



# Civil Aviation Act 1980

## 1980 CHAPTER 60

### PART I

#### THE BRITISH AIRWAYS BOARD

##### *Reduction of public dividend capital of British Airways Board*

#### **1 Reduction of public dividend capital of British Airways Board**

- (1) The public dividend capital of the British Airways Board (referred to below in this Part of this Act as " the Board ") shall be reduced by virtue of this section by the sum of £160 million, and any entitlement of the Secretary of State and any liability of the Board in respect of the Board's public dividend capital shall be correspondingly reduced.
- (2) References in this Part of this Act to the public dividend capital of the Board are references to the capital amount for the time being outstanding in respect of payments to the Board under section 7(1) of the Act of 1977 (including payments deemed to have been made under section 7(1) by virtue of section 8(b) or 14(1)(b) of that Act).
- (3) Nothing in subsection (1) above shall be taken as affecting any arrangements made by the Board before the passing of this Act for the payment of any sums to the Secretary of State in consideration of the reduction of the public dividend capital of the Board by virtue of this section ; and any sums received by the Secretary of State in pursuance of any such arrangements shall be paid into the Consolidated Fund.

##### *Increase of Board's financial limits*

#### **2 Financial limits of the Board**

In section 9(1) of the British Airways Board Act 1977 (limit on borrowing powers of the Board) for the words from " shall not" to the end there shall be substituted the words " shall not exceed £1,000 million. ".

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*Vesting of property, etc., of British Airways Board  
in a company nominated by the Secretary of State*

**3 Vesting of property, etc., of British Airways Board in a company nominated by the Secretary of State**

- (1) On the appointed day all the property, rights, liabilities and obligations to which the Board was entitled or subject immediately before that day shall (subject to the following provisions of this section and section 5(1) of this Act) become by virtue of this section property, rights, liabilities and obligations of a company nominated for the purposes of this section by the Secretary of State (referred to below in this Part of this Act as " the successor company ").
- (2) The Secretary of State may, after consulting the Board, by order made by statutory instrument nominate for the purposes of this section any company formed and registered under the Companies Act 1948; but on the appointed day the nominated company must be a company limited by shares in which all the issued shares are held by or on behalf of the Crown.
- (3) Any agreement made, transaction effected or other thing done by, to or in relation to the Board which is in force or effective immediately before the appointed day shall have effect on and after that day as if made, effected or done by, to or in relation to the successor company, in all respects as if the successor company were the same person, in law, as the Board ; and accordingly references to the Board—
  - (a) in any agreement (whether or not in writing) and in any deed, bond or other instrument;
  - (b) in any process or other document issued, prepared or employed for the purpose of any proceeding before any court or other tribunal or authority; and
  - (c) in any other document whatsoever relating to or affecting any property, right, liability or obligation of the Board which vests by virtue of this section in the successor company;shall be taken on and after the appointed day as referring to the successor company.
- (4) Section 1(3) of this Act shall continue to apply to any sums received in pursuance of any such arrangements as are there mentioned after those arrangements become binding on the successor company by virtue of this section.
- (5) Schedule 1 to this Act contains specific provisions with respect to the effect in certain respects of the vesting of the property, rights, liabilities and obligations of the Board in the successor company by virtue of this section; but nothing in those provisions shall be taken as prejudicing the general effect of the preceding provisions of this section.
- (6) References in this Part of this Act to property, rights, liabilities and obligations of the Board are references to all such property, rights, liabilities and obligations, whether or not capable of being transferred or assigned by the Board.
- (7) No right, liability or obligation under any agreement for the rendering by any person of services to the Board as a member of the Board shall vest by virtue of this section in the successor company, except any liability for remuneration payable in respect of any period falling before the appointed day.
- (8) It is hereby declared for the avoidance of doubt that—

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- (a) any reference in this Part of this Act to property of the Board is a reference to property of the Board whether situated in the United Kingdom or elsewhere; and
- (b) any such reference to rights, liabilities or obligations of the Board is a reference to rights to which the Board is entitled, or (as the case may be) liabilities or obligations to which the Board is subject, whether under the law of the United Kingdom or of any part of the United Kingdom or under the law of any country or territory outside the United Kingdom.

#### **4 Initial Government shareholding in the successor company**

- (1) As a consequence of the vesting in the successor company by virtue of section 3 of this Act of all the property, rights, liabilities and obligations of the Board, the successor company shall issue—
  - (a) to the Secretary of State ; or
  - (b) to any person appointed as the Secretary of State's nominee under subsection (4) below ; or
  - (c) to any person entitled to require the issue of the shares in question following their initial allotment to the Secretary of State or to any such nominee ;such shares in the company as the Secretary of State may direct.
- (2) Shares required to be issued in pursuance of this section shall be issued or allotted at such time or times and on such terms (as to allotment) as the Secretary of State may direct.
- (3) Shares issued in pursuance of this section—
  - (a) shall be of such nominal value as the Secretary of State may direct; and
  - (b) shall be issued as fully paid and treated for the purposes of the Companies Acts 1948 to 1980 as if they had been paid up by virtue of the payment to the successor company of their nominal value in cash.
- (4) The Secretary of State may appoint such person or persons as he thinks fit to act as his nominees for the purposes of this section; and any person holding any shares or rights acquired by virtue of this section as a nominee of the Secretary of State shall hold and deal with them (or any of them) on such terms and in such manner as the Secretary of State may direct.
- (5) The Secretary of State may not dispose of any shares issued or of any rights to shares initially allotted to him in pursuance of this section, appoint any person as his nominee or give any directions for the purposes of this section without the consent of the Treasury.
- (6) Any dividends or other sums received by the Secretary of State in right of or on the disposal of any shares or rights acquired by virtue of this section shall be paid into the Consolidated Fund.
- (7) Stamp duty shall not be chargeable under section 47 of the Finance Act 1973 in respect of any increase in the capital of the successor company which is certified by the Treasury as having been effected for the purpose of complying with the requirements of this section.

## 5 Financial structure of the successor company and its subsidiaries

- (1) Subject to paragraph 2 of Schedule 2 to this Act, any entitlement of the Secretary of State and any liability of the Board in respect of the public dividend capital of the Board shall be extinguished immediately before the appointed day; and the aggregate nominal value of the shares in the successor company issued in pursuance of section 4 of this Act shall be equal to the amount of the public dividend capital immediately before that day.
- (2) For the purposes of any statutory accounts of the successor company, the value of any asset and the amount of any liability of the Board vesting in that company on the appointed day shall be taken to be the value or (as the case may be) the amount assigned to that asset or liability for the purposes of the corresponding statement of accounts prepared by the successor company in accordance with section 8(8) or (9) of this Act in respect of the Board's final accounting period.
- (3) In subsection (2) above the reference to the Board's final accounting period is a reference—
  - (a) to the Board's final accounting year, if that year ends with the day immediately preceding the appointed day ; and
  - (b) in any other event, to the period mentioned in section 8(9) of this Act.
- (4) For the purposes of any statutory accounts of the successor company the amount to be included in respect of any item shall be determined as if anything done by the Board (whether by way of acquiring, revaluing or disposing of any assets or incurring, revaluing or discharging any liability, or by carrying any amount to any provision or reserve, or otherwise) had been done by the successor company.

Accordingly (but without prejudice to the generality of the preceding provision) the amount to be included from time to time in any reserves of the successor company as representing its accumulated realised profits available for distribution shall be determined as if any profits realised and retained by the Board had been realised and retained by the successor company.

- (5) References in this section to the statutory accounts of the successor company are references to any accounts prepared by the successor company for the purposes of any provision of the Companies Acts 1948 to 1980 (including group accounts).

## 6 Government investment in shares and securities of the successor company

- (1) The Secretary of State may at any time—
  - (a) subscribe for or acquire ordinary voting shares in the successor company; or
  - (b) take up or acquire securities of the successor company which are convertible into or carry rights to subscribe for ordinary voting shares ; or
  - (c) acquire rights to subscribe for any such shares ; or
  - (d) direct any person acting as his nominee for the purposes of section 4 of this Act to take the action mentioned in paragraph (a), (b) or (c) above in relation to such shares, securities or rights so mentioned as he may direct.
- (2) In subsection (1) above " ordinary voting shares " means shares in the company which—
  - (a) carry voting rights at general meetings of the company; and
  - (b) carry a right to participate in any distribution (whether of dividends or of capital) without limit as to amount (but the right to participate in distributions

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need not extend to a dividend declared out of profits earned during any period falling wholly or partly before the date of acquisition of the shares).

- (3) Any nominee of the Secretary of State who acquires any shares or other securities or rights by virtue of this section shall hold and deal with them (or any of them) on such terms and in such manner as the Secretary of State may direct.
- (4) Any shares, securities or rights acquired by virtue of this section shall be paid for out of moneys provided by Parliament; and any dividends or other sums received by the Secretary of State in right of, or on the disposal of, any such shares, securities or rights shall be paid into the Consolidated Fund.
- (5) The Secretary of State may not acquire any shares, securities or rights by virtue of this section or dispose of any shares, securities or rights so acquired, or give any directions for the purposes of this section, without the consent of the Treasury.

## **7 Target investment limit for Government shareholding under sections 4 and 6**

- (1) As soon as any shares in the successor company are held otherwise than by or on behalf of the Crown, the Secretary of State shall by order made by statutory instrument fix a target investment limit in relation to the shares for the time being held in that company by the Secretary of State or his nominees (referred to below in this section as "the Government shareholding").
- (2) The target investment limit—
  - (a) shall be expressed as a proportion of the voting rights exercisable at general meetings of the successor company ; and
  - (b) shall be equal to the proportion of those voting rights which is carried by the Government shareholding at the time when the order fixing the limit is made.
- (3) It shall be the duty of the Secretary of State so to exercise—
  - (a) his powers under section 6 of this Act and his power to dispose of any shares held by him ; and
  - (b) his power to give directions to his nominees ;as to secure that the Government shareholding does not carry a proportion of the voting rights exercisable at general meetings of the successor company exceeding the target investment limit.
- (4) Notwithstanding subsection (3) above, the Secretary of State may—
  - (a) take up, or direct any nominee of his to take up, any rights for the time being available to him, or to that nominee, as an existing holder of shares in or securities of the successor company or as an existing holder of a right to subscribe for any such shares ;
  - (b) exercise or direct any nominee of his to exercise any right to subscribe for such shares ;but if as a result the Government shareholding at any time exceeds the target investment limit it shall be the duty of the Secretary of State to comply with subsection (3) as soon after that time as is reasonably practicable.
- (5) Only one order shall be made under this section, and the statutory instrument containing it shall be subject to annulment in pursuance of a resolution of either House of Parliament.

## **8 Dissolution of the Board and transitional provisions**

- (1) Subject to the following provisions of this section and to the transitional provisions contained in Schedule 2 to this Act, the enactments mentioned in Part I of Schedule 3 to this Act shall cease to have effect on the appointed day to the extent specified in column 3 of that Part.
- (2) Where notwithstanding the provisions of section 3 of this Act any steps remain to be taken after the appointed day to secure that the vesting in the successor company by virtue of that section of any foreign property, right, liability or obligation of the Board is effective under the relevant foreign law—
  - (a) the Board shall continue in existence after the appointed day notwithstanding subsection (1) above; and
  - (b) section 1 of and Schedule 1 to the Act of 1977 (excluding paragraphs 7 to 10, 14 and 15) shall continue to have effect in relation to the constitution and proceedings of the Board ;until the Board is dissolved in accordance with subsection (7) below.
- (3) During any period after the appointed day when the Board's existence is preserved by virtue of subsection (2) above (referred to below in this section as "the transitional period ") it shall be the duty of the Board and of the successor company (subject to subsection (4) below) to take all such steps as may be requisite to secure that the vesting in the successor company of any foreign property, right, liability or obligation of the Board is effective under the relevant foreign law.
- (4) The time of performance of the duties imposed on the Board and the successor company under subsection (3) above in the case of any particular property, right, liability or obligation shall be determined by the successor company in the light of any commercial factors which appear to it to be relevant to the timing of any steps required to secure effective vesting under the relevant foreign law in that case.
- (5) The Board shall have all such powers as may be requisite for the performance of its duty under subsection (3) above; but it shall be the duty of the successor company to act on behalf of the Board (so far as possible) in the performance of that duty.
- (6) Any expenses incurred by the Board in performing its duty under subsection (3) above shall be met by the successor company; and any rights, liabilities and obligations acquired or incurred by the Board during the transitional period shall become rights, liabilities and obligations of the successor company after the dissolution of the Board in accordance with subsection (7) below.
- (7) If the Board continues in existence after the appointed day by virtue of subsection (2) above the Secretary of State may by order made by statutory instrument dissolve the Board on a day specified in the order, as soon as he is satisfied that nothing further remains to be done by the Board under subsection (3) above.
- (8) If the Board has not already done so by the appointed day, it shall be the duty of the successor company to prepare statements of accounts in accordance with section 15 of the Act of 1977 and to make a report to the Secretary of State in accordance with section 16 of that Act in respect of the accounting year of the Board ending last before the appointed day; and those sections shall apply accordingly as if references to the Board were references to the successor company.
- (9) If the accounting year of the Board ending last before the appointed day does not end with the day immediately preceding that day, it shall be the duty of the successor

company to prepare such statements and to make such a report in respect of the period beginning immediately after the end of that accounting year and ending with the day immediately preceding the appointed day; and sections 15 and 16 of the Act of 1977 shall apply in any such case as if—

- (a) that period were an accounting year of the Board; and
  - (b) references in those sections to the Board were references to the successor company.
- (10) References in this section to any foreign property, right, liability or obligation of the Board are references respectively to—
- (a) property of the Board situated in a country or territory outside the United Kingdom; and
  - (b) any right to which the Board is entitled or (as the case may be) any liability or obligation to which it is subject under the law of any such country or territory.

*Miscellaneous and supplemental*

**9 Application of Trustee Investments Act 1961 in relation to investment in the successor company**

- (1) For the purpose of applying paragraph 3(b) of Part IV of Schedule 1 to the Trustee Investments Act 1961 (which provides that shares and debentures of a company shall not count as wider-range and narrower-range investments respectively within the meaning of that Act unless the company has paid dividends in each of the five years immediately preceding that in which the investment is made) in relation to investment in shares or debentures of the successor company during the calendar year in which the appointed day falls (" the first investment year ") or during any year following that year, the successor company shall be deemed to have paid a dividend as there mentioned—
- (a) in any year preceding the first investment year which is included in the relevant five years ; and
  - (b) in the first investment year, if that year is included in the relevant five years and the successor company does not in fact pay such a dividend in that year.
- (2) In subsection (1) above " the relevant five years " means the five years immediately preceding the year in which the investment in question is made or proposed to be made.

**10 Interpretation of Part I**

- (1) In this Part of this Act—
- " the Act of 1977 " means the British Airways Board Act 1977 ;
  - " appointed day " means such day as the Secretary of State may appoint by order made by statutory instrument after consulting the Board and the Treasury ;
  - " the Board " has the meaning given by section 1(1) of this Act;
  - " share " includes stock ; and
  - " the successor company " has the meaning given by section 3(1) of this Act.
- (2) References in this Part of this Act to the public dividend capital of the Board shall be construed in accordance with section 1 (2) of this Act.

- (3) An order under section 3 of this Act nominating any company for the purposes of that section and an order under subsection (1) above appointing a day may be varied or revoked by a subsequent order at any time before any property, rights, liabilities or obligations of the Board vest in any company by virtue of section 3.

## PART II

### MISCELLANEOUS AMENDMENTS OF THE LAW RELATING TO CIVIL AVIATION

#### *Emergency powers*

#### **11 Secretary of State's powers over British air transport businesses in case of emergency**

- (1) In time of war, whether actual or imminent, or of great national emergency, the Secretary of State may by order made by statutory instrument require that—
- (a) the whole or any part of the relevant undertaking of any British air transport business; or
  - (b) all or any property or rights of or under the control of any such business which appertain to that undertaking ;
- shall be placed at the disposal of the Secretary of State.
- (2) References in this section to a British air transport business are references to any person or body appearing to the Secretary of State to have his or its principal place of business in the United Kingdom whose business includes the provision of commercial air transport services; and in relation to any such business "the relevant undertaking" in subsection (1)(a) above means that part of its undertaking which consists of the provision of commercial air transport services.
- In this subsection " commercial air transport services " means services for the carriage by air of passengers or cargo (including mail) for hire or reward.
- (3) While an order under this section is in force with respect to any British air transport business, the Secretary of State may give to the persons managing that business such directions as he thinks fit for conducting, managing or dealing with any part of its undertaking, or any property or rights, placed at his disposal by virtue of the order; and it shall be the duty of those persons to comply with those directions.
- (4) An order under this section may, for the purpose of securing compliance with its provisions, provide for the imposition—
- (a) on summary conviction, of a fine not exceeding the statutory maximum; and
  - (b) on conviction on indictment, of a fine or imprisonment for a term not exceeding two years or both.
- (5) In subsection (4) above, " the statutory maximum" means—
- (a) in England and Wales and Northern Ireland, the prescribed sum within the meaning of section 32 of the Magistrates' Courts Act 1980 (that is to say, £1,000 or another sum fixed by order under section 143(1) of that Act to take account of changes in the value of money); and



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- (b) in Scotland, the prescribed sum within the meaning of section 289B of the Criminal Procedure (Scotland) Act 1975 (that is to say, £1,000 or another sum fixed by order under section 289D of that Act for that purpose);  
and for the purposes of the application of this definition in Northern Ireland the provisions of the Magistrates' Courts Act 1980 which relate to the sum mentioned in paragraph (a) above shall extend to Northern Ireland.
- (6) Any order under this section may provide for the detention of aircraft to secure compliance with the order, and may make such further provision as appears to the Secretary of State to be necessary or expedient for securing such detention.
- (7) Any person who suffers direct injury or loss owing to the operation of an order under this section shall be entitled to receive compensation from the Secretary of State of which the amount shall be fixed, in default of agreement, by the appropriate tribunal; and the principles of the Land Compensation Act shall, with the necessary modifications, apply where possession is taken of any land.
- (8) In subsection (7) above—
- (a) in relation to England and Wales, "the appropriate tribunal" means the Lands Tribunal and " the Land Compensation Act" means the Land Compensation Act 1961;
- (b) in relation to Scotland, "the appropriate tribunal" means the Lands Tribunal for Scotland and " the Land Compensation Act" means the Land Compensation (Scotland) Act 1963 ; and
- (c) in relation to Northern Ireland, "the appropriate tribunal" means the Lands Tribunal for Northern Ireland and "the Land Compensation Act" means the Acquisition of Land (Assessment of Compensation) Act 1919.
- (9) For subsection (2) of section 4 of the Act of 1971 (power of Secretary of State over property, etc., of Civil Aviation Authority in case of emergency) there shall be substituted the following subsection—
- “(2) Subsections (4), (6) and (7) of section 11 of the Civil Aviation Act 1980 (which also relates to the Secretary of State's powers in case of emergency) shall have effect as if any reference in those subsections to an order under that section included a reference to an order under subsection (1) of this section.”
- (10) Any expense incurred by the Secretary of State in the exercise of his powers under this section shall be paid out of moneys provided by Parliament.
- (11) Until the coming into force of the Magistrates' Courts Act 1980 any reference in subsection (5) above to any provision of that Act shall be construed as a reference to the corresponding provision of the Criminal Law Act 1977.

#### *Amendments of the Civil Aviation Act 1971*

## **12 General objectives of Civil Aviation Authority**

- (1) In section 3(1) of the Act of 1971 (which provides the Civil Aviation Authority with certain general objectives in performing its functions), for the words from the beginning of paragraph (b) to " paragraphs " in paragraph (d) there shall be substituted the words " and (b) ".

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- (2) Subsections (2) and (3) of that section (which give the Secretary of State power to give guidance to the Authority with respect to the performance of its functions) shall cease to have effect.
- (3) After that section there shall be inserted the following section—

**“3A Duty of Authority to consider environmental factors in licensing certain aerodromes.**

- (1) Subject to section 3 of this Act, it shall be the duty of the Authority, in exercising any aerodrome licensing function in relation to any aerodrome to which this section applies, to have regard to the need to minimize so far as reasonably practicable—
- (a) any adverse effects on the environment; and
  - (b) any disturbance to the public;
- from noise, vibration, atmospheric pollution or any other cause attributable to the use of aircraft for the purpose of civil aviation.
- (2) The reference in subsection (1) of this section to any aerodrome licensing function of the Authority is a reference to any function conferred on it by or under an Air Navigation Order with respect to the licensing of aerodromes.
- (3) This section applies to any aerodrome in the United Kingdom specified in an order made by the Secretary of State for the purposes of this section, but the Secretary of State may not specify in any such order an aerodrome which is a designated aerodrome within the meaning of section 29 of this Act.”.
- (4) The following section shall be inserted after section 23 of the Act of 1971—

**“23A Duties of Authority in performing licensing functions.**

- (1) It shall be the duty of the Authority to perform its air transport licensing functions in the manner which it considers is best calculated to ensure that British airlines compete as effectively as possible with other airlines in providing air transport services on international routes; and in performing those functions the Authority shall also have regard—
- (a) to any advice received from the Secretary of State with respect to the likely outcome of negotiations with the government of any other country or territory for the purpose of securing any right required for the operation by a British airline of any air transport services outside the United Kingdom; and
  - (b) to the need to secure the most effective use of airports within the United Kingdom.
- (2) In considering whether to grant any air transport licence it shall be the duty of the Authority to have regard to the effect on existing air transport services provided by British airlines of authorising any new services the applicant proposes to provide under the licence, and in any case where those existing services are similar (in terms of route) to the proposed new services or where two or more applicants have applied for licences under which each proposes to provide similar services, the Authority shall have regard in particular to any benefits which may arise from enabling two or more airlines to provide the services in question.

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- (3) Subject to section 3 of this Act and to subsections (1) and (2) of this section, it shall be the duty of the Authority in performing its air transport licensing functions to have regard to the need to minimise so far as reasonably practicable—
- (a) any adverse effects on the environment; and
  - (b) any disturbance to the public ;
- from noise, vibration, atmospheric pollution or any other cause attributable to the use of aircraft for the purpose of civil aviation.
- (4) In addition to the duties with respect to particular matters imposed on the Authority by the preceding provisions of this section, it shall be the duty of the Authority to perform its air transport licensing functions in the manner which it considers is best calculated to impose on the civil air transport industry of the United Kingdom and on the services it provides for users of air transport services the minimum restrictions consistent with the performance by the Authority of its duties under sections 3, 22 and 23 of this Act and the preceding provisions of this section.
- (5) In this section—
- (a) references to the air transport licensing functions of the Authority are references to its functions under sections 21 to 23 of this Act and any functions conferred on it by regulations made under subsection (1) of section 24 of this Act; and
  - (b) ' British airline' has the same meaning as in section 3(1) of this Act.”.
- (5) In section 24 of the Act of 1971—
- (a) subsection (2) (which contains provisions relating to guidance given by the Secretary of State under section 3) shall cease to have effect; and
  - (b) at the end of subsection (6) (duties of the Authority to which the Secretary of State is to have regard in determining appeals) after the words " section 3 " there shall be inserted the words " and section 23A ".
- (6) This section, and the repeal of section 24(2) of the Act of 1971 provided for in Schedule 3 to this Act, shall come into force on such day as the Secretary of State may by order made by statutory instrument appoint; but the day appointed under this section must be later than the date of publication of the first statement of the policies of the Civil Aviation Authority under section 13 of this Act.

### **13 Periodical publication of policies by Civil Aviation Authority**

- (1) It shall be the duty of the Civil Aviation Authority to publish from time to time a statement of the policies it intends to adopt in performing its functions under sections 21 to 24 of the Act of 1971.
- (2) The first statement under this section shall be published not later than the end of the period of six months beginning with the date on which this section comes into operation.
- (3) If the Secretary of State considers it appropriate to do so, he may by notice in writing require the Authority to publish a statement of the policy it intends to adopt with respect to any particular matter in performing those functions (or any of them); and it shall be the duty of the Authority to publish any statement required by a notice under this subsection within six months of the date of the notice.

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- (4) The Secretary of State may require the Authority to publish a statement of the policy it intends to adopt in relation to any of its functions under section 23A of the Act of 1971 notwithstanding that section 12 of this Act is not yet in force.
- (5) Before publishing any statement under this section the Authority shall consult such persons as appear to it to be representative respectively—
  - (a) of the civil air transport industry of the United Kingdom ; and
  - (b) of users of air transport services.
- (6) The report made by the Authority under section 20 of the Act of 1971 (annual reports to the Secretary of State) in respect of any accounting year of the Authority shall incorporate any statements published by the Authority under this section during that year.
- (7) The manner of publication of any statement under this section shall be as the Authority may determine.

#### **14 Borrowing powers of Civil Aviation Authority**

For section 8 of the Act of 1971 (borrowing powers) there shall be substituted the following section—

##### **“8 Browsing Power.**

- (1) Subject to the following provisions of this section, the Authority shall have power to borrow such sums as it may require for performing its functions.
- (2) The Authority's power to borrow sums in sterling otherwise than by way of temporary loan shall be limited to borrowing from the Secretary of State, or with the consent of the Secretary of State from the Commission of the European Communities or the European Investment Bank, any sums which the Authority may require for capital purposes or for fulfilling a guarantee entered into by the Authority.
- (3) Except as provided by subsection (2) above, the Authority may borrow any sums it has power to borrow under subsection (1) above from the Secretary of State or, with the consent of, or in accordance with a general authorisation given by, the Secretary of State, from any other person (and whether in sterling or in currency other than sterling).
- (4) The Secretary of State shall not give any consent or authorisation for the purposes of subsection (2) or (3) above except with the approval of the Treasury.
- (5) A statement in writing by the Secretary of State to the effect that the approval of the Treasury has been given for any such consent or authorisation shall be conclusive evidence of that fact in any legal proceedings.
- (6) The aggregate amount outstanding in respect of the principal of any money borrowed by the Authority under this section and the initial debt shall not exceed £200 million.”.

**15 Modification of Authority's duties with respect to British airlines in relation to certain air transport services**

The following section shall be inserted in the Act of 1971 after section 24—

**“24A Modification of Authority's duties with respect to British airlines in relation to certain air transport services.**

In the application of sections 3(1) and 23A (1) and (2) of this Act in relation to the performance by the Authority of its functions under the preceding provisions of this Part of this Act with respect to authorising the operation of aircraft on flights—

- (a) between the United Kingdom and any relevant overseas territory other than the Channel Islands or the Isle of Man ; or
- (b) between the United Kingdom and any associated state;

the Authority shall treat any undertaking appearing to the Authority to have its principal place of business in that territory or state as a British airline if it would fall to be so treated but for the situation of its principal place of business.”.

**16 Exercise of Secretary of State's functions under sections 29 and 29A of the Act of 1971**

(1) The following section shall be inserted in the Act of 1971 after section 29A—

**“29B Designation of aerodromes for purposes of sections 29 and 29A.**

In sections 29 and 29A of this Act ' designated aerodrome' means any aerodrome in Great Britain which is designated for the purposes of the section in which the expression is used by an order made by the Secretary of State ; and the Secretary of State may designate an aerodrome for the purposes of either or both of those sections.”.

(2) In consequence of the provision made by subsection (1) above—

- (a) in section 29(11) the definition of "designated aerodrome " ; and
- (b) in section 29A(1) the words "within the meaning of section 29 of this Act", "further" and "than can be given by virtue of that section " ;

shall cease to have effect.

**17 Amendment of section 36 of the Act of 1971**

For subsection (1) of section 36 of the Act of 1971 (disclosure of information) there shall be substituted the following subsections—

“(1) Subject to subsection (2) below, no information which relates to a particular person and has been furnished to the Authority in pursuance of any provision of this Part of this Act or an Air Navigation Order shall be disclosed by the Authority or a member or employee of the Authority unless—

- (a) the person aforesaid has consented in writing to disclosure of the information ; or
- (b) the Authority, after affording that person an opportunity to make representations about the information and considering any

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representation then made by that person about it, determines that the information may be disclosed; or

- (c) that person is an individual who is dead, or is a body corporate that has ceased to exist or, whether an individual or a body corporate, cannot be found after all reasonable inquiries have been made, and the Authority determines that the information may be disclosed; or
- (d) the Authority determines that the information is of the same kind as other information as respects which it has made a determination in pursuance of paragraph (b) or (c) above.

(1A) Subsection (1) above shall apply in relation to the disclosure by an officer of the Secretary of State of information furnished to the Secretary of State in pursuance of any provision of this Part of this Act or an Air Navigation Order as it applies in relation to disclosure by the Authority or a member or employee of the Authority of information so furnished to the Authority, but with the substitution for references to the Authority in paragraphs (b) to (d) of references to the Secretary of State”;

and subsection (1A) of that section (inserted by paragraph 6(9)(c) of Schedule 1 to the Civil Aviation Act 1978) shall be renumbered as (1B).

## **18 Abolition of certain Government controls over Civil Aviation Authority**

(1) The consent of the Secretary of State shall no longer be required with respect to the numbers and remuneration of officers and servants appointed by the Civil Aviation Authority under paragraph 12 of Schedule 1 to the Act of 1971 or with respect to the terms of any contract of employment with the Authority ; and accordingly, in that paragraph—

- (a) the words from " with" to " remuneration" in sub-paragraph (1); and
- (b) sub-paragraphs (2) to (4);

shall cease to have effect.

(2) For sub-paragraph (1) of paragraph 13 of that Schedule (which provides for the payment of pensions by the Authority in the case of such of its employees as the Secretary of State may determine), there shall be substituted the following subparagraph—

“(1) The Authority shall, in the case of such of its employees as it may determine, pay such pensions, allowances or gratuities to or in respect of them as it may determine, make such payments towards the provision of such pensions, allowances or gratuities as it may determine or provide and maintain such schemes (whether contributory or not) for the payment of such pensions, allowances or gratuities as it may determine.”.

### *Charges for air navigation services*

## **19 Charges payable to Civil Aviation Authority**

(1) Section 4 of the Civil Aviation (Eurocontrol) Act 1962 (charges for air navigation services) shall be amended in accordance with the following provisions of this section.

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- (2) In subsection (1) (power to impose charges for air navigation services) for the words " regulations under this section " there shall be substituted the words " regulations under this subsection ".
- (3) The following subsections shall be inserted after subsection UA)—
- “(1B) The Secretary of State may by statutory instrument make regulations—
- (a) providing for the payment of an annual charge, of such amount as may be prescribed by the regulations, to the Authority in respect of any aircraft for which there is in force at the time the charge becomes payable a certificate of airworthiness ; and
  - (b) requiring the Authority to refund so much of any such payment made in respect of an aircraft by any person as is equal to the amount which that person becomes liable (whether by virtue of regulations under this section or otherwise) to pay to the Organisation in respect of so much of any flight made by that aircraft as is made over the United Kingdom during the period of twelve months commencing with the date on which the payment to the Authority became due.
- (1C) Regulations under subsection (1B) of this section may—
- (a) impose liability for any charges payable by virtue of the regulations upon the operators or owners of the aircraft in respect of which the charge is payable; and
  - (b) impose that liability whether or not the aircraft is registered in the United Kingdom and whether or not it is in the United Kingdom during the year in respect of which the charge is payable ; and
  - (c) include such incidental and supplementary provisions as the Secretary of State considers appropriate for the purposes of the regulations.”.

(4) In subsection (2) (liability for air navigation charges)—

    - (a) for the words " under this section " there shall be substituted the words " under subsection (1) of this section "; and
    - (b) for the words " those services " there shall be substituted the words " the navigation services ".

(5) In subsection (3) (determination of charges)—

    - (a) for the words " any such regulations as aforesaid" there shall be substituted the words " any regulations under this section "; and
    - (b) in paragraph (b), after the words " at such rates " there shall be inserted the words " or of such amounts ".

*Compensation for depreciation due to the use of aerodromes*

**20 Sound-proofing grants to be taken into account in determining compensation for depreciation**

- (1) In section 4(3) of the Land Compensation Act 1973 {which requires the benefit of certain works to be taken into account in assessing the extent of depreciation of a claimant's interest due to the use of certain public works, including aerodromes)—
- (a) at the end of paragraph (a) there shall be inserted the following words " or under any provision of a scheme operated by a person managing an aerodrome

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which provides for the payment of sound-proofing grants in respect of buildings near the aerodrome "; and

- (b) at the end of the subsection there shall be added the following paragraph—

“In paragraph (a) above ' sound-proofing grants ', in relation to any buildings, means grants towards the cost of insulating those buildings or parts of those buildings against noise”.

- (2) Amendments corresponding to those made by subsection (1) above shall be made—

- (a) in section 4(3) of the Land Compensation (Scotland) Act 1973 ; and  
 (b) in Article 7(3) of the Land Acquisition and Compensation (Northern Ireland) Order 1973 ;

(which respectively make provision for Scotland and for Northern Ireland corresponding to that made for England and Wales by the provision amended by subsection (1)).

#### *Aircraft accident investigations*

## **21 Miscellaneous amendments with respect to the investigation of accidents involving aircraft**

- (1) For section 10(1) of the Act of 1949 there shall be substituted the following subsection—

“(1) Without prejudice to section 8 of this Act, the Secretary of State may by regulations under this section make such provision as appears to him to be requisite or expedient—

- (a) for the investigation of any accident arising out of or in the course of air navigation, and either occurring in or over the United Kingdom or occurring elsewhere to aircraft registered in the United Kingdom; and  
 (b) for carrying out any Annex to the Convention mentioned in section 8(1) of this Act (being an Annex adopted in accordance with the Convention and relating to the investigation of accidents involving aircraft) as it has effect from time to time with any amendment made in accordance with the Convention (hereinafter referred to as ' the Annex ').”;

and (without prejudice to section 17 (2) (6) of the Interpretation Act 1978) any regulations made by virtue of the proviso to section 10(1) by the Secretary of State and the Board of Trade acting jointly which are in force at the passing of this Act shall have effect as if made by the Secretary of State under section 10(1) as amended by this section.

- (2) After section 10(1) there shall be inserted the following subsection—

“(1A) Without prejudice to the generality of subsection (1)(b) of this section, the provision there authorised includes provision with respect to any of the following matters, that is to say—

- (a) the definition of 'accident' for the purposes of this section so as to correspond to the meaning adopted for the time being in the Annex;  
 (b) the participation of any persons authorised for the purpose in accordance with the regulations in any investigation held in



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- accordance with the requirements of the Annex by the competent authorities of any other State ; and
- (c) the investigation of any accident other than one to which subsection (1)(a) of this section applies for the purpose of securing any information, articles or other material which it is the duty of the United Kingdom in accordance with any requirements of the Annex to furnish to any other State.”
- (3) In section 10(2)(a), for the word " aforesaid " there shall be substituted the words " is mentioned in subsection (1)(a) of this section ".
- (4) For section 10(2)(b) there shall be substituted the following paragraph—
- “(b) applying any of the provisions of section 3 of the Notice of Accidents Act 1894 (with or without modifications) for the purposes of any investigations held in accordance with the regulations or any inquiries undertaken in accordance with the regulations with a view to determining whether any such investigation should be held”.
- (5) In section 10(2)(c)—
- (a) after the word " investigation" (in the second place where it occurs) there shall be inserted the words " or for the purpose of determining whether an investigation should be held ";
- (b) after the word " remove " there shall be inserted the word " test ";
- (c) at the end there shall be added the words " and any other aircraft ".
- (6) After section 10(2) there shall be added the following subsection—
- “(2A) Without prejudice to subsection (1A)(a) of this section, in this section ' accident' shall be construed as including any fortuitous or unexpected event by which the safety of an aircraft or any person is threatened.”.
- (7) In section 10(3) for the words " fifty pounds " there shall be substituted the words " one thousand pounds ".
- (8) In section 23 of the Civil Aviation Act 1968 (provisions relating to aircraft accidents) for subsection (4) there shall be substituted the following subsection—
- “(4) In this section ' accident' has the same meaning as it has for the time being for the purposes of the said section 10.”.

### *Amendments of the Protection of Aircraft Act 1973*

## **22 Power to give directions with respect to searches to aerodrome managers**

- (1) The following provisions of this section contain amendments for the purpose of extending the power of the Secretary of State to give a direction under section 9(1) of the Protection of Aircraft Act 1973 to a person who is or appears to the Secretary of State to be about to become the manager of any aerodrome in the United Kingdom.
- (2) In subsection (1) of section 9—
- (a) for the words from " any person " to " operator " there shall be substituted the words " the manager of any aerodrome in the United Kingdom ";
- (b) for the words " the aircraft" in the first place where they occur there shall be substituted the words " any aircraft to which the direction relates ";

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- (c) for the words " the aircraft" in the second and third places where they occur there shall be substituted the words " any such aircraft ".
- (3) In subsection (2) of section 9 the words from " or to " to " operator " shall cease to have effect.
- (4) After subsection (5) of section 9 there shall be inserted the following subsection—
  - “(5A) Subject to the following provisions of this Part of this Act, a direction given to the manager of an aerodrome under subsection (1) of this section may be given so as to relate—
    - (a) either to all aircraft which at the time when the direction is given or at any subsequent time are in any part of the aerodrome, or to a class of such aircraft specified in the direction ;
    - (b) either to all persons or only to one or more persons, or persons of one or more descriptions, specified in the direction ; and
    - (c) either to property of every description or only to particular property, or property of one or more descriptions, specified in the direction.”.
- (5) In subsection (6) of section 9, for the words " an operator of aircraft" there shall be substituted the words " any person ".
- (6) For subsection (7) of section 9 there shall be substituted the following subsection—
  - “(7) A direction may be given under this section to a person appearing to the Secretary of State to be about to become—
    - (a) such an operator as is mentioned in subsection (1) or (2) of this section ; or
    - (b) such a manager as is mentioned in subsection (1) of this section;
 but a direction given to a person by virtue of this subsection shall not take effect until he becomes such an operator or manager, and, in relation to a direction so given, the preceding provisions of this section shall apply with the necessary modifications.”.

### **23 Supplementary provisions with respect to directions under sections 9 and 11 of the Protection of Aircraft Act 1973**

- (1) After section 13 of the Protection of Aircraft Act 1973 there shall be inserted the following section—
  - “13A Supplementary provisions with respect to directions under sections 9 and 11.**
  - (1) A direction given to any person under section 9 or section 11 of this Act need not be addressed to that particular person, but may be framed in general terms applicable to all persons to whom such a direction may be given or to any class of such persons to which that particular person belongs.
  - (2) If it appears to the Secretary of State that an exception from any direction given under either of those sections is required as a matter of urgency in any particular case he may, by a notification given (otherwise than in writing) to the person for the time being subject to the direction, authorise that person to disregard the requirements of the direction—

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- (a) in relation to such aircraft or class of aircraft, or in relation to such persons or property or such description of persons or property; and
  - (b) on such occasion or series of occasions, or for such period;as he may specify; and the direction shall have effect in that case subject to any exceptions so specified.
- (3) Any notification given to any person under subsection (2) of this section with respect to any direction shall cease to have effect (if it has not already done so)—
  - (a) if a direction in writing is subsequently given to that person varying or revoking the original direction; or
  - (b) if no such direction in writing is given within the period of thirty days beginning with the date on which the notification was given, at the end of that period.
- (4) Any notification given under subsection (2) of this section shall be regarded as given to the person to whom it is directed if it is given—
  - (a) to any person authorised by that person to receive any such direction or notification;
  - (b) where that person is a body corporate, to the secretary, clerk or similar officer of the body corporate; and
  - (c) in any other case, to anyone holding a comparable office or position in that person's employment.”
- (2) In section 18(6) of that Act (references to directions in certain provisions to include directions with respect to air navigation installations), after the word "sections" there shall be inserted " 13A ".
- (3) In section 25 of that Act (service of documents), for the words "direction or" there shall be substituted the words " any document containing a direction and any ".

*Extension of powers of British Airports Authority*

**24 Powers of British Airports Authority relating to aerodromes**

- (1) The powers of the British Airports Authority under section 2 of the Airports Authority Act 1975 (which sets out the Authority's functions) shall include power (whether alone or in association with other persons)—
  - (a) to provide or assume the management of any aerodrome outside Great Britain ; and
  - (b) to provide services or facilities which are in the Authority's opinion necessary or desirable for the operation of aerodromes outside Great Britain ;but its duty under subsection (8) of that section shall not apply in relation to the management and administration of any aerodrome outside Great Britain.
- (2) The Authority shall not, by virtue of subsection (1) above\* exercise any power to provide or assume the management of any aerodrome or to provide services or facilities except—
  - (a) with the consent in writing of the Secretary of State; and

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- (b) if the exercise of that power involves capital expenditure by the Authority, or the guaranteeing by the Authority of any liability, with the consent of the Secretary of State given with the approval of the Treasury.

This subsection does not affect the power of the Authority to provide services by virtue of subsection (5) of section 2 (provision of technical advice or assistance, including research services, as respects any matter in which the Authority has skill or experience), notwithstanding that the services also fall within subsection (1)(b) above.

- (3) It is hereby declared that—
  - (a) the power of the Authority under subsection (5) of section 2 includes power to provide the advice or assistance there mentioned for any person outside Great Britain; and
  - (b) the Authority may exercise any of its powers under that section in relation to aerodromes or persons outside Great Britain through a body corporate in which it has a direct or indirect financial interest;
 and accordingly references in subsection (2)(b) above to the Authority include references to any such body.
- (4) Any consent under this section may be given subject to such conditions as the Secretary of State thinks fit.
- (5) References in the Airports Authority Act 1975 to aerodromes owned or managed by the Authority shall not apply to aerodromes outside Great Britain.

## **25 Acquisition of land by agreement by British Airports Authority**

In section 17 of the Airports Authority Act 1975 (which deals with the acquisition by the British Airports Authority of land and rights over land), the following subsection shall be inserted after subsection (1)—

- “(1A) Without prejudice to the power of the Authority by virtue of section 2(3) of this Act to acquire by agreement any land required for any purpose connected with the discharge of its duties under this Act, the Authority may acquire by agreement any land which in the opinion of the Authority may be required for any such purpose notwithstanding that it is not immediately so required.”.

### *Byelaws relating to lost property*

## **26 Lost property at aerodromes**

Byelaws made in relation to any aerodrome under section 3 or 4 of the Civil Aviation Act 1968 (byelaws at local authority and certain private aerodromes) or section 31 of the Civil Aviation Act 1971 (byelaws at Civil Aviation Authority aerodromes) may include provision for securing the safe custody and re-delivery of any property which while not in proper custody is found on that aerodrome or in an aircraft on that aerodrome ; and any such byelaws may in particular—

- (a) provide for requiring charges to be paid in respect of any such property before it is re-delivered; and
- (b) provide for authorising the disposal of any such property if it is not re-delivered before the expiration of such period as may be specified in the byelaws.

### *Supplemental*

#### **27 Interpretation of Part II**

In this Part of this Act—

" the Act of 1949 " means the Civil Aviation Act 1949; and

" the Act of 1971 " means the Civil Aviation Act 1971.

#### **28 Repeals consequent on Part II**

The enactments mentioned in Part II of Schedule 3 to this Act (which include an enactment which was spent before the passing of this Act) are hereby repealed to the extent specified in column 3 of that Schedule.

## **PART III**

### **SUPPLEMENTARY PROVISIONS**

#### **29 Administrative expenses**

There shall be paid out of moneys provided by Parliament—

(a) any administrative expenses incurred by the Secretary of State in consequence of the provisions of this Act; and

(b) any increase attributable to this Act in the sums payable under any other Act out of moneys so provided.

#### **30 Application of Act to certain overseas territories**

(1) Her Majesty may by Order in Council direct that any of the provisions of this Act shall extend, with such modifications (if any) as may be specified in the Order, to any relevant overseas territory.

(2) In subsection (1) above.—

" modifications " includes additions, omissions and amendments ; and

" relevant overseas territory " means any of the Channel Islands, the Isle of Man, any colony and any country or place outside Her Majesty's dominions in which for the time being Her Majesty has jurisdiction.

#### **31 Citation and extent**

(1) This Act may be cited as the Civil Aviation Act 1980.

(2) This Act, except sections 24 and 25, extends to Northern Ireland.