



Water Act 1989

1989 CHAPTER 15

PART II

WATER SUPPLY AND SEWERAGE SERVICES

CHAPTER I

APPOINTMENT AND REGULATION OF WATER AND SEWERAGE UNDERTAKERS

Making and conditions of appointments

11 Appointment of undertakers.

^{F1}(1)

(9) In the ^{M1}House of Commons Disqualification Act 1975, in Part III of Schedule 1 (other disqualifying offices), there shall be inserted (at the appropriate place) the following entry—

“Director of a company for the time being holding an appointment under Chapter I of Part II of the Water Act 1989 or of such a company’s holding company, being a director nominated or appointed by a Minister of the Crown or by a person acting on behalf of the Crown.”;

and the like insertion shall be made in Part III of Schedule 1 to the ^{M2}Northern Ireland Assembly Disqualification Act 1975.

Textual Amendments

F1 S. 5(1)–(4), 6(1)–(7), 7–10, 11(1)–(8), 12, 14–22, 24–28, 31–68, 70(3)–(5), 71, 73–82, 97–135 137(1)–(8)(10)(11), 138, 139(1)–(5), 140, 142(1), 143–167, 170, 171, 176, 178–182, 186, 188, 189(2)–(5)(8), Sch. 1 paras. 1–10, 14–23, Sch. 3 paras. 1–5, Sch. 4 paras. 1–5, Schs. 6, 7, Sch. 8 paras. 1, 2(1)–(10) (12), 3, 4, 5, Schs. 9–14, Sch. 16, Schs. 18–21, 24, Sch. 25 paras. 2, 6, 7, 10, 21, 27(4), 31(1), 40, 45(1)

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Changes to legislation: There are currently no known outstanding effects for the Water Act 1989, Part II. (See end of Document for details)

(2), 61(5), 63, 71(1)(2), 72, 73, 80(1), Sch. 26 paras. 5(2)–(4), 7, 9–12, 13(1), 14(1)(2), 15(2), 16(1)(2) (5)–(7)(10), 18, 19, 21–25, 27–29, 32–39, 40(2), 41(2)(3), 42–45, 48, 50, 56, 57(1)–(5)(7) repealed by [Water Consolidation \(Consequential Provisions\) Act 1991 \(c. 60, SIF 130\)](#), s. 3, **Sch. 3 Pt. I** (with s. 2, Sch. 2 paras. 10, 14(1), 15)

Marginal Citations

- M1** 1975 c. 24.
- M2** 1975 c. 25.

F²12

Textual Amendments

F2 [S. 5\(1\)–\(4\), 6\(1\)–\(7\), 7–10, 11\(1\)–\(8\), 12, 14–22, 24–28, 31–68, 70\(3\)–\(5\), 71, 73–82, 97–135](#) 137(1)–(8)(10)(11), 138, 139(1)–(5), 140, 142(1), 143–167, 170, 171, 176, 178–182, 186, 188, 189(2)–(5)(8), Sch. 1 paras. 1–10, 14–23, Sch. 3 paras. 1–5, Sch. 4 paras. 1–5, Schs. 6, 7, Sch. 8 paras. 1, 2(1)–(10) (12), 3, 4, 5, Schs. 9–14, Sch. 16, Schs. 18–21, 24, Sch. 25 paras. 2, 6, 7, 10, 21, 27(4), 31(1), 40, 45(1) (2), 61(5), 63, 71(1)(2), 72, 73, 80(1), Sch. 26 paras. 5(2)–(4), 7, 9–12, 13(1), 14(1)(2), 15(2), 16(1)(2) (5)–(7)(10), 18, 19, 21–25, 27–29, 32–39, 40(2), 41(2)(3), 42–45, 48, 50, 56, 57(1)–(5)(7) repealed by [Water Consolidation \(Consequential Provisions\) Act 1991 \(c. 60, SIF 130\)](#), s. 3, **Sch. 3 Pt. I** (with s. 2, Sch. 2 paras. 10, 14(1), 15)

[F³13 Procedure for replacement appointments.

- (1) An application for an appointment or variation to which section 12 above applies shall be made in such manner as may be prescribed; and, within fourteen days after making any such application, the applicant shall—
 - (a) serve notice of the application on the existing appointee and on every local authority whose area includes the whole or any part of the area to which the application relates; and
 - (b) publish a copy of the notice in such manner as may be prescribed.
- (2) Before making an appointment or variation to which section 12 above applies, the Secretary of State or the Director shall give notice—
 - (a) stating that he proposes to make the appointment or variation;
 - (b) stating the reasons why he proposes to make the appointment or variation; and
 - (c) specifying the period (not being less than twenty-eight days from the date of publication of the notice) within which representations or objections with respect to the proposed appointment or variation may be made,
 and shall consider any representations or objections which are duly made and not withdrawn.
- (3) A notice under subsection (2) above shall be given—
 - (a) by publishing the notice in such manner as the Secretary of State or, as the case may be, the Director considers appropriate for bringing it to the attention of persons likely to be affected by the making of the proposed appointment or variation; and

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Changes to legislation: There are currently no known outstanding effects for the Water Act 1989, Part II. (See end of Document for details)

- (b) by serving a copy of the notice on the existing appointee and on every local authority whose area includes the whole or any part of the area to which the proposed appointment or variation relates.
- (4) Before making an appointment or variation to which section 12 above applies, the Secretary of State shall consult the Director.
- (5) As soon as practicable after making an appointment or variation to which section 12 above applies, the Secretary of State or the Director shall—
 - (a) serve a copy of the appointment or variation on the existing appointee; and
 - (b) serve notice of the making of the appointment or variation on every local authority whose area includes the whole or any part of the area to which the appointment or variation relates.
- (6) Schedule 5 to this Act shall have effect with respect to the making of transitional provision for the purposes of, or in connection with, the making of an appointment or variation to which section 12 above applies.
- (7) In this section “the existing appointee”, in relation to an appointment or variation to which section 12 above applies, means the company which is the existing appointee for the purposes of that section in relation to any area to the whole or any part of which the appointment or variation relates or, where there is more than one such company, each of them.]

Textual Amendments

F3 Ss. 13, 23, 141(1)?(4)(7), 172 repealed (E.W.) by [Water Consolidation \(Consequential Provisions\) Act 1991 \(c. 60, SIF 130\)](#), s. 3, **Sch. 3 Pt. I** (with s. 2, Sch. 2 paras. 10, 14(1), 15)

^{F4}14—
22.

Textual Amendments

F4 S. 5(1)–(4), 6(1)–(7), 7–10, 11(1)–(8), 12, 14–22, 24–28, 31–68, 70(3)–(5), 71, 73–82, 97–135 137(1)–(8)(10)(11), 138, 139(1)–(5), 140, 142(1), 143–167, 170, 171, 176, 178–182, 186, 188, 189(2)–(5)(8), Sch. 1 paras. 1–10, 14–23, Sch. 3 paras. 1–5, Sch. 4 paras. 1–5, Schs. 6, 7, Sch. 8 paras. 1, 2(1)–(10) (12), 3, 4, 5, Schs. 9–14, Sch. 16, Schs. 18–21, 24, Sch. 25 paras. 2, 6, 7, 10, 21, 27(4), 31(1), 40, 45(1) (2), 61(5), 63, 71(1)(2), 72, 73, 80(1), Sch. 26 paras. 5(2)–(4), 7, 9–12, 13(1), 14(1)(2), 15(2), 16(1)(2) (5)–(7)(10), 18, 19, 21–25, 27–29, 32–39, 40(2), 41(2)(3), 42–45, 48, 50, 56, 57(1)–(5)(7) repealed by [Water Consolidation \(Consequential Provisions\) Act 1991 \(c. 60, SIF 130\)](#), s. 3, **Sch. 3 Pt. I** (with s. 2, Sch. 2 paras. 10, 14(1), 15)

Special administration orders

[^{F5}23 **Special administration orders in relation to water or sewerage undertakers.**

- (1) If, on an application made to the High Court by petition presented—
 - (a) by the Secretary of State; or
 - (b) with the consent of the Secretary of State, by the Director,

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that Court is satisfied in relation to any company which holds an appointment under this Chapter that any one or more of the grounds specified in subsection (4) below is satisfied in relation to that company, that Court may make an order under this section.

- (2) An order under this section is an order directing that, during the period for which the order is in force, the affairs, business and property of the company shall be managed, by a person appointed by the High Court, for the achievement of the purposes of the order and in a manner which protects the respective interests of the members and creditors of the company.
- (3) The purposes of an order made under this section in relation to a company holding an appointment under this Chapter shall be—
 - (a) the transfer to another company, or (as respects different parts of the company's area or different parts of its undertaking) to two or more different companies, as a going concern, of so much of the company's undertaking as it is necessary to transfer in order to ensure that the functions which have been vested in the company by virtue of its appointment may be properly carried out; and
 - (b) the carrying out of those functions pending the making of the transfer and the vesting of those functions in the other company or companies (whether by virtue of the transfer or of an appointment or variation to which section 12 above applies).
- (4) The grounds mentioned in subsection (1) above are, in relation to any company—
 - (a) that there has been, is or is likely to be such a contravention by the company of a requirement imposed on the company by section 37 or 67 below, not being a contravention in respect of which a notice has been served under subsection (6) of section 20 above, as is serious enough to make it inappropriate for the company to continue to hold its appointment;
 - (b) that there has been, is or is likely to be such a contravention by the company of the provisions of any final order or provisional order under section 20 above, being an order which—
 - (i) is not for the time being the subject-matter of proceedings brought by virtue of section 22(1) above; and
 - (ii) if it is a provisional order, has been confirmed,
 as is serious enough to make it inappropriate for the company to continue to hold its appointment;
 - (c) that the company is or is likely to be unable to pay its debts;
 - (d) that, in a case in which the Secretary of State has certified that it would be appropriate, but for section 24 below, for him to petition for the winding up of the company under section 440 of the ^{M3}Companies Act 1985 (petition by the Secretary of State following inspectors' report etc.), it would be just and equitable, as mentioned in that section, for the company to be wound up if it did not hold an appointment under this Chapter; or
 - (e) that the company is unable or unwilling adequately to participate in arrangements certified by the Secretary of State or the Director to be necessary by reason of, or in connection with, a proposal for the making by virtue of subsection (2)(c) of section 12 above of any appointment or variation to which that section applies.
- (5) Notice of the petition for an order under this section shall be given forthwith to such persons and in such manner as may be prescribed by rules made under section 411 of

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the ^{M4}Insolvency Act 1986; and no such petition shall be withdrawn except with the leave of the High Court.

- (6) Subsections (4) and (5) of section 9 of the said Act of 1986 (powers on application for administration order) shall apply on the hearing of the petition for an order under this section in relation to any company as they apply on the hearing of a petition for an administration order.
- (7) Subsections (1), (2) and (4) of section 10 of the said Act of 1986 (effect of petition) shall apply in the case of a petition for an order under this section in relation to any company as if—
 - (a) the reference in subsection (1) to an administration order were a reference to an order under this section;
 - (b) paragraph (b) of that subsection did require the leave of the court for the taking of any of the steps mentioned in paragraphs (b) and (c) of subsection (2) (appointment of, and exercise of functions by, administrative receiver); and
 - (c) the reference in paragraph (c) of subsection (1) to proceedings included a reference to any proceedings under or for the purposes of section 20 above.
- (8) Schedule 6 to this Act shall have effect with respect to orders under this section and Schedule 5 to this Act shall have effect with respect to the making of transitional provision for the purposes of an order under this section.
- (9) In this section and section 24 below—

“business” and “property” have the same meanings as in the ^{M5}Insolvency Act 1986;

“security” has the same meaning as in Parts I to VII of that Act;

and for the purposes of this section a company is unable to pay its debts if it is a limited company which is deemed to be so unable under section 123 of the Insolvency Act 1986 (definition of inability to pay debts) or if it is an unregistered company which is deemed, by virtue of any of sections 222 to 224 of that Act, to be so unable for the purposes of section 221 of that Act (winding up of unregistered companies).]

Textual Amendments

F5 Ss. 13, 23, 141(1)?(4)(7), 172 repealed (E.W.) by Water Consolidation (Consequential Provisions) Act 1991 (c. 60, SIF 130), s. 3, **Sch. 3 Pt. I** (with s. 2, Sch. 2 paras. 10, 14(1), 15)

Marginal Citations

M3 1985 c. 6.

M4 1986 c. 45.

M5 1986 c. 45.

^{F6}24—
28.

Textual Amendments

F6 S. 5(1)–(4), 6(1)–(7), 7–10, 11(1)–(8), 12, 14–22, 24–28, 31–68, 70(3)–(5), 71, 73–82, 97–135 137(1)–(8)(10)(11), 138, 139(1)–(5), 140, 142(1), 143–167, 170, 171, 176, 178–182, 186, 188, 189(2)–(5)(8), Sch. 1 paras. 1–10, 14–23, Sch. 3 paras. 1–5, Sch. 4 paras. 1–5, Schs. 6, 7, Sch. 8 paras. 1, 2(1)–(10)

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Changes to legislation: There are currently no known outstanding effects for the Water Act 1989, Part II. (See end of Document for details)

(12), 3, 4, 5, Schs. 9–14, Sch. 16, Schs. 18–21, 24, Sch. 25 paras. 2, 6, 7, 10, 21, 27(4), 31(1), 40, 45(1) (2), 61(5), 63, 71(1)(2), 72, 73, 80(1), Sch. 26 paras. 5(2)–(4), 7, 9–12, 13(1), 14(1)(2), 15(2), 16(1)(2) (5)–(7)(10), 18, 19, 21–25, 27–29, 32–39, 40(2), 41(2)(3), 42–45, 48, 50, 56, 57(1)–(5)(7) repealed by [Water Consolidation \(Consequential Provisions\) Act 1991 \(c. 60, SIF 130\)](#), s. 3, **Sch. 3 Pt.I** (with s. 2, Sch. 2 paras. 10, 14(1), 15)

^{F7}**29,**
30.

Textual Amendments

F7 Ss. 29, 30 repealed by [Water Consolidation \(Consequential Provisions\) Act 1991 \(c. 60, SIF 130\)](#), s. 3, **Sch. 3 Pt. I** (subject to savings in s. 2, Sch. 2 paras. 7, 10, 14(1), 15)

^{F8}**31—**
36.

Textual Amendments

F8 S. 5(1)(4), 6(1)(7), 7(10), 11(1)(8), 12, 14(22), 24(28), 31(68), 70(3)(5), 71, 73(82), 97(135) 137(1)(8)(10)(11), 138, 139(1)(5), 140, 142(1), 143(167), 170, 171, 176, 178(182), 186, 188, 189(2)(5)(8), Sch. 1 paras. 1(10), 14(23), Sch. 3 paras. 1(5), Sch. 4 paras. 1(5), Schs. 6, 7, Sch. 8 paras. 1, 2(1)(10) (12), 3, 4, 5, Schs. 9(14), Sch. 16, Schs. 18(21), 24, Sch. 25 paras. 2, 6, 7, 10, 21, 27(4), 31(1), 40, 45(1) (2), 61(5), 63, 71(1)(2), 72, 73, 80(1), Sch. 26 paras. 5(2)(4), 7, 9(12), 13(1), 14(1)(2), 15(2), 16(1)(2) (5)(7)(10), 18, 19, 21(25), 27(29), 32(39), 40(2), 41(2)(3), 42(45), 48, 50, 56, 57(1)(5)(7) repealed by [Water Consolidation \(Consequential Provisions\) Act 1991 \(c. 60, SIF 130\)](#), s. 3, **Sch. 3 Pt.I** (with s. 2, Sch. 2 paras. 10, 14(1), 15)

CHAPTER II

^{F9}**37—**
66.

Textual Amendments

F9 S. 5(1)-(4), 6(1)-(7), 7-10, 11(1)-(8), 12, 14-22, 24-28, 31-68, 70(3)-(5), 71, 73-82, 97-135 137(1)-(8)(10)(11), 138, 139(1)-(5), 140, 142(1), 143-167, 170, 171, 176, 178-182, 186, 188, 189(2)-(5)(8), Sch. 1 paras. 1-10, 14-23, Sch. 3 paras. 1-5, Sch. 4 paras. 1-5, Schs. 6, 7, Sch. 8 paras. 1, 2(1)-(10)(12), 3, 4, 5, Schs. 9-14, Sch. 16, Schs. 18-21, 24, Sch. 25 paras. 2, 6, 7, 10, 21, 27(4), 31(1), 40, 45(1)-(2), 61(5), 63, 71(1)(2), 72, 73, 80(1), Sch. 26 paras. 5(2)-(4), 7, 9-12, 13(1), 14(1)(2), 15(2), 16(1)(2)(5)-(7)(10), 18, 19, 21-25, 27-29, 32-39, 40(2), 41(2)(3), 42-45, 48, 50, 56, 57(1)-(5)(7) repealed by [Water Consolidation \(Consequential Provisions\) Act 1991 \(c. 60, SIF 130\)](#), s. 3, **Sch. 3 Pt.I** (with s. 2, Sch. 2 paras. 10, 14(1), 15)

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Changes to legislation: There are currently no known outstanding effects for the Water Act 1989, Part II. (See end of Document for details)

CHAPTER III

PROVISION OF SEWERAGE SERVICES

^{F10}67—
68.

Textual Amendments

F10 S. 5(1)-(4), 6(1)-(7), 7-10, 11(1)-(8), 12, 14-22, 24-28, 31-68, 70(3)-(5), 71, 73-82, 97-135 137(1)-(8)(10)(11), 138, 139(1)-(5), 140, 142(1), 143-167, 170, 171, 176, 178-182, 186, 188, 189(2)-(5)(8), Sch. 1 paras. 1-10, 14-23, Sch. 3 paras. 1-5, Sch. 4 paras. 1-5, Schs. 6, 7, Sch. 8 paras. 1, 2(1)-(10)(12), 3, 4, 5, Schs. 9-14, Sch. 16, Schs. 18-21, 24, Sch. 25 paras. 2, 6, 7, 10, 21, 27(4), 31(1), 40, 45(1)-(2), 61(5), 63, 71(1)(2), 72, 73, 80(1), Sch. 26 paras. 5(2)-(4), 7, 9-12, 13(1), 14(1)(2), 15(2), 16(1)(2)(5)-(7)(10), 18, 19, 21-25, 27-29, 32-39, 40(2), 41(2)(3), 42-45, 48, 50, 56, 57(1)-(5)(7) repealed by [Water Consolidation \(Consequential Provisions\) Act 1991 \(c. 60, SIF 130\)](#), s. 3, Sch. 3 Pt.I (with s. 2, Sch. 2 paras. 10, 14(1), 15)

69 Transfer of principal sewerage functions.

Schedule 8 to this Act shall have effect for transferring to sewerage undertakers the functions of water authorities relating to the provision of sewerage services and for making amendments of the enactments relating to the transferred functions.

70 Allocation of cross boundary sewers.

- (1) For the purposes of any scheme under Schedule 2 to this Act, so much of any sewer as is vested in a water authority immediately before the transfer date but is—
 - (a) situated in the area of another water authority; and
 - (b) maintained for the purpose of draining premises in that area,shall be deemed to have vested in the other water authority before the coming into force of that scheme.
- (2) Where any part of a water authority's sewer is deemed by virtue of this section to have vested in another water authority, anything which—
 - (a) has been done by or in relation to the first-mentioned authority for any purposes connected with that part of that sewer; and
 - (b) is in force or effective immediately before the transfer date,shall have effect for the purposes of any transitional provision contained in this Act as if it had been done by or in relation to that other authority.

^{F11}(3)

Textual Amendments

F11 S. 5(1)-(4), 6(1)-(7), 7-10, 11(1)-(8), 12, 14-22, 24-28, 31-68, 70(3)-(5), 71, 73-82, 97-135 137(1)-(8)(10)(11), 138, 139(1)-(5), 140, 142(1), 143-167, 170, 171, 176, 178-182, 186, 188, 189(2)-(5)(8), Sch. 1 paras. 1-10, 14-23, Sch. 3 paras. 1-5, Sch. 4 paras. 1-5, Schs. 6, 7, Sch. 8 paras. 1, 2(1)-(10)(12), 3, 4, 5, Schs. 9-14, Sch. 16, Schs. 18-21, 24, Sch. 25 paras. 2, 6, 7, 10, 21, 27(4), 31(1), 40, 45(1)-(2), 61(5), 63, 71(1)(2), 72, 73, 80(1), Sch. 26 paras. 5(2)-(4), 7, 9-12, 13(1), 14(1)(2), 15(2), 16(1)(2)(5)-

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(7)(10), 18, 19, 21-25, 27-29, 32-39, 40(2), 41(2)(3), 42-45, 48, 50, 56, 57(1)-(5)(7) repealed by [Water Consolidation \(Consequential Provisions\) Act 1991 \(c. 60, SIF 130\)](#), s. 3, Sch. 3 Pt.I (with s. 2, Sch. 2 paras. 10, 14(1), 15)

F12~~71~~

Textual Amendments

F12 S. 5(1)-(4), 6(1)-(7), 7-10, 11(1)-(8), 12, 14-22, 24-28, 31-68, 70(3)-(5), 71, 73-82, 97-135 137(1)-(8)(10)(11), 138, 139(1)-(5), 140, 142(1), 143-167, 170, 171, 176, 178-182, 186, 188, 189(2)-(5)(8), Sch. 1 paras. 1-10, 14-23, Sch. 3 paras. 1-5, Sch. 4 paras. 1-5, Schs. 6, 7, Sch. 8 paras. 1, 2(1)-(10)(12), 3, 4, 5, Schs. 9-14, Sch. 16, Schs. 18-21, 24, Sch. 25 paras. 2, 6, 7, 10, 21, 27(4), 31(1), 40, 45(1)-(2), 61(5), 63, 71(1)(2), 72, 73, 80(1), Sch. 26 paras. 5(2)-(4), 7, 9-12, 13(1), 14(1)(2), 15(2), 16(1)(2)(5)-(7)(10), 18, 19, 21-25, 27-29, 32-39, 40(2), 41(2)(3), 42-45, 48, 50, 56, 57(1)-(5)(7) repealed by [Water Consolidation \(Consequential Provisions\) Act 1991 \(c. 60, SIF 130\)](#), s. 3, Sch. 3 Pt.I (with s. 2, Sch. 2 paras. 10, 14(1), 15)

F13~~72~~

Textual Amendments

F13 S. 72 repealed by [Water Consolidation \(Consequential Provisions\) Act 1991 \(c. 60, SIF 130\)](#), s. 3, **Sch. 3 Pt.I** (with s. 2, Sch. 2 paras. 10, 14(1), 15 and subject to saving for s. 72(8) by Sch. 2 para. 9(2))

F14~~73~~,
74.

Textual Amendments

F14 S. 5(1)-(4), 6(1)-(7), 7-10, 11(1)-(8), 12, 14-22, 24-28, 31-68, 70(3)-(5), 71, 73-82, 97-135 137(1)-(8)(10)(11), 138, 139(1)-(5), 140, 142(1), 143-167, 170, 171, 176, 178-182, 186, 188, 189(2)-(5)(8), Sch. 1 paras. 1-10, 14-23, Sch. 3 paras. 1-5, Sch. 4 paras. 1-5, Schs. 6, 7, Sch. 8 paras. 1, 2(1)-(10)(12), 3, 4, 5, Schs. 9-14, Sch. 16, Schs. 18-21, 24, Sch. 25 paras. 2, 6, 7, 10, 21, 27(4), 31(1), 40, 45(1)-(2), 61(5), 63, 71(1)(2), 72, 73, 80(1), Sch. 26 paras. 5(2)-(4), 7, 9-12, 13(1), 14(1)(2), 15(2), 16(1)(2)(5)-(7)(10), 18, 19, 21-25, 27-29, 32-39, 40(2), 41(2)(3), 42-45, 48, 50, 56, 57(1)-(5)(7) repealed by [Water Consolidation \(Consequential Provisions\) Act 1991 \(c. 60, SIF 130\)](#), s. 3, Sch. 3 Pt.I (with s. 2, Sch. 2 paras. 10, 14(1), 15)

CHAPTER IV

F15~~75~~—
82.

Status: Point in time view as at 29/04/1996.

Changes to legislation: There are currently no known outstanding effects for the Water Act 1989, Part II. (See end of Document for details)

Textual Amendments

F15 S. 5(1)–(4), 6(1)–(7), 7–10, 11(1)–(8), 12, 14–22, 24–28, 31–68, 70(3)–(5), 71, 73–82, 97–135 137(1)–(8)(10)(11), 138, 139(1)–(5), 140, 142(1), 143–167, 170, 171, 176, 178–182, 186, 188, 189(2)–(5)(8), Sch. 1 paras. 1–10, 14–23, Sch. 3 paras. 1–5, Sch. 4 paras. 1–5, Schs. 6, 7, Sch. 8 paras. 1, 2(1)–(10) (12), 3, 4, 5, Schs. 9–14, Sch. 16, Schs. 18–21, 24, Sch. 25 paras. 2, 6, 7, 10, 21, 27(4), 31(1), 40, 45(1) (2), 61(5), 63, 71(1)(2), 72, 73, 80(1), Sch. 26 paras. 5(2)–(4), 7, 9–12, 13(1), 14(1)(2), 15(2), 16(1)(2) (5)–(7)(10), 18, 19, 21–25, 27–29, 32–39, 40(2), 41(2)(3), 42–45, 48, 50, 56, 57(1)–(5)(7) repealed by [Water Consolidation \(Consequential Provisions\) Act 1991 \(c. 60, SIF 130\)](#), s. 3, **Sch. 3 Pt. I** (with s. 2, Sch. 2 paras. 10, 14(1), 15)

CHAPTER V

OWNERSHIP AND FINANCES OF SUCCESSOR COMPANIES ETC.

83 Initial Government holdings.

- (1) As a consequence of the vesting in accordance with any scheme under Schedule 2 to this Act of property, rights and liabilities of any water authority in that authority's successor company, that company shall issue such securities of the company as the Secretary of State may from time to time direct—
 - (a) to such limited company as may (whether before or after the transfer date) have been nominated by the Secretary of State by order made by statutory instrument as the nominated holding company of the successor company; or
 - (b) to the Secretary of State.
- (2) As a consequence of the issue by virtue of any direction under subsection (1) above of any securities of a company to that company's nominated holding company, the latter company shall issue such securities of the nominated holding company as the Secretary of State may from time to time direct—
 - (a) to the Treasury or the Secretary of State; or
 - (b) to any person entitled to require the issue of the securities following their initial allotment to the Treasury or the Secretary of State.
- (3) The Secretary of State shall not—
 - (a) make an order nominating any company as the nominated holding company of a successor company; or
 - (b) give a direction under subsection (1) or (2) above for the issue of securities, except at a time when the company nominated by the order or, as the case may be, the company which is directed to issue securities is wholly owned by the Crown.
- (4) Securities required to be issued in pursuance of this section shall be issued or allotted at such time or times and on such terms as the Secretary of State may direct.
- (5) Shares in a company which are 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 application of the ^{M6}Companies Act 1985 in relation to that company as if they had been paid up by virtue of the payment to the company of their nominal value in cash.

Status: Point in time view as at 29/04/1996.

Changes to legislation: There are currently no known outstanding effects for the Water Act 1989, Part II. (See end of Document for details)

- (6) The Secretary of State shall not exercise any power conferred on him by this section, or dispose of any securities issued or of any rights to securities initially allotted to him in pursuance of this section, without the consent of the Treasury.
- (7) Any dividends or other sums received by the Treasury or the Secretary of State in right of or on the disposal of any securities or rights acquired by virtue of this section shall be paid into the Consolidated Fund.

Marginal Citations

M6 1985 c. 6.

84 Government financial assistance for companies wholly owned by the Crown.

- (1) Subject to section 92(1) below, the Secretary of State may, with the consent of the Treasury, lend such sums as he thinks fit to any company which is the nominated holding company of a successor company and is for the time being wholly owned by the Crown.
- (2) The Secretary of State may, with the consent of the Treasury, guarantee, in such manner and on such conditions as he may think fit, the repayment of the principal of, the payment of interest on and the discharge of any other financial obligation in connection with any sum which is borrowed from any person by any company which—
- (a) is a successor company or the nominated holding company of such a company; and
 - (b) is wholly owned by the Crown at the time when the guarantee is given.
- (3) Subject to section 86 below, any loans which the Secretary of State makes to a company under this section shall be repaid to him at such times and by such methods, and interest thereon shall be paid to him at such rates and at such times, as he may, with the consent of the Treasury, from time to time direct.
- (4) The Treasury may issue out of the National Loans Fund to the Secretary of State such sums as are required by him for making loans under this section.
- (5) Any sums received under subsection (3) above by the Secretary of State shall be paid into the National Loans Fund.
- (6) It shall be the duty of the Secretary of State as respects each financial year—
- (a) to prepare, in such form as the Treasury may direct, an account of sums issued to him in pursuance of subsection (4) above and of sums received by him under subsection (3) above and of the disposal by him of the sums so issued or received; and
 - (b) to send the account to the Comptroller and Auditor General not later than the end of the month of August in the following financial year;
- and the Comptroller and Auditor General shall examine, certify and report on the account and shall lay copies of it and of his report before each House of Parliament.

Status: Point in time view as at 29/04/1996.

Changes to legislation: There are currently no known outstanding effects for the Water Act 1989, Part II. (See end of Document for details)

85 Transfer of successor company liabilities to holding companies.

- (1) The Secretary of State may by order made by statutory instrument transfer to that company's nominated holding company the liabilities of a successor company in respect of the principal of any relevant loan.
- (2) Where the Secretary of State has made an order under subsection (1) above in respect of the liabilities of any successor company and he considers it appropriate to do so, he may give a direction under this subsection to that company and that company shall, as a consequence of the making of the order, issue such debentures of the company to its nominated holding company as may be specified or described in the direction.
- (3) The Secretary of State—
 - (a) shall not exercise his power to make an order under this section except with the consent of the Treasury; and
 - (b) shall not make such an order transferring the liability of any company or give a direction under subsection (2) above to any company, except at a time when the company is wholly owned by the Crown.
- (4) Subsection (4) of section 83 above shall apply for the purposes of this section as it applies for the purposes of that section.
- (5) In this section “relevant loan”, in relation to the successor company of a water authority, means any sum borrowed or treated as borrowed by the authority from the Secretary of State or the Public Works Loan Commissioners, being a sum the liability to repay which has vested in the authority's successor company in accordance with any scheme under Schedule 2 to this Act.

86 Conversion of certain loans.

- (1) The Secretary of State may by order made by statutory instrument extinguish all or any of the liabilities of the nominated holding company of a successor company in respect of the principal of any loan of either of the following descriptions, that is to say—
 - (a) a loan made to that company under section 84 above;
 - (b) a loan the liability to repay the principal of which has been transferred to that company under section 85 above;and the assets of the National Loans Fund shall accordingly be reduced by amounts corresponding to any liabilities so extinguished.
- (2) An order made under subsection (1) above in respect of any loan the liability to repay the principal of which was transferred to the nominated holding company of a successor company under section 85 above may extinguish all or any of the liabilities of that successor company under debentures issued in respect of the transfer under subsection (2) of that section.
- (3) Where the Secretary of State has made an order under subsection (1) above and he considers it appropriate to do so, he may give a direction under this subsection to any nominated holding company whose liabilities are extinguished by the order and that company shall, as a consequence of the making of the order, issue such debentures of the company as may be specified or described in the direction—
 - (a) to the Treasury or the Secretary of State; or
 - (b) to any person entitled to require the issue of the debentures following their initial allotment to the Treasury or the Secretary of State.

Status: Point in time view as at 29/04/1996.

Changes to legislation: There are currently no known outstanding effects for the Water Act 1989, Part II. (See end of Document for details)

- (4) The Secretary of State shall not—
- (a) make an order under subsection (1) above extinguishing the liability of any company; or
 - (b) give a direction under subsection (3) above for the issue of debentures, except at a time when the company whose liability is extinguished by the order or, as the case may be, the company which is directed to issue debentures is wholly owned by the Crown.
- (5) Except as may be agreed between the Secretary of State and a company which is directed to issue debentures in pursuance of this section—
- (a) the aggregate of the principal sums payable under the debentures to which the direction relates shall be equal to the aggregate of the sums the liability to repay which is extinguished by the order; and
 - (b) the terms as to the payment of the principal sums payable under the debentures to which the direction relates, and as to the payment of interest thereon, shall be the same as the corresponding terms of the loans specified in the order.
- (6) For the purposes of subsection (5) above any express or implied terms of a loan shall be disregarded in so far as they relate to the early discharge of liabilities to make repayments of principal and payments of interest.
- (7) Subsection (4) and subsections (6) and (7) of section 83 above shall apply for the purposes of this section as they apply for the purposes of that section.

87 Government investment in securities of the nominated holding companies.

- (1) The Treasury or, with the consent of the Treasury, the Secretary of State may at any time acquire—
- (a) securities of the nominated holding company of a successor company; or
 - (b) rights to subscribe for any such securities.
- (2) The Secretary of State shall not dispose of any securities acquired under this section without the consent of the Treasury.
- (3) Any expenses incurred by the Treasury or the Secretary of State in consequence of the provisions of this section shall be paid out of money provided by Parliament.
- (4) Any dividends or other sums received by the Treasury or the Secretary of State in right of, or on the disposal of, any securities or rights acquired under this section shall be paid into the Consolidated Fund.

88 Exercise of functions through nominees.

- (1) The Treasury or, with the consent of the Treasury, the Secretary of State may for the purposes of section 83, 86 or 87 above appoint any person to act as the nominee, or one of the nominees, of the Treasury or, as the case may be, of the Secretary of State; but—
- (a) the issue in pursuance of section 83 above of securities of a successor company to any nominee of the Secretary of State appointed for the purposes of that section;
 - (b) the issue in pursuance of section 83 or 86 above of securities of such a company's nominated holding company to such nominee of the Treasury or the Secretary of State as is appointed for the purposes of that section or to

Status: Point in time view as at 29/04/1996.

Changes to legislation: There are currently no known outstanding effects for the Water Act 1989, Part II. (See end of Document for details)

any person entitled to require the issue of the securities following their initial allotment to any such nominee; and

- (c) the acquisition by any nominee of the Treasury or the Secretary of State who is appointed for the purposes of section 87 above of any securities or rights under that section,

shall be in accordance with such directions as may be given from time to time by the Treasury or, with the consent of the Treasury, by the Secretary of State.

- (2) Any person holding any securities or rights as a nominee of the Treasury or the Secretary of State by virtue of the preceding provisions of this section shall hold and deal with them (or any of them) on such terms and in such manner as the Treasury or, with the consent of the Treasury, the Secretary of State may direct.

89 Target investment limit for Government shareholding.

- (1) The following provisions of this section shall apply separately in relation to each company which is the nominated holding company of a successor company.
- (2) As soon as he considers it expedient and, in any case, not later than six months after the company ceases to be wholly owned by the Crown, the Secretary of State shall by order fix a target investment limit in relation to the aggregate of the shares in the company which are for the time being held, by virtue of any provision of this Chapter, by any of the following, that is to say, the Treasury, the Secretary of State or any nominee of the Treasury or the Secretary of State (in this section referred to as “the Government shareholding”).
- (3) The target investment limit for the Government shareholding in the company shall be expressed as a proportion of the voting rights which are exercisable in all circumstances at general meetings of the company (in this section referred to as “the ordinary voting rights”).
- (4) The first target investment limit fixed under this section for the Government shareholding in the company shall not exceed, by more than 0.5 per cent of the ordinary voting rights, the proportion of the ordinary voting rights which is in fact carried by the Government shareholding in the company at the time when the order fixing the limit is made.
- (5) The Secretary of State may from time to time by order fix a new target investment limit for the Government shareholding in the company in place of the one previously in force under this section; but—
- (a) any new limit must be lower than the one it replaces in relation to the company; and
- (b) an order under this section may only be revoked by an order fixing a new limit.
- (6) It shall be the duty of the Treasury and of the Secretary of State—
- (a) so to exercise their powers under section 87 above, any power to dispose of any shares held by virtue of any provision of this Chapter and their power to give directions to their respective nominees as to secure that the Government shareholding in the company does not carry a proportion of the ordinary voting rights exceeding any target investment limit for the time being in force under this section in relation to the company; and
- (b) not at any time on or after the fixing of the first target investment limit in relation to the company to exercise any power to acquire, or to authorise

Status: Point in time view as at 29/04/1996.

Changes to legislation: There are currently no known outstanding effects for the Water Act 1989, Part II. (See end of Document for details)

any nominee to acquire, any shares in the successor company of which the company is the nominated holding company.

- (7) Notwithstanding subsection (6) above but subject to subsection (8) below, the Treasury or the Secretary of State may take up, or direct any nominee of the Treasury or of the Secretary of State to take up, any rights for the time being available to them or him, or to the nominee—
- (a) as an existing holder of shares or other securities of the company; or
 - (b) by reason of the rescission of any contracts for the sale of any such shares or securities.
- (8) If, as a result of anything done under subsection (7) above, the proportion of the ordinary voting rights carried by the Government shareholding in the company at any time exceeds the target investment limit for the time being in force under this section in relation to the company, it shall be the duty of the Treasury or, as the case may be, the Secretary of State to comply with subsection (6) above as soon after that time as is reasonably practicable.
- (9) For the purposes of this section the temporary suspension of any of the ordinary voting rights shall be disregarded.
- (10) The power to make an order under this section shall be exercisable by statutory instrument subject to annulment in pursuance of a resolution of either House of Parliament.

90 Responsibility for listing particulars of nominated holding companies.

- (1) Where—
- (a) the same document contains listing particulars for securities of two or more nominated holding companies; and
 - (b) any person's responsibility for any information included in the document is stated in the document to be confined to its inclusion as part of the listing particulars for securities of any one of those companies,
- that person shall not be treated as responsible for that information in so far as it is stated in the document to form part of the listing particulars for securities of any other of those companies.
- (2) Sections 150 and 154 of the 1986 Act (advertisements etc. in connection with listing applications) shall have effect in relation to any information issued for purposes connected with any securities of a nominated holding company as if any reference to a person's incurring civil liability included a reference to any other person being entitled, as against that person, to be granted a civil remedy or to rescind or repudiate any contract.
- (3) In this section—
- “the 1986 Act” means the ^{M7}Financial Services Act 1986;
 - “listing particulars” means any listing particulars or supplementary listing particulars within the meaning of the 1986 Act;
 - “responsible” means responsible for the purposes of Part IV of the 1986 Act and “responsibility” shall be construed accordingly.

Status: Point in time view as at 29/04/1996.

Changes to legislation: There are currently no known outstanding effects for the Water Act 1989, Part II. (See end of Document for details)

Marginal Citations

M7 1986 c. 60.

91 Statutory accounts of the group.

- (1) For the purposes of any statutory accounts of a water authority's successor company—
 - (a) the vesting effected in accordance with any scheme under Schedule 2 to this Act shall be taken—
 - (i) to have been a vesting in that company of all the property, rights and liabilities to which that authority was entitled or subject immediately before the end of their last accounting date and which, at that time, were not property, rights and liabilities relating to Part III functions; and
 - (ii) to have been effected immediately after that date;and
 - (b) the value of any asset and the amount of any liability of that authority which is taken by virtue of paragraph (a) above to have been vested in that company shall be taken to have been the value or (as the case may be) amount assigned to that asset or liability for the purposes of the corresponding statement of accounts prepared by that authority in respect of the complete accounting year ending with that date.
- (2) For the purposes of any statutory accounts of a water authority's successor company the amount to be included in respect of any item shall be determined as if the company had done anything not relating to Part III functions which has been done by that authority (whether by way of acquiring, revaluing or disposing of any asset or incurring, revaluing or discharging any liability, or by carrying any amount to any provision or reserve, or otherwise).

Accordingly (but without prejudice to the generality of the preceding provision) the amount to be included from time to time in any reserves of a water authority's successor company as representing the company's accumulated realised profits shall be determined as if any profits realised and retained by that authority had been realised and retained by the company.
- (3) For the purposes of any statutory accounts of the nominated holding company of a successor company—
 - (a) a successor company which becomes a subsidiary of the holding company in the course of an accounting reference period of that successor company shall be assumed to have become such a subsidiary at the beginning of that period; and
 - (b) the value, at the time of its issue, of any security issued to the holding company in pursuance of section 83 or 85 above shall be taken—
 - (i) in the case of a share, to have been equal to its nominal value; and
 - (ii) in the case of a debenture, to have been equal to the principal sum payable under the debenture.
- (4) For the purposes of this section the question whether any property, right or liability of a water authority, or anything done by a water authority, relates to Part III functions shall

Status: Point in time view as at 29/04/1996.

Changes to legislation: There are currently no known outstanding effects for the Water Act 1989, Part II. (See end of Document for details)

be determined in accordance with such principles for determining whether anything so relates as the Secretary of State—

- (a) considers appropriate to apply in the case of that authority's successor company; and
 - (b) has notified to that company in writing.
- (5) References in this section to the statutory accounts of a company are references to any accounts prepared by the company for the purposes of any provision of the ^{M8}Companies Act 1985 (including group accounts); and in this section—
- “accounting reference period” has the same meaning, in relation to a successor company, as in that Act;
 - “complete accounting year,” in relation to a water authority, means an accounting year of the authority ending on 31st March;
 - “the last accounting date”, in relation to any water authority, means the last day of the last complete accounting year of that authority to end before the transfer date; and
 - “Part III functions”, in relation to a water authority, means the functions of that authority which are transferred to the Authority by virtue of this Act or correspond to any functions assigned to the Authority under this Act.

Marginal Citations

M8 1985 c. 6.

92 Temporary restrictions on borrowings etc. by the group.

- (1) The aggregate amount outstanding in respect of the principal of the relevant borrowing of a group to which a successor company belongs shall not, at any time when the company is wholly owned by the Crown, exceed £1,400 million or such greater sum, not exceeding £1,800 million, as the Secretary of State may specify by order made by statutory instrument.
- (2) The power to make an order under subsection (1) above shall include power to specify different amounts in relation to different groups; and no order shall be made under that subsection unless a draft of the order has been laid before the House of Commons and has been approved by a resolution of that House.
- (3) If articles of association of a successor company or of such a company's nominated holding company confer on the Secretary of State powers exercisable with the consent of the Treasury for, or in connection with, restricting the sums of money which may be borrowed or raised during any period by the group to which that company belongs, those powers shall be exercisable in the national interest notwithstanding any rule of law and the provisions of any enactment.
- (4) For the purposes of subsection (3) above an alteration of the articles of association of a successor company or of such a company's nominated holding company shall be disregarded if the alteration—
 - (a) has the effect of conferring or extending any such power as is mentioned in that subsection; and
 - (b) is made at a time when that company has ceased to be wholly owned by the Crown.

Status: Point in time view as at 29/04/1996.

Changes to legislation: There are currently no known outstanding effects for the Water Act 1989, Part II. (See end of Document for details)

(5) In this section—

“group”, in relation to a successor company, means that company’s nominated holding company and all of the nominated holding company’s subsidiaries (including the successor company and its subsidiaries) taken together; and

“relevant borrowing”, in relation to a group to which a successor company belongs, means—

- (a) such loans made or treated as made to any company in the group, including loans treated by virtue of the issue of debentures in pursuance of this Act as having been made to any such company, as are not loans made or treated as made by one company belonging to the group to another such company; and
- (b) any sums borrowed or treated as borrowed by local authorities in respect of the repayment of which, or the payment of interest on which, the successor company is required to make contributions by virtue of the transfer of any liability in accordance with a scheme under Schedule 2 to this Act.

(6) Where any amount outstanding in respect of the principal of any relevant borrowing of a group—

- (a) is treated as repaid or extinguished in connection with the issue of any securities of a company belonging to that group; or
- (b) would fall to be so treated, in the case of an extinguishment under section 86 above, if the Secretary of State had given a direction under subsection (3) of that section,

that amount shall be deemed for the purposes of this section to continue to be outstanding except to the extent that any amount payable by the company by reason of the issue of securities in connection with the repayment or extinguishment itself falls to be treated for the purposes of this section as an amount outstanding in respect of the principal of any relevant borrowing of the group.

93 Reserves of the successor companies.

- (1) Where the Secretary of State, at any time before the company ceases to be wholly owned by the Crown, so directs in relation to any successor company, such sums as may be specified in the direction shall, instead of being applied in any other way, be carried by the company to a reserve for the purposes of this section.
- (2) A company having a reserve for the purposes of this section shall not apply it except in paying up unissued shares of the company to be allotted to members of the company as fully paid bonus shares.

94 Application of Trustee Investments Act 1961 in relation to investment in the nominated holding companies.

- (1) Subsection (2) below shall have effect for the purpose of applying paragraph 3(b) of Part IV of Schedule 1 to the ^{M9}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, during the first investment year or any following year, in shares or debentures of a company which is the nominated holding company of a successor company.

Status: Point in time view as at 29/04/1996.

Changes to legislation: There are currently no known outstanding effects for the Water Act 1989, Part II. (See end of Document for details)

- (2) The company shall be deemed to have paid a dividend as mentioned in the said paragraph 3(b)—
- (a) in every 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 that company does not in fact pay such a dividend in that year.
- (3) In this section—
- “the first investment year”, in relation to a company which is the nominated holding company of a successor company, means the calendar year in which shares in that successor company are first issued, in pursuance of section 83(1) above, to the nominated holding company; and
- “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.

Marginal Citations

M9 1961 c. 62.

95 Tax provisions.

- (1) The Secretary of State may, for the purposes of section 2 of the ^{M10}Capital Allowances Act 1968 (writing-down allowance), by order make provision specifying—
- (a) the amount to be taken for the purposes of subsection (3) of that section as the residue on the transfer date of any expenditure in relation to which any property vested in a successor company in accordance with a scheme under Schedule 2 to this Act is a relevant interest for the purposes of that section; and
 - (b) the part of the period mentioned in subsection (3) of that section which is to be treated, in relation to any such property, as unexpired on that date.
- (2) For the purposes of Chapter I of Part III of the ^{M11}Finance Act 1971 (capital allowances in respect of machinery and plant) property which is vested in a successor company in accordance with a scheme under Schedule 2 to this Act shall be treated as if—
- (a) it had been acquired by that company on the transfer date for the purposes for which it is used by that company on and after that date; and
 - (b) capital expenditure of such amount as may be specified for the purposes of this subsection in an order made by the Secretary of State had been incurred on that date by that company on the acquisition of the property for the purposes mentioned in paragraph (a) above.
- (3) The Secretary of State shall not make an order under subsection (1) or (2) above in relation to any property of a successor company except with the consent of the Treasury and at a time when the company is wholly owned by the Crown; and the power to make such an order shall be exercisable by statutory instrument and shall include power to make different provision for different cases, including different provision in relation to different property or descriptions of property.
- (4) Subject to subsection (5) below, for the purposes of the [^{F16}Taxation of Chargeable Gains Act 1992 (“the 1992 Act”)] the following securities of a successor company, that is to say—

Status: Point in time view as at 29/04/1996.

Changes to legislation: There are currently no known outstanding effects for the Water Act 1989, Part II. (See end of Document for details)

- (a) those issued to that company's nominated holding company in pursuance of section 83 above;
 - (b) those issued to that company's nominated holding company in pursuance of section 85 above, so far as they are not extinguished under section 86 above; and
 - (c) those not issued in pursuance of section 83 or 85 above which are—
 - (i) held by that holding company, or any of its nominees, on the transfer date; or
 - (ii) held by the Secretary of State, or any of his nominees, on that date and transferred to that holding company at any time when that holding company is wholly owned by the Crown,shall, together, be deemed to have been acquired by the nominated holding company on the transfer date for a consideration equal to whatever is the market value of the successor company's undertaking immediately after the coming into force, on that date, of the scheme under Schedule 2 to this Act in accordance with which property, rights and liabilities of a water authority are transferred to the successor company.
- (5) For the purposes of the [^{F16}1992] Act—
- (a) any loan which is a relevant loan for the purposes of section 85 above shall be disregarded in determining the market value referred to in subsection (4) above; and
 - (b) where an apportionment of the aggregate amount for which securities of any company are treated under that subsection as having been acquired by any company falls to be made between different securities, any debenture to which that subsection applies shall be treated as having been acquired by that company for an amount equal to the principal sum payable under the debenture.
- (6) Where—
- (a) any debt owed to a water authority is transferred to its successor company in accordance with a scheme under Schedule 2 to this Act; and
 - (b) the authority would have been the original creditor in relation to that debt for the purposes of section [^{F16}251 of the 1992] Act (disposal of debts),
- the successor company shall be treated as the original creditor for those purposes.
- (7) For the purposes of Part VI of the ^{M12}Income and Corporation Taxes Act 1988 (company distributions) any securities of a company issued in pursuance of section 83, 85 or 86 above shall be treated as having been issued for new consideration equal—
- (a) in the case of a share, to its nominal value; and
 - (b) in the case of a debenture, to the principal sum payable under the debenture.
- (8) Subsection (1) of section 400 of the Income and Corporation Taxes Act 1988 (write-off of government investment: restriction of tax losses) shall not have effect in relation to any extinguishment, at a time when the nominated holding company of a successor company is wholly owned by the Crown, of any liabilities of that holding company.
- (9) Subsection (6) of the said section 400 shall apply in relation to any such extinguishment of liabilities as is mentioned in subsection (8) above as if the reference to the body in question were a reference to the company whose liabilities are extinguished.

Status: Point in time view as at 29/04/1996.

Changes to legislation: There are currently no known outstanding effects for the Water Act 1989, Part II. (See end of Document for details)

F17(10)

- (11) The vesting in accordance with a scheme under Schedule 2 to this Act in a successor company of any liability for a loan made to a water authority shall not affect any direction in respect of the loan which has been given, or has effect as if given, under section 581 of the Income and Corporation Taxes Act 1988 (income tax exemption for interest on foreign currency securities).

Textual Amendments

- F16** Words in s. 95(4)-(6) substituted (6.3.1992 with effect as mentioned in s. 289(1)(2) of the 1992 substituting Act) by Taxation of Chargeable Gains Act 1992 (c. 12), ss. 289(1)(2), 290(1), **Sch. 10 para. 18(a)-(c)** (with ss. 60, 101(1), 171, 201(3)).
- F17** S. 95(10) repealed (29.4.1996 with effect in accordance with Chapter II of Pt. IV of the amending Act) by 1996 c. 8, ss. 105, 205, **Sch. 41 Pt. V(3)**

Modifications etc. (not altering text)

- C1** S. 95(2) modified by S.I. 1989/2017, **art. 3**

Marginal Citations

- M10** 1968 c. 3.
M11 1971 c. 68.
M12 1988 c. 1.

96 Interpretation of Chapter V.

In this Chapter—

“debentures” includes debenture stock;

“nominated holding company”, in relation to a successor company, means the company nominated under section 83(1) above as that successor company’s nominated holding company;

“securities”, in relation to a company, includes shares, debentures, bonds and other securities of the company, whether or not constituting a charge on the assets of the company; and

“shares” includes stock.

CHAPTER VI

STATUTORY WATER COMPANIES

F1897—
102.

Textual Amendments

- F18** S. 5(1)-(4), 6(1)-(7), 7-10, 11(1)-(8), 12, 14-22, 24-28, 31-68, 70(3)-(5), 71, 73-82, 97-135 137(1)-(8)(10)(11), 138, 139(1)-(5), 140, 142(1), 143-167, 170, 171, 176, 178-182, 186, 188, 189(2)-(5)(8), Sch. 1 paras. 1-10, 14-23, Sch. 3 paras. 1-5, Sch. 4 paras. 1-5, Schs. 6, 7, Sch. 8 paras. 1, 2(1)-(10) (12), 3, 4, 5, Schs. 9-14, Sch. 16, Schs. 18-21, 24, Sch. 25 paras. 2, 6, 7, 10, 21, 27(4), 31(1), 40, 45(1)

Status: Point in time view as at 29/04/1996.

Changes to legislation: There are currently no known outstanding effects for the Water Act 1989, Part II. (See end of Document for details)

(2), 61(5), 63, 71(1)(2), 72, 73, 80(1), Sch. 26 paras. 5(2)–(4), 7, 9–12, 13(1), 14(1)(2), 15(2), 16(1)(2) (5)–(7)(10), 18, 19, 21–25, 27–29, 32–39, 40(2), 41(2)(3), 42–45, 48, 50, 56, 57(1)–(5)(7) repealed by [Water Consolidation \(Consequential Provisions\) Act 1991 \(c. 60, SIF 130\)](#), s. 3, **Sch. 3 Pt. I** (with s. 2, Sch. 2 paras. 10, 14(1), 15)

Status:

Point in time view as at 29/04/1996.

Changes to legislation:

There are currently no known outstanding effects for the Water Act 1989, Part II.