



Industrial Development Act 1966

1966 CHAPTER 34

PART II

POWERS IN RESPECT OF DEVELOPMENT AREAS

15 Extension of powers under Local Employment Act 1960.

- (1) The powers conferred by Part I of the Local Employment Act 1960 shall, notwithstanding subsection (6) of section 1 of that Act, continue to be exercisable after 31st March 1967 ; and the provisions of that Act shall, instead of having effect in relation to development districts as defined in subsection (2) of that section, have effect in relation to areas of Great Britain to be known as development areas.
- (2) The development areas for the purposes of the said Act of 1960 shall be those specified by order of the Board, and the Board may from time to time by order vary or revoke a previous order under this subsection.
- (3) The areas to be specified by the Board under subsection (2) of this section shall be those parts of Great Britain where, in the opinion of the Board, special measures are necessary to encourage the growth and proper distribution of industry; and in exercising their powers under that subsection the Board shall have regard to all the circumstances actual and expected, including the state of employment and unemployment, population changes, migration and the objectives of regional policies.
- (4) An order under subsection (2) of this section may describe a development area by reference to employment exchange areas, that is to say, areas for which an employment exchange has been established for the purposes of the Employment and Training Act 1948 ; and any reference in such an order to a named employment exchange area shall be construed as a reference to that area as it exists on the date on which the order comes into force.
- (5) The power to make orders under subsection (2) of this section shall be exercisable by statutory instrument which shall be subject to annulment in pursuance of a resolution of either House of Parliament.

Status: This is the original version (as it was originally enacted).

- (6) Any reference to a development area in the said Act of 1960 or in the subsequent provisions of this Part of this Act shall have effect as if there were included in the development area any locality outside that area, being—
- (a) an area in England or Wales which has been designated under the New Towns Act 1965, or any enactment repealed by that Act, as the site of a new town or an area in Scotland which has been designated as such under the New Towns Act 1946 ;
 - (b) a locality which in relation to the development area, or to that area and any other place, is a receiving district within the meaning of the Town Development Act 1952 or falls to be treated as such a receiving district by virtue of an order under section 34 of the Housing Act 1961 ; or
 - (c) a burgh or county the council of which are, in relation to the development area, or to that area and any other place, a receiving authority within the meaning of Part II of the Housing and Town Development (Scotland) Act 1957,
- as respects which the Board and the Treasury are satisfied that it ought to be treated as if it were so included by reason of the fact that its population will be, or is being, increased by migration from one or more specific places in the development area and that the increase will be substantial in relation to the original population of the locality; and the Board shall give notice in such manner as appears to them appropriate of the localities as respects which they and the Treasury are for the time being satisfied as aforesaid.
- (7) In determining whether and in what manner to exercise their powers under sections 2, 3 and 4 of the said Act of 1960 (provision of premises, building grants and general loans and grants) for the benefit of any development area the Board shall have regard—
- (a) to the relation between the expenditure involved and the employment likely to be provided ; and
 - (b) to any consequential effect on employment in any other part of that development area and in other development areas.
- (8) The fact that any locality which was a development district, or was by virtue of section 1(4) of the said Act of 1960 treated as if it formed part of such a district, immediately before the date of the commencement of this Act does not on that date become a development area shall not prejudice—
- (a) the completion by the Board of buildings or works begun by them before that date in the locality under section 2 of the said Act of 1960, or the exercise by the Board in relation to land in that locality of their powers under that section so far as may be necessary for the purpose of fulfilling any agreement entered into by the Board before that date;
 - (b) the making of a grant or loan under Part I of that Act in any case in which an application for the grant or loan was received by the Board or the Minister concerned before that date ; or
 - (c) the continued operation of any agreement relating to grants or loans entered into under that Act.

16 Ending of grants for machinery and plant.

- (1) Subject to the provisions of this section, section 1 of the Local Employment Act 1963 (grants for machinery and plant) shall cease to have effect.

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- (2) Subsection (1) of this section shall not preclude the making of a grant under the said section 1 in any case in which an application for the grant was received by the Board before the commencement of this Act.
- (3) Where a grant has been made under the said section 1 in respect of any machinery or plant, the amount of any grant at the development area rate subsequently made in respect thereof under Part I of this Act shall be reduced by the amount of the grant under the said section 1; and no grant shall be made under the said section 1 by virtue of subsection (2) of this section in respect of any machinery or plant if a grant at the development area rate has been previously made in respect thereof under Part I of this Act.
- (4) In the last foregoing subsection " the development area rate " means the rate of forty per cent. specified in section 1(6) or 2(2) of this Act or the rate for the time being substituted for it by an order under section 7 of this Act.

17 Amendments as to building grants.

- (1) In relation to any case in which it appears to the Board that an application for a grant under section 3 of the Local Employment Act 1960 (building grants) is made for the purpose of setting up an undertaking in a development area in circumstances which justify the giving of special assistance under that section, section 2(1) of the Local Employment Act 1963 (which provides for the amount of such a grant to be twenty-five per cent. of the expenditure in respect of which it is made) shall have effect as if for the reference to twenty-five per cent. there were substituted a reference to thirty-five per cent.
- (2) The amount of a grant under the said section 3 may be less than the amount prescribed by the said section 2(1) in any case in which it appears to the Board that the employment likely to be provided as a result of the expenditure in respect of which the grant is to be made does not justify a grant of the amount so prescribed.
- (3) In the said section 3, and in section 2(1) and (2) of the said Act of 1963, references to providing a building shall include references to purchasing a new building (that is, a building not previously occupied) but, in calculating for the purposes of grant under the said section 3 the expenditure incurred in purchasing a building, no account shall be taken of any expenditure which, in the opinion of the Board, is not attributable to the cost of constructing it.
- (4) Where a building constructed with a view to being let to another person includes special features at the request of that person and he is required to pay a capital sum in consideration thereof, a grant may be made to him under the said section 3 as if that sum were expenditure incurred by him in providing the building, and the said section 2 shall have effect in relation to any such grant accordingly.
- (5) In this section references to a building include references to an extension of a building and to a structure.

18 Amendments as to general loans and grants.

- (1) Where a person carrying on or proposing to carry on an undertaking in a development area is a company incorporated in the United Kingdom—
 - (a) the terms on which the Board may agree to make a loan for the purposes of that undertaking under section 4 of the Local Employment Act 1960 may include

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terms providing for the indebtedness to the Board to be discharged by the issue of shares or stock in the company; and

- (b) the Board may, instead of or as well as giving assistance under that section by making a loan or grant, give assistance under that section by subscribing for or otherwise acquiring shares or stock in the company;

and the provisions of the said section 4 shall have effect in relation to assistance given under that section by virtue of paragraph (b) above as they have effect in relation to assistance given under that section by the making of loans or grants.

- (2) Without prejudice to section 24 of the said Act of 1960 (performance of functions of the Board under that Act) any document required to be executed by the Board in connection with the exercise of their powers under the said section 4 as extended by this section may be executed by any of the persons mentioned in the said section 24.
- (3) Section 66 of the Harbours and Passing Tolls Act 1861 (which makes provision where lands are vested in the Board) shall have effect as if the expression " lands " in that section included any shares or stock vested in the Board in pursuance of subsection (1) of this section.
- (4) A grant may be made under the said section 4 in respect of expenditure incurred outside a development area in connection with the transference of any undertaking to a development area.

19 Industrial Estates Corporations.

- (1) The names of the corporations established by section 8 of the Local Employment Act 1960 are hereby changed as follows—
 - (a) the Industrial Estates Management Corporation for England is renamed the English Industrial Estates Corporation;
 - (b) the Industrial Estates Management Corporation for Scotland is renamed the Scottish Industrial Estates Corporation; and
 - (c) the Industrial Estates Management Corporation for Wales is renamed the Welsh Industrial Estates Corporation ;

and accordingly the said new names shall be substituted for the previous names in any enactment passed or instrument made before, and in any legal proceedings pending at, the commencement of this Act.

- (2) Each of the said corporations shall have power to provide, or assist in the provision of, advisory services in relation to the building of factories or the development or management of industrial estates, but shall not exercise that power except with the consent of, and in such manner as may be determined by, the Board; and the reference in subsection (6) of section 9 of the said Act of 1960 (expenses) to functions of the said corporations under the foregoing provisions of that section shall include a reference to the functions of a corporation under this subsection.
- (3) It is hereby declared that the power of each of the said corporations under the said section 9 to provide services or other facilities for meeting the requirements of undertakings is exercisable whether or not the undertaking in question is carried on on land leased from the corporation, but where it is not so carried on subsection (2) of that section (which enables the Board by direction to control the provision by a corporation of some, but not all, such services and facilities) shall have effect as if it enabled the Board by direction to control the provision by the corporation of all such services and facilities.

- (4) If it appears to the Board that an undertaking is to be set up in a development area in circumstances which justify the giving of special assistance, the Board may authorise any of the said corporations to provide premises for the occupation of the undertaking free of rent for such period as the Board think appropriate.

20 Derelict land.

- (1) Where in the case of any land in a development area—
- (a) it appears to the Minister that the land is derelict, neglected or unsightly ; and
 - (b) it appears to the Board that it is expedient with a view to contributing to the development of industry in that area that steps should be taken for the purpose of enabling the land (hereafter in this section referred to as " the derelict land ") to be brought into use or of improving its appearance,
- the powers conferred by subsections (2) and (3) of this section shall be exercisable by the Board and the Minister respectively.
- (2) The Board may acquire by agreement or, if so authorised, compulsorily the derelict land and any other land the acquisition of which is reasonably required for the purpose mentioned in subsection (1)(b) of this section, and carry out on the derelict land and any other land such work as appears to them expedient for that purpose.
- (3) The Minister may with the consent of the Treasury make grants, in such manner as appears to him to be requisite for the purpose mentioned in subsection (1)(b) of this section, to the council of the county, county borough or county district in which the land in question is situated—
- (a) towards the cost of the exercise of any power of the council to acquire the derelict land or any other land ;
 - (b) towards the cost of the carrying out by the council for that purpose of any work on the derelict land or on any other land.
- (4) In this section " the Minister ", as respects land in England exclusive of Monmouthshire, means the Minister of Housing and Local Government and, as respects land in Scotland or in Wales or Monmouthshire, means the Secretary of State; and " land " includes land covered with water.
- (5) In the application of subsection (3) of this section to Scotland for any reference to the council of the county, county borough or county district in which the land in question is situated there shall be substituted a reference to any local authority, as defined for the purposes of the Local Government (Scotland) Act 1947, within whose area the land in question is situated.
- (6) Section 5 of the Local Employment Act 1960 (which is superseded by this section) shall cease to have effect, but this subsection shall not preclude the making of a grant under that section by the Minister in any case in which an application for the grant was received by him before the commencement of this Act.

21 Other amendments of Local Employment Act 1960.

- (1) The Board may modernise, adapt or reconstruct any buildings or other works on land acquired by the Board under, or vested in the Board by, Part I of the Local Employment Act 1960, and, where the execution of that work will interrupt the use of the buildings or works by any undertaking, acquire other land by agreement, and erect buildings and carry out works on that other land, or on land previously acquired by or vested

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in the Board as aforesaid, for the purpose of providing premises for the occupation of that undertaking or of otherwise meeting its requirements.

- (2) In exercising his power under subsection (1) of section 7 of the said Act of 1960 (power of Minister in charge of any government department to give financial assistance for the improvement of basic services for a development area) the Minister concerned shall consider whether the improvement is expedient with a view to contributing to the development of industry in that area and not (as provided by that subsection) whether it is expedient for the purposes of Part I of that Act (that is to say, for the purpose of providing employment for the benefit of the area).
- (3) In relation to any financial year beginning after 31st March 1966, the activities as respects which the Board are required to prepare a statement of accounts under section 10(5) of the said Act of 1960—
 - (a) shall not include the activities of the Board in respect of grants under Part I of that Act or section 1 of the Local Employment Act 1963 ; but
 - (b) shall include their activities in respect of loans under section 27 or by virtue of section 28(3)(a) of that Act (assistance for safeguarding previous loans and assistance under previous legislation).
- (4) Where at any time a locality ceases to be a development area, the fact that it is no longer such an area shall not prejudice—
 - (a) the completion by the Board of buildings or works begun before that time in the locality under section 2 of the said Act of 1960 or section 20 of this Act, or the exercise by the Board in relation to land in that locality of their powers under either of those sections so far as may be necessary for the purpose of fulfilling any agreement entered into by the Board before that time;
 - (b) the making of a grant under section 3 of that Act in any case in which an application for the grant was received by the Board before that time or in which the expenditure in respect of which the grant is to be made consists of sums payable by virtue of a contract entered into before that time;
 - (c) the making of any other grant or of a loan under Part I of that Act, the giving of assistance under section 4 of that Act or the making of a grant under section 20 of this Act in any case in which an application for the grant, loan or assistance was received by the Board or the Minister concerned before that time; or
 - (d) the continued operation of any agreement relating to any such grant, loan or assistance as is mentioned in paragraph (b) or (c) above or of any other agreement relating to grants or loans entered into under that Act.
- (5) Section 3 of the Local Employment Act 1963 shall cease to have effect, and section 14(1) of the said Act of 1960 shall cease to have effect except in relation to any locality which has ceased to be a development district before the commencement of this Act.
- (6) No provision of the said Act of 1960 except section 11 (parliamentary disqualification) shall be taken as forming part of the law of Northern Ireland.