Transport Act 1968

1968 CHAPTER 73

PART IV

FURTHER PROVISIONS AS TO BOARDS, NEW AUTHORITIES AND TRANSPORT SERVICES

Additional powers of Boards and new authorities

51 Subsidiaries and joint subsidiaries.

(1) This section applies to the following authorities, namely, the Boards and the new authorities.

(2) For the purposes of paragraphs (d), (f), (g) and (h) of section 14(1) of the Act of 1962, services and facilities provided by, persons employed by, or equipment of, a subsidiary of an authority to whom this section applies, and, for the purposes of section 15(1) of that Act, land required for the purposes of the business of a wholly-owned subsidiary of such an authority, shall be deemed to be services and facilities provided by, persons employed by, equipment of, or land required for the purposes of the business of, that authority; and section 43(1) to (3) of the Act of 1962 shall apply to any subsidiary of an authority to whom this section applies as they apply to that authority.

(3) In section 27(1) of the Act of 1962 (which empowers the Minister or, as the case may be, the Secretary of State to give directions of a general character as to the exercise and performance by any authority to whom this section applies of their functions in relation to matters which appear to him to affect the national interest) after the word "functions"there shall be inserted the words " (including the exercise of rights conferred by the holding of interests in companies) ".

(4) A wholly-owned subsidiary of an authority to whom this section applies shall not be regarded as a common carrier when carrying on any activity which that authority have power to carry on and in carrying on which that authority are not to be so regarded.

(5) Where a company of which two or more authorities to whom this section applies are members would, if those authorities were a single body corporate, be a wholly-owned subsidiary of that body corporate, then, whether or not that company is apart from this

subsection a subsidiary of one of those authorities, that company shall be deemed for the purposes of the Act of 1962 and of the provisions other than **[**[F1]Part VI**]** of this Act to be a wholly-owned subsidiary of each of those authorities; and any such company is hereafter in this section referred to in relation to each of those authorities as a "joint subsidiary" of that authority.

(6) In the case of a joint subsidiary, section 25(1) of the Act of 1962 shall not apply but it shall be the joint duty of both or all the authorities of which it is a joint subsidiary to exercise their control over the subsidiary so as to ensure that the subsidiary—

(a) does not engage in activities in which none of those authorities have power to engage (including activities in which none of those authorities have power to engage because the consent of the Minister **[**[F2]or, as the case may be, the Scottish Ministers**]** has not been obtained), and

(b) does not do anything which the Minister has **[**[F3]or, as the case may be, the Scottish Ministers have**]** directed any of those authorities not to do, and

(c) does not, except with the consent of the Minister **[**[F4]or, as the case may be, the Scottish Ministers**]**, borrow money from any person other than those authorities, and

(d) does not, except with the consent of the Minister **[**[F5]or, as the case may be, the Scottish Ministers**]**, raise money by the issue of shares or stock to any person other than those authorities;

and the Minister **[**[F6]or, as the case may be, the Scottish Ministers**]** may give to those authorities such directions as appear to him **[**[F6]or, as the case may be, to them**]**appropriate for ensuring that they carry out the duty imposed on them by this subsection.

[[F7](7) In the application of subsection (6) of this section to a joint subsidiary of the Scottish Group, any reference in that subsection to the Minister shall be construed as including a reference to the Secretary of State.**]**

Textual Amendments

F1 Words in s. 51(5) substituted (1.1.1996) by 1995 c. 23, s. 60(1), **Sch. 7 para. 3** (with ss. 54, 55); S.I. 1995/2181, **art. 2**

F2 Words in s. 51(6)(a) inserted (1.4.2001) by S.I. 2000/3251, arts. 1(2)(b), 2, **Sch. 2 Pt. II para. 3(11)** (with art. 4)

F3 Words in s. 51(6)(b) inserted (1.4.2001) by S.I. 2000/3251, arts. 1(2)(b), 2, **Sch. 2 Pt. II para. 3(12)** (with art. 4)

F4 Words in s. 51(6)(c) inserted (1.4.2001) by S.I. 2000/3251, arts. 1(2)(b), 2, **Sch. 2 Pt. II para. 3(13)** (with art. 4)

F5 Words in s. 51(6)(d) inserted (1.4.2001) by S.I. 2000/3251, arts. 1(2)(b), 2, **Sch. 2 Pt. II para. 3(14)** (with art. 4)

F6 Words in s. 51(6)(d) inserted (1.4.2001) by S.I. 2000/3251, arts. 1(2)(b), 2, **Sch. 2 Pt. II para. 3(15)(a)(b)** (with art. 4)

F7 S. 51(7) repealed (S.) (7.6.2002) by S.S.I. 2002/263, art. 5(2), **Sch.**

Modifications etc. (not altering text)

C1 The text of ss. 38(1), 41(8)(9), 44(4), 46(5), 50(10), 51(3), 52(4), 94(7) is in the form in which it was originally enacted: it was not reproduced in Statutes in Force and does not reflect any amendments or repeals which may have been made prior to 1.2.1991.

C2 S. 51(5) excluded by Transport Act 1978 (c. 55), **s. 15(4)**

C3 S. 51(5)(6) modified by London Regional Transport Act 1984 (c. 32, SIF 126), **s. 62(3)(4)**

Changes to legislation:
There are currently no known outstanding effects for the Transport Act 1968, Section 51.