



Transport Act 1978

1978 CHAPTER 55

Waterway transport and railways

15 Transfer of controlling interest in Freightliners Limited

- (1) On the appointed day there shall be transferred to, and vested in, the British Railways Board all those securities (within the meaning of the 1968 Act) of Freightliners Limited which immediately before that day are vested in the National Freight Corporation.
- (2) On that day—
 - (a) any liabilities of N.F.C. under guarantees given by them in respect of obligations of Freightliners Limited shall be transferred to, and become liabilities of, that Board ; and
 - (b) the rights and liabilities of N.F.C. under contracts of employment with persons employed by them wholly or mainly in connection with the undertaking of Freightliners Limited shall be transferred to, and become rights and liabilities of, the Board.
- (3) The following provisions of the 1968 Act—
 - (a) section 135(1) (regulations as to compensation of employees); and
 - (b) Schedule 4 (supplementary provisions about transfers of property etc.),and also any regulations made under section 135(1) of the 1968 Act before the coming into force of this section, apply as if the transfers effected by subsections (1) and (2) above were transfers under section 8(4) of that Act (the appointed day counting as the " first material date " for the purposes of the British Transport (Compensation to Employees) Regulations 1970, instead of the date shown in the second column of Schedule 1 to the Regulations).
- (4) Section 136(2) and (4) of the 1968 Act (transfers in connection with pension schemes and preservation of pension rights) apply in the same way ; and for the purposes of section 136(4)(c), Freightliners Limited is to be treated (despite section 51(5) of that Act, which made it a joint subsidiary both of the British Railways Board and N.F.C.) as having become a subsidiary of the British Railways Board only on the appointed day.

Status: This is the original version (as it was originally enacted).

- (5) The 1968 Act shall be amended as follows—
- (a) in section 7(4)(b) (restriction on alteration of proportion of interests in Freightliners Limited by means of a scheme), for the words from the beginning to "entitled in" substitute "for transferring any interest in securities of";
 - (b) in section 42(3) (power of Secretary of State to vary amount of commencing capital debt of British Railways Board), for the words "specified in subsection (2)(b) of this section" onwards substitute "of the commencing capital debt of the Board as determined by or under any enactment for the time being in force, where that appears to him expedient to take account of any transfer of property, rights or liabilities under section 7(5) or (6) or 8(4) of this Act"; and
 - (c) in paragraph 3 of Schedule 2 (power of Secretary of State to vary commencing capital debt of N.F.C. etc.), for the words from "where that appears" to "of this Act; or" substitute "or, in the case of the Freight Corporation, its commencing capital debt as determined by or under any enactment for the time being in force, where that appears to him expedient to take account".
- (6) It shall be within the powers of the British Railways Board—
- (a) where it appears to them expedient with a view only to achieving the more productive use of road vehicles predominantly used for the carriage of containers which have been or are to be carried by rail, to use such vehicles for any carriage of containers; and
 - (b) where they have entered into a contract for the carriage of containers or goods in containers (with or without provisions in the contract specifying whether the carriage is to be by road or by rail), and the contract is to be performed predominantly by rail carriage, to use any road vehicles in partial discharge of their obligations under the contract;
- and "containers" means high capacity containers of a kind capable of being carried by freightliner rail vehicles.
- (7) The annual report made by the Board under section 4 of the Railways Act 1974 shall include, in addition to the matters there mentioned, such information about the Board's exercise of their powers under subsection (6) above as may be called for by the Secretary of State.
- (8) In this section "the appointed day" means the day appointed under section 24(1) below for the coming into force of this section.