to provide but which are for the time being provided by some person other than the Executive or a subsidiary of theirs will instead be provided by, or by a subsidiary of, the Executive;

and, subject to any directions of the Council, any such proposals may include arrangements agreed between the Executive, any subsidiary of theirs and the other person concerned for the transfer between the Executive or that subsidiary and that other person of property, rights and liabilities; and on receiving any such proposals, the Council may direct the Executive to give effect to those proposals either without modification or with such modifications as may be specified by the Council, or not to proceed with the proposals, as the Council may think fit.

- (2) The Council shall give to the Minister not less than eight weeks notice of their intention to give any direction to the Executive under subsection (1) of this section and shall furnish the Minister with all such information appearing to him to be relevant in connection with the direction as he may require; and if it appears to the Minister that the implementation of arrangements such as are required by the direction to be proposed or, as the case may be, the giving of effect to the proposals in accordance with the direction would be likely to result in the Executive and their subsidiaries ceasing to be the main providers, apart from the Railways Board, the Bus Company and their subsidiaries, of the passenger transport services required to meet the needs of Greater London, he may at any time before the expiry of that notice direct the Council to modify their proposed direction to the Executive in such manner as the Minister may specify, or not to proceed with the giving of their direction to the Executive, as the Minister may think fit.

21 Schemes for transfers between Executive and Railways Board or Bus Company

- (1) Subject to subsection (2) of this section, the Executive and the Railways Board, or the Executive and the Bus Company, acting jointly, may as occasion seems to them to require it make schemes for the transfer from one to another of the Executive, that Board or, as the case may be, that Company, and any wholly-owned subsidiary of the Executive or that Board or, as the case may be, Company of any specified property, rights and liabilities, or of all property, rights and liabilities comprised in a specified part of the transferor's undertaking ; and any such scheme may contain such supplementary, incidental and consequential provision as may appear to the Executive and the Railways Board or, as the case may be, to the Executive and the Bus Company to be necessary or expedient.
- (2) A scheme under this section shall not come into force unless it has been approved by the Minister after consultation with the Council or until such date as the Minister may in giving his approval specify; and the Minister may approve a scheme either without modification or with such modification as, after consultation with the Council, with the Executive and with the Railways Board or, as the case may be, the Bus Company, he thinks fit; but, without prejudice to his powers under section 22 of this Act, the

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Minister shall not approve any such scheme which makes provision for a transfer of any property, rights or liabilities which it appears to him would materially prejudice the proper discharge by the Executive, the Railways Board or the Bus Company of their respective functions.

- (3) Subject to subsection (4) of this section, the property, rights and liabilities to which any such scheme relates shall on the date of the coming into force of the scheme be transferred, and by virtue of the scheme vest, in accordance with the scheme.
- (4) Schedule 4 to the Act of 1968 shall apply (to any transfer under subsection (3) of this section subject to any reference in that Schedule to a vesting by virtue of that Act being construed as a reference to a vesting by virtue of the scheme in question, and as if any other reference in that Schedule to that Act (otherwise than in a reference to a particular provision of that Act) were a reference to this Act; and that subsection shall have effect subject to the provisions of that Schedule.

22 Orders by Minister for transfers between Executive and Railways Board or Bus Company

- (1) Subject to subsection (4) of this section, the Minister may by order—
 - (a) transfer from one to another of the Executive and their wholly-owned subsidiaries, or from, or from a wholly-owned subsidiary of, one to, or to such a subsidiary of, the other of—
 - (i) the Executive and the Railways Board ; or
 - (ii) the Executive and the Bus Company,any functions of, or of that subsidiary of, the Executive, that Board or that Company, as the case may be, being functions in connection with the carriage of passengers, and for that purpose amend any of the enactments relating to those functions ;
 - (b) make any such provision with respect to, or to any wholly-owned subsidiary of, the authority or either of the authorities in question as is mentioned in section 21(1) of this Act,and any such order shall make provision for the protection of the interests of persons transferred by or under the order from one employment to another and may contain such supplementary, incidental and consequential provision as may appear to the Minister to be necessary or expedient.
- (2) Subject to subsection (3) of this section, in the case of an order under subsection (1) of this section making such provision as is mentioned in section 21(1) of this Act, the property, rights and liabilities in question shall on such date as may be appointed for the purpose by the order be transferred, and by virtue of this Act vest, in accordance with the order.
- (3) Schedule 4 to the Act of 1968 shall apply to any transfer under subsection (2) of this section and shall so apply as if for any reference in that Schedule to that Act (otherwise than in a reference to a particular provision of that Act) there were substituted a reference to this Act, and that subsection shall have effect subject to the provisions of that Schedule.
- (4) The power to make orders under this section shall not be exercisable so as to cause all or substantially all of the functions of the Executive to become functions of, or of wholly-owned subsidiaries of, the Railways Board and the Bus Company ; and before making any order under this section the Minister shall consult with the Council, the

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Executive, the Railways Board or, as the case may be, the Bus Company, and such other persons, if any, as the Minister may think fit, and lay a draft of the proposed order before each House of Parliament; and the order shall not be made unless that draft has been approved by resolution of each House of Parliament.