



Gas Act 1972

1972 CHAPTER 60

An Act to make fresh provision with respect to the gas industry in Great Britain and related matters, and for purposes connected therewith. [9th August 1972]

BE IT ENACTED by the Queen's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:—

PART I

NEW STRUCTURE FOR BRITISH GAS INDUSTRY

The British Gas Corporation

1 The British Gas Corporation

(1) As from such day as the Secretary of State may by order appoint for the purposes of this Act, being a day not later than 1st July 1973, the body established under the Gas Act 1948 by the name of the Gas Council shall continue in existence as a body corporate having perpetual succession and a common seal, but—

- (a) shall be known as the British Gas Corporation, and
- (b) shall consist of members appointed by the Secretary of State under and in accordance with the provisions of this Act;

and on that day, the Area Boards established under the said Act of 1948 shall be dissolved, and all property, rights, liabilities and obligations vested in any of them immediately before that day shall vest in the British Gas Corporation by virtue of this Act and without further assurance.

(2) The Secretary of State shall appoint as members of the Corporation—

- (a) a chairman, and

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- (b) not less than ten nor more than twenty other persons, of whom he may designate one or more as deputy chairman or deputy chairmen ;
- and in making appointments to the Corporation, the Secretary of State shall have regard to the desirability of having members who are familiar with the special requirements and circumstances of particular regions and areas.
- (3) The Corporation shall pay to the members thereof such remuneration and such allowances as may be determined by the Secretary of State with the consent of the Minister for the Civil Service, and, if the Secretary of State with the consent of that Minister so determines in the case of any person who is or has been a member of the Corporation, shall pay or make arrangements for the payment of a pension to or in respect of that person in accordance with the determination; and if a person ceases to be a member of the Corporation and it appears to the Secretary of State that there are special circumstances which make it right that that person should receive compensation, the Secretary of State may require the Corporation to pay to that person a sum of such amount as the Secretary of State may with the consent of the Minister for the Civil Service determine.
- (4) The Secretary of State may make regulations with respect to—
- (a) the appointment of, and the tenure and vacation of office by, members of the Corporation,
 - (b) the quorum, proceedings, meetings and determinations of the Corporation,
 - (c) the execution of instruments and the mode of entering into contracts by and on behalf of the Corporation, and the proof of documents purporting to be executed, issued or signed by the Corporation or a member or officer thereof, and
 - (d) any other matters supplementary or incidental to those above mentioned for which provision appears to the Secretary of State to be necessary or expedient.
- Subject to any such regulations, the Corporation shall have power to regulate their own procedure.
- (5) The validity of any proceedings of the Corporation shall not be affected by any vacancy among the members or by any defect in the appointment of a member.
- (6) The provisions of Schedule 1 to this Act shall have effect for the purpose of supplementing the preceding provisions of this section.

2 Principal duties and powers of Corporation

- (1) It shall be the duty of the Corporation to develop and maintain an efficient, co-ordinated and economical system of gas supply for Great Britain, and to satisfy, so far as it is economical to do so, all reasonable demands for gas in Great Britain.
- (2) Subject to subsection (3) below, the Corporation shall have power to carry on all such activities as it may appear to them to be requisite, advantageous or convenient for them to carry on for or in connection with the discharge of their duty under subsection (1) above, including in particular, but without prejudice to the generality of the preceding provision, power—
- (a) to search and bore for and get natural gas,
 - (b) to bore for and get petroleum found in the form of crude oil in the course of searching, boring for or getting natural gas, to treat any petroleum got by virtue of this paragraph for the purpose of rendering it saleable in the form

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of crude oil, to supply or sell any such petroleum (whether or not so treated) to any person, and to supply or sell to any person any by products obtained in the process of treating any such petroleum for the purpose of rendering it so saleable,

- (c) to manufacture gas (and to use for that purpose any petroleum, whether got by virtue of paragraph (b) above or otherwise),
- (d) to acquire gas from any source,
- (e) to transmit and distribute gas,
- (f) to manufacture, treat, render saleable, supply or sell any by-products obtained in the process of manufacturing gas, and any products made or derived from gas or from any by-product so obtained,
- (g) to manufacture plant required by the Corporation, and to instal, repair, maintain or remove any such plant, and
- (h) to manufacture gas fittings, to sell, hire or otherwise supply gas fittings, and to instal, repair, maintain or remove gas fittings.

In this subsection " petroleum " means petroleum within the meaning of the Petroleum (Production) Act 1934.

- (3) Notwithstanding subsection (2) above, the Corporation shall not, except with the consent of the Secretary of State and in accordance with any conditions he may attach to his consent—
 - (a) carry out any operations for searching or boring for natural gas, or for getting natural gas, otherwise than within Great Britain, the territorial waters of the United Kingdom adjacent to Great Britain or an area for the time being designated under section 1(7) of the Continental Shelf Act 1964. or
 - (b) export gas, or
 - (c) manufacture gas fittings for export.

3 Duties of Corporation towards employees, and in respect of research

- (1) It shall be the duty of the Corporation, in exercising and performing the functions conferred or imposed on them by this Act or any other enactment, to promote title welfare, health and safety of persons in their employment.
- (2) It shall be the duty of the Corporation, in consultation with any organisation appearing to them to be appropriate, to make provision for advancing the skill of persons employed by them, including the provision by them, and the assistance of the provision by others, of facilities for training and education.
- (3) It shall be the duty of the Corporation to settle from time to time, in consultation with the Secretary of State, a general programme of research into matters affecting gas supply and other matters affecting their functions, and of technological development connected with such matters, and to secure (whether by themselves conducting research into, or technological development connected with, any such matters, or by making arrangements for the conduct of such research or development by others) the carrying out of any programme so settled.

4 Duties of Corporation as respects management of affairs

- (1) The Corporation shall, forthwith after the appointed day and subsequently from time to time when they consider it appropriate or the Secretary of State so requires—

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- (a) undertake a review of the affairs of the Corporation and their subsidiaries for the purpose of determining how the management of the activities of the Corporation and their subsidiaries can most efficiently be organised, and
 - (b) make a report to the Secretary of State upon the Corporation's conclusions arising from the review.
- (2) The Corporation's report on their first review under subsection (1) above shall be made to the Secretary of State before such date as he may after consultation with them determine.
- (3) The Secretary of State shall lay before each House of Parliament a copy of any report under subsection (1) above, and may after doing so, and after considering the report and consulting the Corporation about it, give to the Corporation such directions as he considers appropriate for securing that the management of the activities of the Corporation and their subsidiaries is organised in the most efficient manner; and it shall be the duty of the Corporation to give effect to any such directions.
- (4) The Corporation shall exercise their control over any subsidiary of theirs so as to secure that the subsidiary does not, either alone or in association with any other person, engage in any activity which the Corporation are not empowered to carry on, but not so as to prevent any subsidiary from carrying on with the consent of the Secretary of State, and in accordance with any conditions attached thereto, any activity which the Corporation would have power to carry on if the consent had been given to them.
- (5) It shall be the duty of the Corporation, in appointing persons to manage on their behalf the carrying on of any of their activities in particular regions of Great Britain, to secure that any such region shall consist of, or lie exclusively within, England or Scotland or Wales (including Monmouthshire).

5 Programmes for measures involving substantial capital outlay

In carrying out any measures involving substantial outlay on capital account, the Corporation shall act in accordance with a general programme settled from time to time by them and approved by the Secretary of State; and the Corporation shall exercise their control over any wholly owned subsidiary of theirs so as to secure that the subsidiary also acts in accordance with a programme so settled and approved in carrying out any such measures.

6 Miscellaneous powers and duties of Corporation

- (1) Subject to subsections (2) and (3) below, the Corporation shall have power to do any thing, and to enter into any transaction (whether or not involving the expenditure of money, the borrowing of money, the lending of money, the acquisition of any property or rights or the disposal of any property or rights), which in their opinion is calculated to facilitate the exercise or performance of their functions under any enactment other than this subsection (including any enactment passed or made after the passing of this Act), or is incidental or conducive to the exercise or performance of any such function.
- (2) So much of subsection (1) above as relates to the borrowing of money by the Corporation shall have effect subject to the provisions of Part II of this Act.
- (3) Notwithstanding the generality of the said subsection (1), the Corporation shall not, except with the consent of the Secretary of State or in accordance with a general authority given by him, guarantee the repayment of, or the payment of interest on,

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any loan other than one raised by a wholly owned subsidiary of theirs; and it shall be the duty of the Corporation to exercise their control over any such subsidiary so as to secure that that subsidiary does not, except with such consent or in accordance with such an authority, guarantee the repayment of, or the payment of interest on, any such loan.

- (4) Without prejudice to the generality of the said subsection (1), the Corporation shall have power to subscribe for or acquire any securities of a body corporate, to procure their admission to membership of any such body, and to promote or participate in the promotion of any such body.
- (5) The provisions of Schedule 2 to this Act shall have effect with respect to the acquisition of land by the Corporation (and without prejudice to the generality of the said subsection (1) so far as they concern its acquisition by agreement).
- (6) The Corporation may with the consent of the Secretary of State promote Bills in Parliament, and may without any such consent oppose any Bill in Parliament.

Any reference in this subsection to a Bill in Parliament includes a reference to an order under the Private Legislation Procedure (Scotland) Act 1936.

- (7) The Corporation may, with the consent of the Secretary of State, enter into and carry out agreements with the Minister of the Crown for the time being discharging the functions expressed by the Overseas Aid Act 1966 to be conferred on the Minister of Overseas Development whereunder the Corporation act, at the expense of that Minister, as the instrument by means whereof technical assistance is furnished by him in exercise of the power conferred by section 1(1) of that Act; and the Corporation may, with the consent of both the Secretary of State and the said Minister of the Crown, enter into and carry out agreements whereunder the Corporation, for any purpose specified in the said section 1(1), furnish technical assistance in a country or territory outside the United Kingdom against reimbursement to them of the cost of furnishing that assistance.
- (8) For the avoidance of doubt it is hereby declared that the preceding provisions of this Act, so far as they confer powers on the Corporation, relate only to the capacity of the Corporation as a statutory corporation, and nothing in those provisions shall be construed as authorising the disregard by the Corporation of any enactment or rule of law.

7 General powers of Secretary of State to give directions to Corporation and obtain information

- (1) The Secretary of State may, after consultation with the Corporation, give to the Corporation directions of a general character as to the exercise and performance by the Corporation of their functions (including the exercise of rights conferred by the holding of interests in companies) in relation to matters which appear to him to affect the national interest, and the Corporation shall give effect to any such directions.
- (2) Without prejudice to the generality of subsection (1) above, the Secretary of State may, after consultation with the Corporation, direct the Corporation—
 - (a) to discontinue any activity either wholly or to a specified extent, not to extend any activity or not to extend it beyond specified limits, to dispose of any part of their undertaking or of any assets held by them, or to call in any loan made by them, or

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- (b) to exercise their control over any wholly owned subsidiary of theirs so as to cause the subsidiary to discontinue any activity either wholly or to a specified extent, not to extend any activity or not to extend it beyond specified limits, to dispose of any part of its undertaking or of any assets held by it, or to call in any loan made by it,

and the Corporation shall give effect to any such direction :

Provided that the Secretary of State shall not give any direction under this subsection unless he is satisfied that he will not thereby impede or prevent the proper discharge of the Corporation's duties.

- (3) A direction under subsection (2) above shall be given by statutory instrument, of which a draft shall be laid before Parliament.
- (4) The Corporation shall furnish the Secretary of State with such returns, accounts and other information as he may from time to time require with respect to their property and activities, or the property and activities of any of their subsidiaries, and shall afford to the Secretary of State facilities for the verification of information so furnished.

8 Reports by Corporation to Secretary of State

- (1) The Corporation shall make to the Secretary of State, as soon as possible after the end of each financial year and, if the Secretary of State so directs, in such form as is specified in the direction, a report on the exercise and performance by them of their functions during that year and on their policy and programmes.
- (2) Subject to subsection (3) below, the report of the Corporation for any year shall set out any direction given to them during that year under section 4(3), 7(1), 10(4), 15, 16 or 23 of this Act, or under subsection (1) of this section.
- (3) Subsection (2) above shall not apply to any direction in the case of which the Corporation are notified by the Secretary of State of his opinion that it is against the interests of national security for the direction to be included in a report.
- (4) The Secretary of State shall lay a copy of every report made to him under this section before each House of Parliament.

The consumers' bodies

9 The National Gas Consumers' Council and the Regional Gas Consumers' Councils

- (1) As from the appointed day there shall be—
- (a) a council to be known as the National Gas Consumers' Council, and
 - (b) other councils to be known as Regional Gas Consumers' Councils.
- (2) The National Gas Consumers' Council (hereafter referred to as "the National Council") shall consist of a chairman appointed by the Secretary of State, and not more than thirty other members made up of—
- (a) the chairmen for the time being of the Regional Gas Consumers' Councils or, if one of those chairmen is appointed chairman of the National Council, the remainder of them, and

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- (b) such other persons as the Secretary of State may from time to time appoint after consultation with such bodies as he thinks fit.
- (3) The Regional Gas Consumers' Councils (hereafter referred to as " the Regional Councils ") shall exist for particular areas of Great Britain, and those areas—
- (a) subject to any variations which the Secretary of State may think fit to direct, shall in the first instance be the areas immediately before the appointed day of the Area Boards, and
 - (b) may be varied from time to time thereafter by directions given by the Secretary of State after consultation with the National Council and every Regional Council to be affected by the variation.

The Secretary of State shall so exercise his powers under this subsection as to secure that there is no part of Great Britain which is not within the area of a Regional Council and that the area of every Regional Council consists of, or lies exclusively within, England or Scotland or Wales (including Monmouthshire).

- (4) Subject to subsection (5) below, a Regional Council shall consist of a chairman appointed by the Secretary of State, and not less than twenty nor more than thirty other members so appointed of whom—
- (a) not less than two-fifths and not more than three-fifths shall be appointed from a panel of persons nominated from amongst members of local authorities in the area of the Council by such associations as appear to the Secretary of State to represent those authorities, and
 - (b) the remainder shall be appointed, after consultation with such bodies as the Secretary of State thinks fit, to represent commerce, industry, labour and the general interests of consumers of gas and other persons or organisations interested in the development of gas in that area.
- (5) Where a Regional Council is to exist as from the appointed day for the area of one of the Area Boards, the members immediately before that day of the Gas Consultative Council established for that area under section 9 of the Gas Act 1948 shall, unless the Secretary of State otherwise directs, become on that day the members of the Regional Council, and the chairman of the former chairman of the latter, and shall, subject to regulations made by virtue of section 12 below, hold office until the expiry of their original terms of appointment.

10 Functions of National and Regional Councils

- (1) The National Council shall be charged with the duties—
- (a) of considering any matter affecting the interests of consumers of gas generally or any class or description of consumers of gas (and, in particular, any matter relating to the supply of gas, including the variation of tariffs, or to the supply of gas fittings or the provision of other services and facilities), being a matter which is the subject of a report or representation made to them by a Regional Council under subsection (5) or (6) below, or which appears to them to be a matter to which consideration ought to be given apart from any such report or representation,
 - (b) where action appears to them to be requisite as to any such matter, of notifying their conclusions to the Corporation,
 - (c) of considering, and reporting to the Corporation on, any such matter which may be referred to them by the Corporation, and

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- (d) of considering, and reporting to the Secretary of State on, any such matter which may be referred to them by the Secretary of State.
- (2) The National Council shall be informed by the Corporation of the Corporation's general plans and arrangements for exercising and performing their functions in relation to the supply of gas, and in particular of any proposal on the part of the Corporation to vary a tariff, shall consider any plans, arrangements or proposal of which they are informed, and may make representations to the Corporation with respect thereto.
- (3) The Corporation shall consider any conclusions, reports or representations notified or made to them under the preceding provisions of this section, and the National Council may, after consultation with the Corporation, make representations to the Secretary of State on matters arising thereout.
- (4) The Secretary of State may, after consultation with the Corporation, give to the Corporation such directions as he thinks fit with respect to matters arising out of representations made by the National Council under subsection (3) above, and shall send a copy of any such directions to the National Council; and it shall be the duty of the Corporation to comply with the directions.
- (5) A Regional Council shall be charged with the duties—
 - (a) of considering any matter affecting the interests of consumers of gas in their area (and, in particular, any matter relating to the supply of gas, including the variation of tariffs, or to the supply of gas fittings or the provision of other services and facilities), being a matter which is the subject of a representation made to them by one or more consumers in their area or which appears to them to be a matter to which consideration ought to be given apart from any such representation,
 - (b) where action appears to them to be requisite as to any such matter, of notifying their conclusions to the Corporation,
 - (c) of considering, and reporting to the Corporation on, any such matter which may be referred to them by the Corporation, and
 - (d) of considering, and reporting to the National Council on, any such matter which may be referred to them by that Council.
- (6) A Regional Council may make representations to the National Council with respect to any matter considered by them pursuant to subsection (5)(a) above.
- (7) The Corporation shall consider any conclusions or reports notified or made to them under subsection (5)(b) or (5)(c) above.
- (8) References in the preceding provisions of this section to consumers of gas include references to prospective consumers.

11 Local representatives of Regional Councils

- (1) It shall be the duty of every Regional Council to appoint in accordance with a scheme under this section committees or individuals to be local representatives of the Council in such localities as are specified in the scheme; and it shall be the duty of a committee or individual representing the Council in any locality—
 - (a) to consider the particular requirements and circumstances of that locality with respect to the supply of gas and gas fittings and the provision of other services and facilities, and to make representations to the Council thereon, and

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- (b) to be available for receiving on behalf of the Council representations from consumers or prospective consumers of gas in the locality.
- (2) A member of a Regional Council shall be eligible for appointment under such a scheme, either as a member of a committee or as an individual, but membership of a Regional Council shall not be a necessary qualification for appointment.
- (3) A scheme under this section—
 - (a) shall be prepared by the Regional Council, and shall come into force on being approved by the National Council and, so far as it fixes the number of local representatives to be appointed, how many of them are to be committees and how many individuals, and the size of any committee, by the Secretary of State;
 - (b) may be varied from time to time by the Regional Council with the approval of the National Council and, if the variation affects the number of local representatives, how many of them are to be committees and how many individuals, or the size of any committee, by the Secretary of State.
- (4) Each of the Regional Councils shall submit a scheme under this section to the National Council within the period of twelve months beginning with the appointed day.
- (5) Any committee or individual acting immediately before the appointed day as the local representative in any locality of a Gas Consultative Council established under section 9 of the Gas Act 1948 shall become on that day the local representative in that locality of the Regional Council in whose area the locality is (or, if the locality is in the areas of two or more Regional Councils, the local representative of each of those Councils in that part of the locality which is in their area) and shall have as such the duties specified in subsection (1) above.
- (6) A person holding office as a member of a committee or a local representative by virtue of subsection (5) above shall, subject to the terms of his appointment by the Gas Consultative Council, do so until the putting into effect of the Regional Council's scheme in the locality or part in question; and if such a person ceases to hold office before the Regional Council's scheme is so put into effect, the Regional Council may from time to time fill the office either by re-appointing him or by appointing some other person in accordance with the scheme of the Gas Consultative Council as in force immediately before the appointed day.

12 Supplementary provisions with respect to Councils etc.

The supplementary provisions contained in Schedule 3 to this Act shall have effect with respect to the National Council and the Regional Councils, the members of those Councils, and the local representatives of the Regional Councils.

13 Reports by Councils to Secretary of State

- (1) The National Council and each of the Regional Councils shall make to the Secretary of State, as soon as possible after the end of each financial year of the Corporation, a report on the exercise and performance by them of their functions during that year:

Provided that, unless the Secretary of State otherwise directs, the first reports under this section shall not be required until after the end of the financial year following that in which the appointed day falls, and shall relate to the period from that day to the end of that year.

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- (2) The Secretary of State shall lay a copy of every report made to him under this section before each House of Parliament.

PART II

FINANCIAL PROVISIONS

General financial duties of British Gas Corporation

14 Revenues of Corporation and subsidiaries to cover outgoings and allocations to reserves

It shall be the duty of the Corporation so to exercise and perform their functions (including those conferred or imposed on them by any enactment other than this Act), and so to exercise their control over their subsidiaries, as to secure that, taking one year with another, the combined revenues of the Corporation and their subsidiaries are not less than sufficient—

- (a) to meet the total outgoings of the Corporation and their subsidiaries properly chargeable to revenue account, and
- (b) to enable the Corporation and their subsidiaries to make such allocations to reserve as the Corporation consider adequate, and as may be necessary to comply with any directions given by the Secretary of State under section 15 below.

15 Directions by Secretary of State as to reserves of Corporation and wholly owned subsidiaries

- (1) The Secretary of State may from time to time, after consultation with the Corporation and with the approval of the Treasury, give to the Corporation directions—
- (a) requiring them to allocate to reserve generally, or to reserve for a particular purpose, or to cause any wholly owned subsidiary of theirs so to allocate, either a specified amount or such amount as the Corporation consider adequate, or
 - (b) requiring them to re-allocate for a specified purpose or to cause any wholly owned subsidiary of theirs so to re-allocate, the whole or part of any amount previously allocated by them or, as the case may be, by the subsidiary to reserve for some other purpose, or
 - (c) with respect to the application by them, or by any wholly owned subsidiary of theirs, of amounts allocated to reserve,

and it shall be the duty of the Corporation to comply with any such directions.

- (2) Directions under subsection (1) above requiring the allocation of any amount to reserve may provide for it to be so allocated either at a specified time or during the course of a specified period.

16 Payment of excess revenue to Secretary of State

If in any financial year of the Corporation there is an excess of the revenue of the Corporation over the total sums properly chargeable by them to revenue account, the

Secretary of State may with the approval of the Treasury direct the Corporation to pay over to him so much of that excess as appears to him, after consultation with the Corporation, to be—

- (a) attributable to the carrying on, whether by the Corporation or by any subsidiary of theirs, of activities falling within paragraph (a) or (b) of section 2(2) of this Act, and
- (b) surplus to the Corporation's requirements;

and it shall be the duty of the Corporation to comply with any such direction :

Provided that no such direction shall be given as respects any financial year unless the total of the sums standing to the credit of the Corporation's reserves at the beginning of that year exceeds 10 per cent, of the value at the beginning of that year of their net assets as for the time being defined for the purposes of this section by the Secretary of State.

Borrowings etc.

17 Borrowing powers of Corporation

- (1) Subject to subsection (5) below, the Corporation may borrow money in accordance, and only in accordance, with the provisions of the next two following subsections.
- (2) The Corporation may borrow temporarily, by way of overdraft or otherwise, such sums as they may require for meeting their obligations and discharging their functions—
 - (a) in sterling from the Secretary of State, or
 - (b) with the consent of the Secretary of State and the approval of the Treasury, or in accordance with any general authority given by the Secretary of State with the approval of the Treasury, either in sterling or in a currency other than sterling from a person other than the Secretary of State.
- (3) The Corporation may borrow otherwise than by way of temporary loan such sums as they may require for all or any of the purposes specified in subsection (4) below—
 - (a) in sterling from the Secretary of State, or
 - (b) with the consent of the Secretary of State and the approval of the Treasury, by the issue of British Gas Stock under section 21 below, or
 - (c) with the like consent and approval, in any currency other than sterling from a person other than the Secretary of State.
- (4) The purposes referred to in subsection (3) above are the following—
 - (a) the redemption of any British Gas Stock or other security issued by the Corporation (whether as such or as the Gas Council);
 - (b) the repayment of any money borrowed or raised by the Corporation (whether as such or as the Gas Council) otherwise than by the issue of British Gas Stock or other securities, or borrowed by any of the Area Boards, but, in the case of money temporarily borrowed, or borrowed by the Corporation from a wholly owned subsidiary of theirs, only if so borrowed for a purpose mentioned in this subsection;
 - (c) the provision of money for meeting any expenditure incurred by the Corporation in connection with any works the cost of which is properly chargeable to capital account;
 - (d) the provision of any working capital required by the Corporation;

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- (e) any other purpose for which capital moneys are properly applicable by the Corporation ; and
 - (f) the making of any other payment which the Corporation are authorised to make, and which ought in the opinion of the Corporation to be spread over a term of years.
- (5) References in subsections (1) to (3) above to borrowing by the Corporation do not include references to borrowing by them from any of their wholly owned subsidiaries.

18 Borrowing by wholly owned subsidiaries

It shall be the duty of the Corporation to secure that no wholly owned subsidiary of theirs borrows money otherwise than from the Corporation or from another wholly owned subsidiary of theirs except with the consent of the Secretary of State and the approval of the Treasury.

19 Limitation on total indebtedness of Corporation and wholly owned subsidiaries

- (1) Subject to subsection (2) below, the aggregate of the amounts outstanding in respect of the principal of—
- (a) any British Gas Stock or other security issued by the Corporation (whether as such or as the Gas Council), and
 - (b) any money borrowed or raised by the Corporation (whether as such or as the Gas Council) otherwise than by the issue of British Gas Stock or other securities, and otherwise than from a wholly owned subsidiary of theirs, and
 - (c) any money borrowed by any wholly owned subsidiary of the Corporation otherwise than from the Corporation (whether as such or as the Gas Council) or from another such subsidiary, and
 - (d) any money borrowed by any of the Area Boards,
- shall not at any time exceed £2,500 million or such greater sum not exceeding £2,700 million as the Secretary of State may from time to time by order specify.
- (2) Nothing in subsection (1) above shall prevent the Corporation and their wholly owned subsidiaries from borrowing in excess of the said sum for the purpose of the redemption of any British Gas Stock or other security which the Corporation are required or entitled to redeem or the repayment of any money borrowed or raised as therein mentioned.
- (3) No order shall be made under the said subsection (1) unless a draft thereof has been laid before the House of Commons, and has been approved by a resolution of that House.

20 Loans to Corporation by Secretary of State

- (1) The Secretary of State may with the approval of the Treasury lend to the Corporation any sums which the Corporation have power to borrow from him under section 17 above.
- (2) Any loans which the Secretary of State makes 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 approval of the Treasury from time to time direct.

- (3) The Treasury may issue to the Secretary of State out of the National Loans Fund such sums as are necessary to enable him to make loans under this section.
- (4) Any sums received by the Secretary of State under subsection (2) above shall be paid into the National Loans Fund.
- (5) The Secretary of State shall, as respects each financial year, prepare in such form as the Treasury may direct an account of sums issued to him under subsection (3) above or received by him under subsection (2) above, and of the disposal by him of those sums respectively, and shall send the account to the Comptroller and Auditor General not later than the end of November following the year; and the Comptroller and Auditor General shall examine, certify and report on the account, and shall lay copies of it and his report before each House of Parliament.

21 British Gas Stock

- (1) The Corporation may create and issue in terms of sterling any stock required for the purpose of exercising the power conferred on them by section 17(3)(6) above; and any stock created and issued under this section or under section 43 of the Gas Act 1948 is in this Act referred to as " British Gas Stock ".
- (2) British Gas Stock shall be issued, transferred, dealt with, redeemed and cancelled upon such terms, and in accordance with such provisions, as may be prescribed by regulations made by the Secretary of State with the approval of the Treasury; and any such regulations may, in relation to any such stock, apply with or without modification any provisions of the Local Loans Act 1875, or of any enactment relating to stock issued by a local authority.

22 Guarantees

- (1) The Treasury may guarantee, in such manner and on such conditions as they think fit, the redemption or repayment of, and the payment of any interest on, any British Gas Stock issued by the Corporation under section 21 above or any sums borrowed by the Corporation from a person other than the Secretary of State.
- (2) Immediately after a guarantee is given under this section, the Treasury shall lay a statement of the guarantee before each House of Parliament.
- (3) Any sum required by the Treasury for fulfilling a guarantee given under this section or under section 45 of the Gas Act 1948 shall be charged on and issued out of the Consolidated Fund.
- (4) Where any sum is so issued for fulfilling any such guarantee—
 - (a) the Corporation shall make to the Treasury, at such times and in such manner as the Treasury may from time to time direct, payments of such amounts as the Treasury may so direct in or towards repayment of that sum, and payments of interest on what is outstanding for the time being in respect of that sum at such rate as the Treasury may so direct, and
 - (b) the Treasury shall, as soon as possible after the end of each financial year beginning with that in which the sum is issued and ending with that in which all liability in respect of the principal of the sum and in respect of interest thereon is finally discharged, lay before each House of Parliament a statement relating to the sum.

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Accounts and audit

23 Accounts and audit

- (1) It shall be the duty of the Corporation—
 - (a) to keep proper accounts and proper records in relation thereto, and
 - (b) subject to subsection (2) below, to prepare in respect of each financial year of the Corporation, in such form as the Secretary of State may with the approval of the Treasury direct, a statement of those accounts showing the state of affairs of the Corporation and their profit or loss.
- (2) If the Secretary of State with the approval of the Treasury so directs, it shall be the duty of the Corporation to prepare, in respect of each financial year of the Corporation during which the direction is in force and in such form as is specified in the direction, statements of the consolidated accounts of the Corporation and their subsidiaries, or of the Corporation and any specified subsidiary or subsidiaries, showing the state of affairs and the profit or loss of the Corporation and the subsidiary or subsidiaries in question; and a direction under this subsection may provide that the statement of accounts to be prepared by the Corporation under subsection (1)(b) above in respect of any financial year of theirs for which the direction is in force shall not be required to show the Corporation's profit or loss.
- (3) If the Secretary of State with the approval of the Treasury so directs, it shall be the duty of the Corporation to prepare, in respect of each financial year of the Corporation during which the direction is in force and in such form as is specified in the direction, statements of accounts showing the state of affairs and the profit or loss of the Corporation's subsidiaries or such of them as are specified in the direction, including (if the Secretary of State so requires) a statement of consolidated accounts for any two or more specified subsidiaries.
- (4) A statement under subsection (1)(b) or (2) above shall give separate information with respect to, and show as far as may be the financial and operating results of, each of the main activities of the Corporation or, as the case may be, of the group consisting of the Corporation and their subsidiary or subsidiaries in question; and if the Secretary of State so directs with respect to any statement required by the said subsection (1)(b), or it is so provided in any direction under the said subsection (2) for the preparation of a statement, the statement shall also give separate information with respect to, and show so far as may be the financial and operating results of, each, or such as are specified in the direction, of the activities other than main activities of the Corporation or group.
- (5) If it is so provided in any direction under subsection (3) above for the preparation of a statement, the statement shall give separate information with respect to, and show so far as may be the financial and operating results of, each, or such as are specified in the direction, of the activities of the body or group of bodies to which the statement relates.
- (6) The accounts kept, and all statements prepared, by the Corporation in pursuance of the preceding provisions of this section shall be audited by auditors appointed for each financial year of the Corporation by the Secretary of State.
- (7) A person shall not be qualified for appointment under subsection (6) above unless he is a member of one or more of the following bodies—
 - the Institute of Chartered Accountants in England and Wales;
 - the Institute of Chartered Accountants of Scotland;
 - the Association of Certified Accountants ;

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the Institute of Chartered Accountants in Ireland ;
any other body of accountants established in the United Kingdom, and for the time being recognised for the purposes of section 161(1)(a) of the Companies Act 1948 by the Secretary of State:

Provided that a Scottish firm may be so appointed if each of the partners therein is qualified to be so appointed.

- (8) As soon as the accounts kept, and the statement or statements prepared, by the Corporation in pursuance of the preceding provisions of this section have been audited, the Corporation shall send to the Secretary of State a copy of the statement or statements, together with a copy of any report made by the auditors on the statement or statements or on the accounts of the Corporation; and the Secretary of State shall lay a copy of every statement and report of which a copy is received by him in pursuance of this subsection before each House of Parliament.

PART III

PROVISIONS AS TO SUPPLY AND USE OF GAS

Supply by British Gas Corporation

24 Duty of Corporation to avoid undue preference in supply

- (1) Subject to subsection (2) below and to any directions' given to them by the Secretary of State under section 7(1) of this Act, the Corporation shall avoid any undue preference in the supply of gas to consumers.
- (2) Nothing in subsection (1) above shall be construed as applying to the terms of any special agreement made by the Corporation under subsection (6) of section 25 below so far as those terms relate to the charges to be made for the supply of gas.

25 Methods of charge and tariffs

- (1) Subject to the following provisions of this section and to any regulations made under section 41 of this Act, the Corporation shall charge for the gas supplied by them according to the number of therms supplied, that number being calculated in the prescribed manner on the basis of the declared calorific value of the gas.

In this Act—

" calorific value " means, subject to the provisions of any regulations made under section 41 of this Act, the number of British thermal units (gross) produced by the combustion of one cubic foot of gas measured at sixty degrees Fahrenheit under a pressure of thirty inches of mercury and, if the Secretary of State so determines in relation to gas supplied to any area, containing such an amount of water vapour as is specified in the determination, and

" declared calorific value " means calorific value declared by the Corporation in accordance with regulations under subsection (2) below.

- (2) Regulations shall make provision—

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- (a) as to the time when, and the manner in which, the calorific value of gas supplied by the Corporation is to be declared, and is to be brought to the notice of consumers,
 - (b) as to the time when any such declaration is to take effect, and
 - (c) for the adjustment of charges for gas in cases where an alteration in the declared calorific value occurs in the course of a period for which such charges are made.
- (3) Subject to the following provisions of this section, the prices to be charged by the Corporation for the supply of gas by them shall be in accordance with such tariffs as may be fixed from time to time by them, and those tariffs, which may relate to the supply of gas in different areas, cases and circumstances, shall be so framed as to show the methods by which and the principles on which the charges are to be made as well as the prices which are to be charged, and shall be published in such manner as in the opinion of the Corporation will secure adequate publicity for them.
- (4) A tariff fixed by the Corporation under subsection (3) above may include a standing charge in addition to the charge for the actual gas supplied, and may also include a rent or other charge in respect of any gas meter or gas fittings provided by the Corporation on the premises of the consumer.
- (5) In fixing tariffs under subsection (3) above, the Corporation shall not show undue preference to any person or class of persons, and shall not exercise any undue discrimination against any person or class of persons.
- (6) Notwithstanding anything in the preceding provisions of this section, the Corporation may enter into a special agreement with any consumer for the supply of gas to him on such terms as may be specified in the agreement:
- Provided that the Corporation shall not enter into any such agreement except in cases where the tariffs in force are not appropriate owing to special circumstances.
- (7) Where, immediately before the appointed day, charges for gas supplied by an Area Board from any gasworks are, by virtue of an authorisation granted to the Board under section 53(2) of the Gas Act 1948, being made by some method other than according to the number of therms supplied, the Corporation may continue to charge for gas supplied from those gasworks by that other method until the expiry of the period specified in the authorisation, and may be authorised by the Secretary of State to continue so to charge after the expiry of that period if it appears to him that it would be impracticable or uneconomical to require them to charge according to the number of therms supplied.

26 Standards of quality

- (1) The Secretary of State shall after consultation with the Corporation prescribe standards of pressure, purity and uniformity of calorific value to be complied with by the Corporation in supplying gas, and may after such consultation prescribe other standards with respect to the properties, condition and composition of gas supplied by the Corporation.
- (2) The Secretary of State shall appoint competent and impartial persons to carry out tests of the gas supplied by the Corporation for the purpose of ascertaining whether it is of the declared calorific value and conforms with the standards prescribed under this section.

- (3) Regulations may provide—
- (a) for determining the places at which such tests as aforesaid are to be carried out,
 - (b) for requiring premises, apparatus and equipment to be provided and maintained by the Corporation for the purpose of carrying out such tests,
 - (c) for persons representing the Corporation to be present during the carrying out of such tests,
 - (d) for the manner in which the results of such tests are to be made available to the public,
 - (e) for conferring powers of entry on property of the Corporation for the purpose of deciding where tests are to be carried out and otherwise for the purposes of this section, and
 - (f) for any other matters supplementary or incidental to the matters aforesaid for which provision appears to the Secretary of State to be necessary or expedient.
- (4) There shall be paid out of moneys provided by Parliament to the persons appointed under subsection (2) above such remuneration and such allowances as may be determined by the Secretary of State with the approval of the Minister for the Civil Service, and such pensions as may be so determined may be paid out of moneys provided by Parliament to or in respect of those persons.
- (5) The Corporation shall repay to the Secretary of State any sums paid by him under subsection (4) above, and such part of his other expenses as he may with the consent of the Treasury determine to be attributable to his functions in connection with the testing of gas for the purposes of this section; and any liability of the Corporation under this subsection to pay to the Secretary of State sums on account of pensions (whether paid by him under subsection (4) above or otherwise) shall, if the Secretary of State so determines, be satisfied by way of contributions calculated, at such rate as may be determined by the Minister for the Civil Service, by reference to remuneration.
- (6) The reference in subsection (5) above to expenses of the Secretary of State includes a reference to expenses incurred by any government department in connection with the Department of Trade and Industry, and to such sums as the Treasury may determine in respect of the use for the purposes of that department of any premises belonging to the Crown.

27 Supply code

The provisions of Schedule 4 to this Act (which relate to the supply of gas by the Corporation and connected matters) shall have effect.

28 Relief to Corporation in emergency conditions

Without prejudice to any other provision of this Act or the provisions of any regulations thereunder, in any proceedings against the Corporation for or arising out of a failure by them to comply with any duty with respect to the supply of gas imposed on them by or under any enactment (including any duty with respect to pressure of supply), it shall be a defence for the Corporation to prove that circumstances existed by reason of which compliance with the duty would or might have involved danger to the public, and that they took all such steps as it was reasonable for them to take both to prevent the circumstances from occurring and to prevent them from having that effect.

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Supply by other persons

29 Restrictions on supply by persons other than the Corporation, and related provisions

- (1) Subject to subsections (4), (10) and (11) below, no person other than the Corporation shall on or after the appointed day supply gas to any premises except with the consent of the Corporation and in accordance with such conditions as may be attached to that consent.
- (2) The Corporation shall give their consent under subsection (1) above to the supply of gas if the supply is for industrial purposes which do not consist of or include the use as a fuel of the gas except in so far as it is required to provide heat or other energy required—
 - (a) for a process in which the gas is used otherwise than as a fuel, or
 - (b) where such a process is one of a series, for any further process in the same series, not being a process in which a bulk product is converted into manufactured articles;

and in determining whether any industrial purposes are as mentioned in this subsection, the use of any gas derived otherwise than as a by-product from the gas which it is proposed to supply shall be treated as the use of that gas.

If any question arises whether the purposes for which gas is to be supplied are purposes mentioned in this subsection, it shall be determined by the Secretary of State.

- (3) The Corporation shall not attach any conditions to their consent to a supply of gas for purposes mentioned in subsection (2) above except conditions requiring the supplier of the gas to provide, periodically or on request by the Corporation, information with respect to the type of gas supplied, the amount supplied, and the use of the gas supplied; and any person aggrieved by any such condition may refer it to the Secretary of State, who may confirm, vary or revoke it, or impose instead some other condition which the Corporation could have imposed under this subsection.
- (4) A person who produces gas as a by-product of an industrial process and who is aggrieved by a refusal of consent under subsection (1) above or by any conditions attached to such a consent may apply to the Secretary of State; and the Secretary of State, if he thinks fit to do so after affording to the Corporation an opportunity to make representations to him and considering any representations so made, may himself authorise that person to make the supply in question in accordance with such conditions as the Secretary of State may specify.
- (5) Any person who is engaged after the appointed day in the manufacture of gas may by notice require the Corporation to buy all or part of the gas manufactured by him which he does not require for his own use; and the Corporation shall, if and so far as it is reasonably practicable and economical for them to do so, comply with that requirement.
- (6) The Corporation may, if it appears to them to be necessary for the proper performance of their duty under section 2(1) of this Act, require any person manufacturing gas to sell to them all or part of the gas manufactured by him which he does not require for his own use, and the said person shall comply with that requirement; and where the Corporation make such a requirement, any rights and obligations of the person on whom it is made relating to the supply of gas after the date on which the requirement

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takes effect shall be transferred to the Corporation, and any agreement relating to such supply shall have effect accordingly:

Provided that the Corporation shall not be under any liability by reason of any failure to provide a supply in pursuance of any such obligation if the failure is due to any deficiency in the quantity or quality of the gas supplied in pursuance of the said requirement.

- (7) Where any requirement is made under subsection (5) or (6) above, any pipes or other plant or gas fittings which the person who is to sell gas to the Corporation uses or holds for the purpose of or in connection with the supply of gas manufactured by him and which will in consequence of the said requirement no longer be required by him, but not including any pipes, plant or fittings which it is not reasonably practicable and economical for the Corporation to take over, shall if either the Corporation or the said person so requires, be transferred to the Corporation.
- (8) Any question arising under subsection (5), (6) or (7) above as to whether, or as to the extent to which, it is reasonably practicable and economical for the Corporation to buy a supply of gas, or as to the terms and conditions on which the supply is to be given, or as to whether, or as to the extent to which, pipes, plant or gas fittings are to be transferred to the Corporation, or as to the terms and conditions on which they are to be transferred, shall be referred for inquiry and report to a person appointed by the Secretary of State for Trade and Industry after consultation with the Lord Chancellor or, in Scotland, after consultation with the Secretary of State for Scotland, and shall be determined by the Secretary of State for Trade and Industry after considering the report of the said person.
- (9) For the purposes of this section—
 - (a) a person providing gas for his own use shall not in so doing be deemed to be supplying gas, and gas provided by a company for the use of any subsidiary or holding company of that company, or of any subsidiary of a holding company of that company, shall be deemed to be provided for the use of that company;
 - (b) a person providing, for use in a flat or part of a building let by him, gas supplied to him shall not in so doing be deemed to be supplying gas.
- (10) This section shall not affect the supply of gas by any person otherwise than through pipes.
- (11) This section shall not apply to natural gas got in pursuance of a licence under the Petroleum (Production) Act 1934 (including a licence under that Act as applied by section 1(3) of the Continental Shelf Act 1964).

Meter testing and stamping

30 Meter testing and stamping

- (1) As from the appointed day, no meter shall be used for the purpose of ascertaining the quantity of gas supplied to any person unless it is stamped either by, or on the authority of, a meter examiner appointed under this section or in such other manner as may be authorised by regulations.
- (2) A meter examiner shall not stamp, or authorise the stamping of, any meter unless he is satisfied that it is of such pattern and construction and is marked in such manner as

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is approved by the Secretary of State and that the meter conforms with such standards as may be prescribed.

- (3) The Secretary of State shall appoint competent and impartial persons as meter examiners for the purposes of this section, and it shall be the duty of such an examiner, on being required to do so by any person and on payment of the prescribed fee, to examine any meter used or intended to be used for ascertaining the quantity of gas supplied to any person, and to stamp, or authorise the stamping of, that meter if the examiner is satisfied of the matters aforesaid.
- (4) There shall be paid out of moneys provided by Parliament to meter examiners such remuneration and such allowances as may be determined by the Secretary of State with the approval of the Minister for the Civil Service, and such pensions as may be so determined may be paid out of moneys provided by Parliament to or in respect of such examiners.
- (5) All fees payable in respect of the examination of meters by meter examiners shall be paid to the Secretary of State.
- (6) Regulations may make provision—
 - (a) for re-examining meters already stamped, and for the cancellation of stamps in the case of meters which no longer conform with the prescribed standards and in such other circumstances as may be prescribed,
 - (b) for requiring meters to be periodically overhauled,
 - (c) for the revocation of any approval given by the Secretary of State to any particular pattern or construction of meter, and for requiring existing meters of that pattern or construction to be replaced within such period as may be prescribed,
 - (d) for determining the fees to be paid for examining, stamping and re-examining meters, and the persons by whom they are to be paid, and
 - (e) for any matters supplementary or incidental to the matters aforesaid and to the provisions of this section for which provision appears to the Secretary of State to be necessary or expedient.
- (7) If any person supplies gas through a meter which has not been stamped under this section, he shall be guilty of an offence and liable on summary conviction to a fine not exceeding £100.
- (8) The preceding provisions of this section shall not have effect in relation to the supply of gas to a person under any agreement made with the Corporation and providing for the quantity of gas supplied to him to be ascertained otherwise than by means of a duly stamped meter.

Safety regulations

31 Power to make safety regulations

- (1) The Secretary of State may make such regulations as he thinks fit for the purpose of securing that the public is so far as practicable protected from any personal injury, fire, explosion or other dangers arising from the transmission or distribution of gas by the Corporation, or from the use of gas supplied by the Corporation.

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- (2) Without prejudice to the generality of subsection (1) above, any regulations made under this section may make provision for empowering any officer authorised by the Corporation, with such other persons (if any) as may be necessary.—
- (a) to enter any premises in which there is a service pipe connected with gas mains of the Corporation, for the purpose of inspecting any gas fitting on the premises, any flue or means of ventilation used in connection with any such gas fitting, or any service pipe or other apparatus (not being a gas fitting) which is on the premises and belongs to the Corporation or is connected with the gas mains of the Corporation,
 - (b) where he so enters any such premises, to examine or apply any test to any such object as is mentioned in paragraph (a) above and (where the object is a gas fitting) to verify what supply of air is available for it, with a view to ascertaining whether the provisions of any regulations made under this section have been complied with or whether the object is in such a condition, or (in the case of a gas fitting) the supply of air available for it is so inadequate, that it (or, in the case of a flue or means of ventilation, the gas fitting in connection with which it is used) is likely to constitute a danger to any person or property, and
 - (c) where in his opinion it is necessary to do so for the purpose of averting danger to life or property, and notwithstanding any contract previously existing, to disconnect and seal off any gas fitting or any part of the gas supply system on the premises, or to cut off the supply of gas to the premises or, if no such supply is being given, to signify the refusal of the Corporation to give such a supply.
- (3) Where any regulations under this section confer any power in accordance with paragraph (c) of subsection (2) above, the regulations shall also include provision—
- (a) for securing that, where any such power is exercised, the consumer will be notified as to the nature of the defect or other circumstances in consequence of which, it has been exercised,
 - (b) for enabling any consumer so notified to appeal to the Secretary of State on the grounds that the defect or other circumstances in question did not constitute a danger such as to justify the action taken in the exercise of the power, or did not exist or have ceased to exist, and
 - (c) for enabling the Secretary of State to give such directions as may in accordance with the regulations be determined by him to be appropriate in consequence of any such appeal.
- (4) Regulations made under this section may make provision for prohibiting any person, except with the consent of the Corporation or in pursuance of any directions given by the Secretary of State as mentioned in subsection (3)(c) above, from—
- (a) reconnecting any gas fitting or part of a gas supply system which has been disconnected by or on behalf of the Corporation in the exercise of a power conferred by the regulations, or
 - (b) restoring the supply of gas to any premises where it has been cut off by or on behalf of the Corporation in the exercise of any such power, or
 - (c) causing gas from the gas mains of the Corporation to be supplied to any premises where in pursuance of the regulations the refusal of the Corporation to give a supply to those premises has been signified and that refusal has not been withdrawn.

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- (5) Any local enactment which is inconsistent with or rendered redundant by any regulations made under this section shall cease to have effect as from the date on which those regulations come into operation.

PART IV

MISCELLANEOUS AND SUPPLEMENTAL

Miscellaneous

32 Position of Corporation as respects taxation etc. generally

With the exception of sections 33 and 34 below, nothing in this Act shall be deemed to exempt the Corporation from any liability for any tax, duty, rate, levy or other charge whatsoever, whether general or local.

33 Special provisions with respect to stamp duty

- (1) Section 12 of the Finance Act 1895 (which requires certain Acts to be stamped as conveyances on sale) shall not apply to this Act.
- (2) Where the redemption of, and the payment of interest on any British Gas Stock issued by the Corporation is guaranteed by the Treasury under section 22 of this Act, transfers of the stock shall be exempt from all stamp duty (including stamp duty payable in Northern Ireland).

For the purposes of section 6 of the Government of Ireland Act 1920, this subsection shall, so far as it relates to stamp duty payable in Northern Ireland, be deemed to be contained in an Act passed before the day appointed for the purposes of that section.

- (3) Where a subsidiary is to be formed by the Corporation, or the amount of the nominal share capital of a subsidiary of the Corporation is to be increased, then, if the Treasury are satisfied that the formation of the subsidiary or, as the case may be, the increase of capital, is for the purpose of giving effect to conclusions reported to the Secretary of State under subsection (1) of section 4 of this Act or a direction given by the Secretary of State under subsection (3) of that section, or is for purposes that include that purpose, stamp duty shall not be chargeable on so much of the nominal share capital of the subsidiary or, as the case may be, of the increase in the nominal share capital of the subsidiary as, in the opinion of the Treasury, is necessary for achieving that purpose.

34 Rating of Corporation

- (1) Subsection (2) below applies to the rating of the Corporation in England and Wales, and subsection (3) to the rating of the Corporation in Scotland.
- (2) As from the appointed day, the provisions set out in Part I of Schedule 5 to this Act shall, as there directed, be substituted for section 33 of, and Schedule 6 to, the General Rate Act 1967 (which relate to the rating of the Gas Council and the Area Boards in England and Wales).

The transitional provisions contained in Part II of the said Schedule 5 shall also have effect, and the provisions in the said Part I shall have effect subject to them.

- (3) For the purposes of the levying of rates in respect of—
- (a) the year following the appointed day, the Corporation shall be treated as having—
 - (i) supplied, manufactured or produced all gas supplied or manufactured or produced in Scotland by the Gas Council and the Scottish Gas Board during the twelve months ending with the 31st March falling within the immediately preceding year, and
 - (ii) purchased all gas purchased by the Gas Council in order to supply the Scottish Gas Board and consumers in Scotland, and all gas purchased by the Scottish Gas Board from any person other than the Gas Council during the said period, and
 - (iii) occupied during that year, the lands and heritages mentioned in section, 24(1) of the Valuation and Rating (Scotland) Act 1956,and for this purpose that Act and any other enactments relating to the levying of rates in Scotland on the Gas Council and the Scottish Gas Board shall apply as in operation immediately before the appointed day, except in relation to the definition of " excepted premises " in section 24(4) of the Valuation and Rating (Scotland) Act 1956,
 - (b) any subsequent year, the provisions of section 24 of, and Schedule 4 to, the Valuation and Rating (Scotland) Act 1956, shall apply as read with section 3 of the Local Government (Financial Provisions etc.) (Scotland) Act 1962, section 12 of the Local Government (Financial Provisions) (Scotland) Act 1963 and sections 18 and 19 of the Local Government (Scotland) Act 1966.

35 Machinery for settling terms and conditions of employment etc.

- (1) Except so far as they are satisfied that adequate machinery exists for. achieving the purposes of this section—
- (a) it shall be the duty of the Corporation to seek consultation with any organisation appearing to them to be appropriate with a view to the conclusion between the Corporation and that organisation of such agreements as appear to the parties to be desirable with respect to the establishment and maintenance of machinery for the settlement by negotiation of terms and conditions of employment of persons employed by the Corporation, with provision for reference to arbitration in default of such settlement in such cases as may be determined by or under the agreements, and
 - (b) it shall be the duty of the Corporation to seek consultation with any organisation appearing to them to be appropriate with a view to the conclusion between the Corporation and that organisation of such agreements as appear to the parties to be desirable with respect to the establishment and maintenance of machinery for the promotion and encouragement of measures affecting the safety, health and welfare of persons employed by the Corporation and the discussion of other matters of mutual interest to the Corporation and such persons, including the training and education of such persons and efficiency in the operation of the services of the Corporation.

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- (2) The Corporation, shall send to the Secretary of State for Trade and Industry and to the Secretary of State for Employment copies of any agreement made by them under this section and of any instrument varying the terms of any such agreement.

36 Provisions as to pension rights

- (1) The Corporation may, in the case of such of the persons to whom this subsection applies as they may determine, pay such pensions to or in respect of those persons as they may determine, make such payments as they may determine towards the provision of such pensions, or establish and maintain such schemes as they may determine for the payment of such pensions.

The persons to whom this subsection applies are all persons who are or at any time have been employed by the Corporation (whether as such or as the Gas Council), an Area Board, the National Council, a Regional Council, or a Gas Consultative Council established under section 9 of the Gas Act 1948, and all persons who were at any time before 1st May 1949 (the vesting date for the purposes of the said Act of 1948) either employed by an undertaker to whom Part II of that Act applied or employed whole-time for the purpose of administering the undertaking of such an undertaker or a part of that undertaking (the expression "undertaker to whom Part II of that Act applied" including for this purpose the bodies mentioned in section 62(1) of that Act, which relates to certain gas and coke associations).

- (2) A scheme under subsection (1) above may provide that, where a person participating therein as an employee of the Corporation becomes a member of the Corporation, his service as a member shall be treated for the purposes of the scheme as if it were service as an employee ; and any such scheme may also provide for the like treatment, in the case of any person who is a member of the Corporation as from the appointed day, and was immediately before that day participating in a pension scheme maintained by the Gas Council or an Area Board either as an employee of the body in question or as a member whose service as such was treated for the purposes of that scheme as service as an employee, of the whole service of that person as a member of the Corporation and a member or employee of the Council or Board.
- (3) Notwithstanding the repeal by this Act of section 58 of the Gas Act 1948 (pensions for persons employed in the gas industry), any regulations in force under that section immediately before the appointed day (including regulations made by virtue of section 62(2) of that Act), and any pension scheme subsisting immediately before that day under or by virtue of any such regulations, shall continue in force thereafter by virtue of this subsection, subject however to the necessary modifications and to the provisions of any regulations made under subsection (4) below.
- (4) Under this subsection (in which " old scheme " and " new scheme " mean respectively a pension scheme continued in force by subsection (3) above, and a pension scheme established under subsection (1) above), the Secretary of State may make regulations providing for all or any of the following matters—
- (a) the amendment, repeal or revocation of an old scheme, or the amalgamation of such a scheme either with another old scheme or with a new scheme,
 - (b) the amendment, repeal or revocation of any enactment relating to an old scheme or to a new scheme, of any regulations continued in force by subsection (3) above and not constituting such an enactment, and of any trust deed, rules or other instrument made for the purpose of any such scheme,

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- (c) the transfer in whole or in part, or the extinguishment, of liabilities and obligations under an old scheme,
- (d) the transfer in whole or in part, or the winding up, of any pension fund held for the purposes of an old scheme, and
- (e) any matter supplemental to or consequential on any of the matters aforesaid, including the dissolution or winding up of bodies, whether incorporated or not, the continued existence of which is unnecessary having regard to the regulations ;

but nothing in this subsection shall authorise the making of provision for the diversion of any pension fund to purposes other than the payment of pensions to or in respect of persons to whom subsection (1) above applies.

- (5) Regulations made under subsection (4) above shall be so framed as to secure that persons having pension rights under any scheme or regulations to which they relate are not placed in any worse position by reason of the regulations.

Regulations shall not be invalid by reason that in fact they fail to secure that result; but if the Secretary of State is satisfied that they have failed to secure it, or it is so determined as hereinafter mentioned, the Secretary of State shall as soon as possible make the necessary amending regulations.

Any dispute arising as to whether or not the said result has been secured shall be referred to and determined by a tribunal established under section 12 of the Industrial Training Act 1964.

- (6) Regulations made under the said subsection (4) may be made so as to have effect from a date prior to the making thereof, so however that so much of any regulations as provides that any provision thereof is to have effect from a date prior to the making thereof shall not place any person other than the Corporation in a worse position than he would have been in if the regulations had been made to have effect only as from the date of the making thereof.

37 Compensation to members and officers of Gas Council and Area Boards, and officers of Gas Consultative Councils

- (1) The Secretary of State may require the Corporation to pay—
 - (a) to any person whose term of office as a member of the Gas Council expires on the appointed day by virtue of paragraph 1 of Schedule 1 to this Act, and who is not appointed to membership of the body under its new name for a term of office beginning on that day, and
 - (b) to the persons who are members of Area Boards immediately before the appointed day,

such sums by way of compensation for loss of office as the Secretary of State may with the consent of the Minister for the Civil Service determine.

- (2) The Secretary of State may by regulations require the Corporation to pay, in such cases and to such extent as may be determined by or under the regulations, compensation to or in respect of officers of the Gas Council, of Area Boards, or of Gas Consultative Councils established under section 9 of the Gas Act 1948, being officers who suffer loss of employment, or loss or diminution of emoluments or pension rights, in consequence of this Act.

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- (3) Different regulations may be made under subsection (2) above in relation to different classes of persons, and any such regulations may be so framed as to have effect as from a date prior to the making thereof, so, however, that so much of any regulations as provides that any provision thereof is to have effect as from a date earlier than the making thereof shall not place any person other than the Corporation in a worse position than he would have been in if the regulations had been made to have effect only as from the date of the making thereof.
- (4) Regulations under subsection (2) above—
- (a) shall prescribe the procedure to be followed in making claims for compensation, and the manner in which and the person by whom the question whether any or what compensation is payable is to be determined, and
 - (b) shall in particular contain provisions enabling appeals from any determination as to whether any or what compensation is payable to be brought, in such cases and subject to such conditions as may be prescribed by the regulations, before a tribunal established under section 12 of the Industrial Training Act 1964.

38 Contributions by Secretary of State towards expenditure designed to promote employment

- (1) There may be defrayed out of moneys provided by Parliament such sums not in the aggregate exceeding £5 million as may be required by the Secretary of State for the purpose of making with the approval of the Treasury contributions towards expenses to which this section applies.
- (2) This section applies—
- (a) to expenses incurred by the Gas Council, any of the Area Boards or the Corporation in or in connection with the carrying out of any project which is commenced before 1st April 1974 and which, pursuant to an agreement entered into with the Secretary of State with a view to promoting employment (whether or not in the gas industry) is, in whole or in part, commenced or carried out earlier than it would have been but for the agreement, and
 - (b) to expenses incurred by any of those bodies in or by reason of the purchase before that date of materials for any project, being a purchase which, pursuant to any such agreement, was effected earlier than it would have been but for the agreement;

and, in the case of the Gas Council and the Area Boards, this section applies to expenses incurred before as well as after the passing of this Act.

39 Application of Pipe-lines Act 1962

- (1) As from the appointed day, section 58(1) of the Pipe-lines Act 1962 (which sets out certain statutory bodies to whom, or in relation to whose pipe-lines, certain provisions of that Act are not to apply) shall be amended by substituting the following paragraph for paragraphs (a) and (b) (Area Boards and Gas Council)—
- “(a) the British Gas Corporation ;”.
- (2) Notwithstanding subsections (4) and (5) of the said section 58 and subsection (1) above, but subject to subsection (3) below, the references to a pipe-line in sections 27(1), 31(1) and 42 of the said Act (protection of pipe-lines imperilled by buildings, structures or deposits, and powers of inspectors) shall include references to any pipe-line vested in the Corporation other than one laid in a street or a service pipe, and

the references in the said section 42 to pipe-line works shall include references to any such works executed by the Corporation in relation to such a pipe-line.

In this subsection "street" has the same meaning as in the Public Utilities Street Works Act 1950.

- (3) The application by virtue of subsection (2) above of the said section 27(1) and the said section 31(1) to a particular part of any pipe-line shall be dependent upon there having been previously deposited with every local authority in whose area the part lies, either by the Corporation or, before the appointed day, by the Gas Council or an Area Board, a map, on a scale not less than 1 in 10,560, showing the route taken by the part.

A local authority holding a map relating to a pipe-line vested in the Corporation shall keep the map at their offices, and shall secure that it is open to inspection by any person at all reasonable times free of charge.

In this subsection " local authority " means—

- (a) in England and Wales, the council of a county, county borough or county district, the Greater London Council, the council of a London borough, and the Common Council of the City of London, and
- (b) in Scotland, a town or county council.

40 Meaning of "operational land" in Planning Acts

Section 223 of the Town and Country Planning Act 1971 and section 212 of the Town and Country Planning (Scotland) Act 1972 (which relate to the determination of what is operational land for the purposes of those Acts) shall each be amended by inserting in subsection (2)(b), before the words " the Transport Act 1968 " , the words " the Gas Act 1972 or " .

41 Adaptation to metric units

- (1) The Secretary of State may by regulations amend any provision of this Act, or any other enactment (whenever passed or made) relating to gas by substituting—
- (a) for any reference therein to the therm, a reference to a unit of measurement defined in terms of metric units, and
 - (b) for any reference therein to a distance expressed in imperial units, a reference to one expressed in metric units, being one which is either equivalent thereto or such an approximation thereto as the Secretary of State considers it preferable to substitute for the purpose of securing that the enactment in question as amended is expressed in convenient terms.
- (2) The Secretary of State may also by regulations amend section 25(1) of this Act by substituting for the definition of " calorific value " a definition expressed in terms of metric units.
- (3) Regulations under this section may contain such incidental, supplemental and consequential provisions as the Secretary of State considers expedient.

Supplementary

42 Penalties

- (1) If any person, in giving any information, making any claim or giving any notice for the purposes of any provision of this Act, or of any regulation thereunder, makes any statement which he knows to be false in a material particular, or recklessly makes any statement which is false in a material particular, he shall be guilty of an offence and liable—
 - (a) on summary conviction, to a fine not exceeding £400,
 - (b) on conviction on indictment, to imprisonment for a term not exceeding two years, or to a fine, or to both.
- (2) Regulations made under any provision of this Act may provide that any person contravening or failing to comply with any provision of the regulations shall be guilty of an offence and liable on summary conviction to a fine not exceeding £400.

43 Provisions as to prosecutions, and as to offences by corporations

- (1) Proceedings for an offence under section 42(1) above or any regulation made under this Act shall not in England and Wales be instituted except by or with the consent of the Secretary of State or by the Director of Public Prosecutions.
- (2) In England and Wales, any proceedings before a court of summary jurisdiction—
 - (a) for an offence against any regulations made under section 31 above, or for aiding, abetting, counselling or procuring the commission of such an offence, or
 - (b) for an offence under section 42(1) above relating to any information, claim or notice given or made for the purposes of any such regulations,may, notwithstanding any enactment prescribing the time within which proceedings may be brought, be brought either within the time so prescribed or within three months from the date on which evidence sufficient in the opinion of the Secretary of State to justify a prosecution for the offence comes to his knowledge, whichever is the longer; and for the purposes of this subsection a certificate purporting to be signed by the Secretary of State as to the date on which such evidence comes to his knowledge shall be conclusive evidence thereof.
- (3) Summary proceedings in Scotland for an offence mentioned in the last foregoing subsection may notwithstanding the limitation in section 23(1) of the Summary Jurisdiction (Scotland) Act 1954 be commenced at any time within three months after the date on which evidence sufficient in the opinion of the Lord Advocate to justify a prosecution comes to his knowledge, or where such evidence was reported to him by the Secretary of State, within three months after the date on which it came to the knowledge of the Secretary of State and for the purposes of this subsection—
 - (a) a certificate purporting to be signed by or on behalf of the Lord Advocate or the Secretary of State, as the case may be, as to the date on which such evidence as aforesaid came to their knowledge shall be conclusive evidence; and
 - (b) section 23(2) of the said Act of 1954 shall have effect as it has effect for the purposes of that section.
- (4) Where an offence under section 42(1) above or any regulations made under this Act which has been committed by a body corporate is proved to have been committed

with the consent or connivance of, or to be attributable to any neglect on the part of, any director, manager, secretary or other similar officer of the body corporate, or any person who was purporting to act in any such capacity, he as well as the body corporate shall be guilty of that offence and be liable to be proceeded against and punished accordingly.

- (5) Where the affairs of a body corporate are managed by its members, subsection (4) above shall apply in relation to the acts and defaults of a member in connection with his functions of management as if he were a director of the body corporate.

44 Service of notices etc.

- (1) Subject to subsection (2) below, any notice or other document required or authorised to be given, delivered or served under this Act or regulations made thereunder, or under any enactment applied by this Act, other than one contained in the Pipe-lines Act 1962, may be given, delivered or served either—
- (a) by delivering it to the person to whom it is to be given or delivered or on whom it is to be served, or
 - (b) by leaving it at the usual or last known place of abode of that person, or
 - (c) by sending it in a prepaid letter addressed to that person at his usual or last known place of abode, or
 - (d) in the case of a body corporate, by delivering it to the secretary or clerk of the body at their registered or principal office, or sending it in a prepaid letter addressed to the secretary or clerk of the body at that office, or
 - (e) if it is not practicable after reasonable inquiry to ascertain the name or address of a person to whom it should be given or delivered, or on whom it should be served, as being a person having any interest in premises, by addressing it to him by the description of the person having that interest in the premises (naming them) to which it relates and delivering it to some responsible person on the premises, or affixing it or a copy of it to some conspicuous part of the premises.
- (2) Subsection (1) above shall not apply to notices to be given to or served on the Corporation under the provisions of Schedule 4 to this Act, but any such notice may be given or served by delivering it at, or sending it in a prepaid letter addressed to, an appropriate office of the Corporation, and, in the case of a notice under paragraph 15 or 22 of that Schedule, shall be treated as received by the Corporation only if received by them at an appropriate office.
- (3) For the purposes of subsection (2) above, the Corporation shall divide Great Britain into such areas as they think fit, and shall fix in the case of each area offices of theirs which are to be appropriate offices in relation to notices relating to matters arising in that area; and the Corporation shall publish in each area, in such manner as they consider adequate, the addresses of the offices fixed by them for that area, and shall endorse the addresses of the offices fixed for the area in question on every demand note for gas charges payable to them.

45 Provisions as to regulations and orders

- (1) Any power conferred by this Act to make regulations or orders shall include power to provide by those regulations or orders for the determination of questions of fact or of law which may arise in giving effect to the regulations or orders and for regulating (otherwise than in relation to any court proceedings) any matters relating to the

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practice and procedure to be followed in connection with the determination of such questions, including provision as to the mode of proof of any matters and provision as to parties and their representation and provision for the right to appear and be heard (as well in court proceedings as otherwise) of the Secretary of State or other authorities, and as to awarding costs of proceedings (other than court proceedings) for the determination of such questions, determining the amount thereof and the enforcement of awards thereof.

- (2) Any power conferred by this Act to prescribe by regulations a period within which things are to be done shall include power to provide by those regulations for extending the period so prescribed.
- (3) Any power conferred by this Act to make regulations or orders may be exercised so as to make different provision for different areas or in relation to different cases or different circumstances to which the power is applicable, and so as to provide for such exceptions, limitations and conditions as the Secretary of State considers necessary or expedient.
- (4) Any power conferred by this Act to make regulations or orders shall be exercisable by statutory instrument which, except in the case of an order appointing a day or an instrument which is required to be laid before Parliament in draft, shall be subject to annulment in pursuance of a resolution of either House of Parliament.
- (5) Any order made under any such power may be revoked or varied by a subsequent order made in the like manner and subject to the like conditions; but an order appointing a day shall not be revoked or varied by virtue of this subsection by an order made on or after that day.

46 Inquiries

- (1) The Secretary of State may cause an inquiry to be held in any case when he deems it advisable to do so in connection with any matter arising under this Act, and subsections (2) to (5) of section 290 of the Local Government Act 1933 shall apply to any inquiry held by the Secretary of State in pursuance of this section, and shall have effect as if the expression " department" included the Secretary of State:

Provided that no local authority shall be ordered to pay costs under subsection (4) of the said section 290 in the case of any inquiry unless they are a party thereto.

- (2) Subsections (2) to (9) of section 355 of the Local Government (Scotland) Act 1947 shall apply to any inquiry held under the preceding subsection in Scotland in lieu of the enactments therein mentioned:

Provided that no local authority shall be directed under subsection (8) of the said section to pay any part of the expenses incurred in relation to any inquiry unless the authority are a party thereto.

47 Expenses and receipts of Secretary of State etc.

Any administrative expenses incurred under this Act by the Secretary of State or by any other Minister of the Crown or government department shall be paid out of moneys provided by Parliament; and any sums received by the Secretary of State or by any other Minister of the Crown or government department under or by virtue of this Act shall, except as provided by section 20(4) of this Act, be paid into the Consolidated Fund.

48 Interpretation

(1) In this Act the following expressions have the following meanings except where the context otherwise requires—

" appointed day " means the day appointed by the Secretary of State under section 1(1) of this Act;

" Area Board " means an Area Board established under the Gas Act 1948;

" British Gas Stock " has the meaning given by section 21(1) of this Act;

" calorific value " and " declared calorific value " have the meanings given by section 25(1) of this Act;

" company " means a company incorporated by any enactment or by Royal Charter, any company within the meaning of the Companies Act 1948 and any company registered or incorporated outside Great Britain;

" the Corporation " means the British Gas Corporation;

" emoluments " includes any allowances, privileges or benefits, whether obtaining legally or by customary practice;

" enactment " means any provision of a public general Act, of a local, private or personal Act, of a provisional order confirmed by an Act or of any regulation or order made under an Act;

" financial year ", in relation to the Corporation, means a period of twelve months ending with a day to be prescribed, so however that the first financial year shall be the period of whatever length running from the end of the last full financial year of the Gas Council as such until the first occurrence of the prescribed day after the appointed day, and, in the case of any alteration of the prescribed day, the duration of the financial year as to which the alteration is first to have effect shall be shortened or extended as may be prescribed, by not more than six months, so as to end on the new prescribed day ;

" functions " means duties and powers ;

" gas fittings " means gas pipes, fittings, meters, apparatus and appliances designed for use by consumers of gas for lighting, heating, motive power and other purposes for which gas can be used ;

" gasworks " means works for the manufacture of gas and gas holders, and any works used in connection with such works or holders ;

" holding company " shall be construed in accordance with section 154 of the Companies Act 1948 ;

" local enactment " means any enactment except one contained in or made under a public general Act, and also includes any provision of the Metropolis Gas Act 1860 and the Metropolis Gas Act 1861 ;

" the National Council " means the National Gas Consumers' Council;

" natural gas " means any gas derived from natural strata ;

" pension ", in relation to any person, means a pension, whether contributory or not, of any kind whatsoever payable to or in respect of him, and includes a gratuity so payable and a return of contributions to a pension fund with or without interest thereon or any other addition thereto:

" pension rights " includes, in relation to any person, all forms of right to, or eligibility for, the present or future payment of a pension to or in respect of that person, and any expectation of the accruer of a pension to or in respect of that person under any customary practice and includes a right of allocation in respect of the present or future payment of a pension;

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" pension scheme " includes any form of arrangements for the payment of pensions, whether subsisting by virtue of an Act, trust, contract or otherwise;

" plant " includes any equipment, apparatus and appliances except gas fittings;

" prescribed " means prescribed by regulations;

" Regional Council " means a Regional Gas Consumers' Council;

" regulations " means regulations made by the Secretary of State;

" subsidiary " shall be construed in accordance with section 154 of the Companies Act 1948, and " wholly owned subsidiary " in accordance with section 150(4) of that Act;

" therm " means 100,000 British thermal units.

- (2) References in this Act to any other enactment shall be construed as references to that enactment as amended by any other enactment including this Act.

49 Amendments, savings, transitional provisions and repeals

- (1) The enactments mentioned in Part I of Schedule 6 to this Act shall have effect as from the appointed day subject to the minor and consequential amendments there specified; and the provisions of Part II of that Schedule shall have effect with respect to the enactments there mentioned.

- (2) This Act shall have effect subject to the savings and transitional provisions contained in Schedule 7 to this Act.

- (3) The enactments specified in Schedule 8 to this Act are hereby repealed as from the appointed day to the extent specified in the third column of that Schedule:

Provided that the repeal of the London Gas Undertakings (Regulations) Act 1939 shall have effect as from such day as the Secretary of State may by order appoint for that particular purpose.

50 Short title and extent

- (1) This Act may be cited as the Gas Act 1972.

- (2) This Act, except section 33(2) and the provisions thereof relating to the House of Commons Disqualification Act 1957 (that is to say, paragraph 4 of Schedule 3, paragraph 7 of Schedule 6, and the repeals in that Act effected by Schedule 8), does not extend to Northern Ireland.

SCHEDULES

SCHEDULE 1

Section 1(6).

THE BRITISH GAS CORPORATION : SUPPLEMENTARY PROVISIONS

Termination of office of existing members of Gas Council

- 1 The terms of office of all persons who are members of the Gas Council immediately before the appointed day shall expire on that day, but without prejudice to the appointment of any of those persons under section 1(2) of this Act to membership of the body under its new name for a term of office beginning on that day.

Functions etc. of first members of British Gas Corporation before the appointed day

- 2 (1) It shall be the duty of the persons appointed to membership of the Corporation as from the appointed day to meet from time to time before that day for the purpose of planning the organisation and operation of the gas industry in Great Britain as from that day; and the Gas Council shall provide those persons with the accommodation and staff necessary for the carrying out of that duty, shall supply them with such information as they may reasonably require for that purpose, shall meet any expenses reasonably incurred by them in that connection, and shall give effect to any recommendation for the appointment of officers with effect from the appointed day which may have been decided upon by a majority of those persons in accordance with rules of procedure (which may include provision for a casting vote) determined by them for the purpose.
- (2) The Gas Council shall pay to the persons appointed to membership as aforesaid, for the period beginning with their appointment and ending immediately before the appointed day, such remuneration and such allowances as may be determined by the Secretary of State with the consent of the Minister for the Civil Service.

Supplementary provisions with respect to vesting of assets etc.

- 3 (1) The Secretary of State may provide by regulations for the registration of the title of the Corporation to assets vesting in them by virtue of this Act and of a kind subject to provision for the registration of title thereto, and for any matters for which provision appears to him to be necessary or expedient for the purpose of securing the effective transfer of any assets so vesting.
- (2) In the application of sub-paragraph (1) above to Scotland, after the word "thereto" there shall be inserted the words " for the completion of the title of the Corporation to heritable property vesting in them as aforesaid ".
- 4 Every agreement to which any Area Board was a party immediately before the appointed day, whether in writing or not, and whether or not of such a nature that rights, liabilities and obligations thereunder could be assigned by the Board, shall, unless its terms or subject matter make it impossible that it should have effect as

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modified in the manner provided by this paragraph, have effect as from that day as if—

- (a) the Corporation had been a party to the agreement,
- (b) subject to sub-paragraph (e) below, for any reference (however worded, and whether express or implied) to the Board there were substituted, as respects anything falling to be done on or after the appointed day, a reference to the Corporation,
- (c) for any reference (however worded, and whether express or implied) to any member or officer of the Board not being a party to the agreement and beneficially interested therein there were substituted, as respects anything falling to be done on or after the appointed day, a reference to such person as the Corporation may appoint, or, in default of appointment, to the member or officer of the Corporation who corresponds as nearly as may be to the member or officer of the Board,
- (d) in the case of an agreement for the rendering of personal services to the Board, the services to which the agreement relates were, on and after the appointed day, any services under the Corporation, to be selected by the Corporation, which are reasonably equivalent services, and
- (e) except as provided in sub-paragraphs (c) and (d) above, for any reference (however worded, and whether express or implied) to the business carried on by the Board or to the Board's area of supply or part of it there were substituted, as respects anything falling to be done on or after the appointed day, a reference to the corresponding part of the Corporation's business or, as the case may be, to the corresponding area supplied by the Corporation.

5 Every agreement, whether in writing or not, and every document (not being an agreement to which paragraph 4 above applies or an enactment) which refers whether specifically or generally to any Area Board shall be construed in accordance with the provisions of that paragraph so far as applicable.

6 Paragraphs 4 and 5 above shall have effect subject to the provisions of any regulations made under section 36 of this Act.

7 Without prejudice to the generality of paragraphs 4 and 5 above, where any right, liability or obligation vests in the Corporation by virtue of this Act, the Corporation and all other persons shall, as from the appointed day, have the same rights, powers and remedies (and, in particular, the same rights as to the taking or resisting of legal proceedings or the making or resisting of applications to any authority) for ascertaining, perfecting or enforcing that right, liability or obligation as they would have had if it had at all times been a right, liability or obligation of the Corporation, and any legal proceedings or applications to any authority pending on the appointed day by or against any Area Board, in so far as they relate to any property, right, liability or obligation vesting in the Corporation by virtue of this Act or to any agreement or document which has effect in accordance with paragraph 4 or 5 above or to any enactment applied by or under this Act, shall be continued by or against the Corporation to the exclusion of the Board.

SCHEDULE 2

Section 6(5).

ACQUISITION OF LAND BY CORPORATION

PART I

POWERS OF ACQUISITION

- 1 The Secretary of State may authorise the Corporation to purchase compulsorily any land in Great Britain which they require for or in connection with the exercise and performance of their functions under any enactment.
- 2 In paragraph 1 above " land" includes any right over land; and the power of the Secretary of State under that paragraph includes power to authorise the acquisition of rights over land by creating new rights as well as acquiring existing ones.
- 3 (1) This paragraph applies to land which, for the purposes of the Acquisition of Land (Authorisation Procedure) Act 1946 or of the Acquisition of Land (Authorisation Procedure) (Scotland) Act 1947, is or forms part of a common, open space or fuel or field garden allotment.

(2) Where for any purpose the Corporation have acquired, or propose to acquire, any land to which this paragraph applies, or any right over any such land, and other land is required for the purpose of being given in exchange for the land or right in question, the Secretary of State may authorise the Corporation to purchase that other land compulsorily, or they may acquire it by agreement.

PART II

PROCEDURE, COMPENSATION ETC. (ENGLAND AND WALES)

Application of Acquisition of Land (Authorisation Procedure) Act 1946 generally

- 4 The Acquisition of Land (Authorisation Procedure) Act 1946 (hereafter referred to as " the Act of 1946 ") shall apply to the compulsory purchase by the Corporation of land or rights in England or Wales as if the Corporation were a local authority within the meaning of that Act, and as if this Act had been in force immediately before the commencement of that Act.

New rights: general adaptation of Act of 1946 and Compulsory Purchase Act 1965

- 5 The Act of 1946 and the Compulsory Purchase Act 1965 (hereafter referred to as " the Act of 1965 ") shall have effect with the modifications necessary to make them apply to the Corporation's compulsory acquisition of a right in England or Wales by the creation of a new right as they apply to the compulsory acquisition of land, so that, in appropriate contexts, references in those Acts to land are to be read as referring, or as including references, to the right acquired or to be acquired, or to land over which the right is, or is to be, exercisable, according to the requirements of the particular context.

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New rights: specific adaptations of Act of 1946

- 6 Without prejudice to the generality of paragraph 5 above, Part III of Schedule 1 to the Act of 1946 (requirement of special parliamentary procedure, and other special provisions, in the case of acquisition of certain descriptions of land) shall apply in relation to the Corporation's compulsory acquisition of a right in England or Wales by the creation of a new right with the modifications specified in paragraphs 7 to 10 below.
- 7 In paragraph 9 of that Schedule (compulsory purchase affecting land of local authorities, statutory undertakers or National Trust) for references to the compulsory purchase of land there shall be substituted references to the compulsory acquisition of rights over land.
- 8 In paragraph 10 of that Schedule (land of statutory undertakers)—
- (a) for the words " land comprised in the order " there shall be substituted the words " land over which a right is to be acquired by virtue of the order ",
 - (b) for the words " purchase of " there shall be substituted the words " acquisition of a right over ",
 - (c) for the words " it can be purchased and not replaced " there shall be substituted the words " the right can be acquired ", and
 - (d) for sub-paragraph (ii) there shall be substituted the following:—
 - “(ii) that any detriment to the carrying on of the undertaking, in consequence of the acquisition of the right, can be made good by the undertakers by the use of other land belonging to, or available for acquisition by, them”.
- 9 (1) In paragraph 11 of that Schedule (common land, open spaces, etc.) the following shall be substituted for sub-paragraph (1):
- “(1) In so far as a compulsory purchase order authorises the acquisition of a right over land forming part of a common, open space or fuel or field garden allotment, it shall be subject to special parliamentary procedure unless the Secretary of State is satisfied—
- (a) that the land, when burdened with that right, will be no less advantageous to those persons in whom it is vested and other persons, if any, entitled to rights of common or other rights, and to the public, than it was before ; or
 - (b) that there has been or will be given in exchange for the right additional land which will as respects the persons in whom there is vested the land over which the right is to be acquired, the persons, if any, entitled to rights of common or other rights over that land, and the public, be adequate to compensate them for the disadvantages which result from the acquisition of the right, and that the additional land has been or will be vested in the persons in whom there is vested the land over which the right is to be acquired, and subject to the like rights, trusts and incidents as attach to that land apart from the compulsory purchase order ; or
 - (c) that the land affected by the right to be acquired does not exceed 250 square yards in extent, and that the giving of other land in exchange for the right is unnecessary, whether in the interests of the persons, if any, entitled to rights of common or other rights or in the interests of the public,

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and certifies accordingly.”.

- (2) In the said paragraph 11, in sub-paragraph (3), the following shall be substituted for the words from " and for discharging " to the end—

“and for discharging the land over which any right is to be acquired from all rights, trusts and incidents to which it has previously been subject so far as their continuance would be inconsistent with the exercise of that right”.

- 10 In paragraph 12 of that Schedule, for the words " the purchase of" there shall be substituted the words " the acquisition of a right over ".

Restriction on application of paragraphs 5 to 10 above

- 11 So much of paragraph 5 above as relates to the Act of 1946, and paragraphs 6 to 10 above, shall not apply to any compulsory purchase to which, by virtue of section 12 or 13 of the Gas Act 1965 as amended by paragraph 14(2) of Schedule 6 to this Act, Part I of Schedule 4 to that Act applies.

New rights: specific adaptations of Act of 1965

- 12 Without prejudice to the generality of paragraph 5 above, Part I of the Act of 1965 shall apply in relation to the Corporation's compulsory acquisition of a right in England or Wales by the creation of a new right with the modifications specified in paragraphs 13 to 18 below.

- 13 For section 7 of that Act (measure of compensation) there shall be substituted the following:—

“7 In assessing the compensation to be paid by the acquiring authority under this Act regard shall be had not only to the extent (if any) to which the value of the land over which the right is to be acquired is depreciated by the acquisition of the right but also to the damage (if any) to be sustained by the owner of the land by reason of its severance from other land of his, or injuriously affecting that other land by the exercise of the powers conferred by this or the special Act.”

- 14 For section 8(1) of that Act (protection for vendor against severance of house, garden, etc.) there shall be substituted the following:—

“(1) No person shall be required to grant any right over part only—

- (a) of any house, building or manufactory ; or
(b) of a park or garden belonging to a house,

if he is willing to sell the whole of the house, building, manufactory, park or garden, unless the Lands Tribunal determines that—

- (i) in the case of a house, building or manufactory, the part over which the right is proposed to be acquired can be made subject to that right without material detriment to the house, building or manufactory ; or
(ii) in the case of a park or garden, the part over which the right is proposed to be acquired can be made subject to that right without seriously affecting the amenity or convenience of the house ;

and if the Lands Tribunal so determine, the Tribunal shall award compensation in respect of any loss due to the acquisition of the right, in addition to its value; and thereupon the party interested shall be required to

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grant to the acquiring authority that right over that part of the house, building, manufactory, park or garden.

(1A) In considering the extent of any material detriment to a house, building or manufactory, or any extent to which the amenity or convenience of a house is affected, the Lands Tribunal shall have regard not only to the right which is to be acquired over the land, but also to any adjoining or adjacent land belonging to the same owner and subject to compulsory purchase.”

15 The following provisions of that Act (being provisions stating the effect of a deed poll executed in various circumstances where there is no conveyance by persons with interests in the land):—

section 9(4) (refusal by owners to convey);
 Schedule 1, paragraph 10(3) (owners under incapacity);
 Schedule 2, paragraph 2(3) (absent and untraced owners) ; and
 Schedule 4, paragraphs 2(3) and 7(2) (common land),

shall be so modified as to secure that, as against persons with interests in the land which are expressed to be overridden by the deed, the right which is to be compulsorily acquired is vested absolutely in the acquiring authority.

16 Section 11 of that Act (powers of entry) shall be so modified as to secure that, as from the date on which the acquiring authority have served notice to treat in respect of any right, they have power,

exercisable in the like circumstances and subject to the like conditions, to enter for the purpose of exercising that right (which shall be deemed for this purpose to have been created on the date of service of the notice); and sections 12 (penalty for unauthorised entry) and 13 (entry on sheriff's warrant in the event of obstruction) shall be modified correspondingly.

17 Section 20 of that Act (protection for interests of tenants at will, etc.) shall apply with the modifications necessary to secure that persons with such interests as are mentioned in that section are compensated in a manner corresponding to that in which they would be compensated on a compulsory acquisition of that land, but taking into account only the extent (if any) of such interference with such an interest as is actually caused, or likely to be caused, by the exercise of the right in question.

18 Section 22 of that Act (protection of acquiring authority's possession where by inadvertence an estate, right or interest has not been got in) shall be so modified as to enable the acquiring authority, in circumstances corresponding to those referred to in that section, to continue entitled to exercise the right acquired, subject to compliance with that section as respects compensation.

New rights: compensation

19 The enactments in force in England and Wales with respect to compensation for the compulsory purchase of land shall apply with the necessary modifications as respects compensation in the case of the Corporation's compulsory acquisition of a right by the creation of a new right as they apply to compensation on the compulsory purchase of land and interests in land.

PART III

PROCEDURE, COMPENSATION ETC. (SCOTLAND)

Application of Acquisition of Land (Authorisation Procedure) (Scotland) Act 1947 generally

- 20 The Acquisition of Land (Authorisation Procedure) (Scotland) Act 1947 (hereafter referred to as " the Act of 1947 ") shall apply to the compulsory purchase by the Corporation of land or rights in Scotland as if the Corporation were a local authority within the meaning of that Act, and as if this Act had been in force immediately before the commencement of that Act.

New rights: general application of Act of 1947 and incorporated enactments

- 21 The enactments incorporated with this Act by virtue of Part I of Schedule 2 to the Act of 1947 and that Act shall have effect with the modifications necessary to make them apply to the Corporation's compulsory acquisition of a right in Scotland in the manner described in paragraph 5 of this Schedule.

New rights: specific adaptations of Act of 1947

- 22 Paragraphs 6, 7, 8, 9(1) (so far as relating to the acquisition of a right over land forming part of a common or open space) and 10 of this Schedule shall apply for the adaptation of the Act of 1947 as they apply for the adaptation of the Act of 1946 with the substitution in paragraph 6 of " Scotland " for England and Wales and in paragraph 7 of " The National Trust for Scotland " for National Trust.
- 23 Paragraph 16 of this Schedule shall have effect in relation to that Act with the substitution of a reference to paragraph 3(1) of the Second Schedule to that Act for the reference to section 11 of the Act of 1965, and with the omission of the words from " and sections " to the end of the paragraph.
- 24 For paragraph 4 of the Second Schedule to that Act (protection for owner against severance of property) there shall be substituted the provisions substituted by paragraph 14 of this Schedule for section 8(1) of the Act of 1965, and any reference in those provisions to the Lands Tribunal shall be construed as a reference to the Lands Tribunal for Scotland.

Restrictions on application of paragraphs 21 and 22 above

- 25 So much of paragraph 21 above as relates to the Act of 1947, and paragraph 22 above, shall not apply to any compulsory purchase to which, by virtue of section 12 or 13 of the Gas Act 1965 as amended by paragraph 14(2) of Schedule 6 to this Act, Part I of Schedule 4 to that Act applies.

New rights: specific adaptations of Lands Clauses Consolidation (Scotland) Act 1845

- 26 For section 61 of the Lands Clauses Consolidation (Scotland) Act 1845 (estimation of compensation) there shall be substituted the following:—
- “61 In estimating the purchase money or compensation to be paid by the promoters of the undertaking in the Special Act, in any of the cases aforesaid, regard shall be had not only to the extent (if any) to which the value of the land over which the right is to be acquired is depreciated by the acquisition

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of the right, but also to the damage (if any) to be sustained by the owner of the land by reason of its severance from other land of his, or injuriously affecting that other land by the exercise of the powers conferred by this or the Special Act.”

- 27 The following provisions of that Act (being provisions stating the effect of a notarial instrument or of a disposition executed in various circumstances where there is no conveyance by persons with interests in the land):—
 section 74 (failure by owner to convey);
 section 76 (refusal to convey or show title or owner cannot be found);
 section 98 (vesting of common land),
 shall be so modified as to secure that, as against persons with interests in the land over which the right is to be compulsorily acquired such right is vested absolutely in the promoters of the undertaking.
- 28 Paragraph 17 of this Schedule shall have effect in relation to that Act with the substitution of a reference to sections 114 and 115 thereof for the reference to section 20 of the Act of 1965.
- 29 Paragraph 18 of this Schedule shall have effect in relation to that Act with the substitution of a reference to sections 117 and 118 thereof for any reference to section 22 of the Act of 1965.

New rights: compensation

- 30 Paragraph 19 of this Schedule shall have effect in relation to Scotland with the substitution of " Scotland " for England and Wales.
- 31 This Part of this Schedule shall extend to Scotland only.

SCHEDULE 3

Section 12.

THE CONSUMERS' BODIES: SUPPLEMENTARY PROVISIONS

Remuneration and allowances, officers, accommodation etc.

- 1 (1) The chairman of the National Council, and the chairmen of the Regional Councils, shall be paid such remuneration, or such allowances in respect of any loss of remunerative time, and such travelling allowances and allowances in respect of their out-of-pocket expenses, as the Secretary of State may with the consent of the Minister for the Civil Service determine.
- (2) The other members of those Councils, and the members of committees and individuals acting as local representatives of the Regional Councils, shall be paid such allowances in respect of any loss of remunerative time, travelling allowances and allowances in respect of their out-of-pocket expenses as the Secretary of State may with the consent of the Minister for the Civil Service determine.
- (3) There shall be paid such pensions, or arrangements shall be made for the payment of such pensions, to or in respect of persons who are or have been in receipt of remuneration under sub-paragraph (1) above as the Secretary of State may with the consent of the Minister for the Civil Service determine; and if a person in receipt of remuneration under that sub-paragraph ceases to hold the office by virtue of which he

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receives it, and it appears to the Secretary of State that there are special circumstances which make it right that that person should receive compensation, that person shall be paid a sum of such amount as the Secretary of State may with the consent of the Minister for the Civil Service determine.

- 2
- (1) The National Council and each of the Regional Councils may, subject to the approval of the Secretary of State as to numbers, appoint such officers as appear to them to be requisite for the proper discharge of their functions; and the officers of the said Councils shall be paid such remuneration and allowances as the Secretary of State may determine.
 - (2) There shall be paid such pensions, or arrangements shall be made for the payment of such pensions, to or in respect of persons who are or have been officers of any of the said Councils as the Secretary of State may determine.
 - (3) Each of the said Councils shall be furnished with such office accommodation and equipment as they reasonably consider requisite for the proper discharge of their functions, or as the Secretary of State may after consultation with them determine.
 - (4) There shall be paid such expenses incurred by the National Council, the Regional Councils or the local representatives of the Regional Councils as the Secretary of State may after consultation with the Council in question determine.
 - (5) In this paragraph, references to the functions of Regional Councils include references to the functions of local representatives of Regional Councils.
- 3
- The payments to be made under paragraphs 1 and 2 above shall be provided from the funds of the Corporation; and the arrangements to be made, and accommodation and equipment to be furnished, under those paragraphs shall be made or, as the case may be, furnished by the Corporation.

Parliamentary disqualification of paid chairmen

- 4
- In Part III of Schedule 1 to the House of Commons Disqualification Act 1957 as it applies in relation to the House of Commons of the Parliament of the United Kingdom, after the entry relating to the Chairman of the Mining Qualifications Board there shall be inserted the words " Chairman in receipt of remuneration of the National Gas Consumers' Council or any Regional Gas Consumers' Council. "

Procedure etc.

- 5
- (1) The Secretary of State may make regulations with respect to—
 - (a) the appointment of, and the tenure and vacation of office by, members of the National Council and the Regional Councils,
 - (b) the appointment of deputy chairmen of those Councils,
 - (c) the quorum, proceedings, meetings and determinations of those Councils,
 - (d) the execution of instruments on behalf of those Councils, and the proof of documents purporting to be executed on their behalf, and
 - (e) any other matters supplementary or incidental to those above mentioned for which provision appears to him to be necessary or expedient.
 - (2) Subject to any such regulations, the said Councils shall have power to regulate their own procedure.

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- 6 The validity of any proceedings of the National Council or any of the Regional Councils shall not be affected by any vacancy amongst the members or of any defect in the appointment of a member.

Dissolution etc. of Regional Councils on variation of areas

- 7 Directions under section 9(3)(b) of this Act may contain such provision consequential on any variation of area thereby effected as the Secretary of State may consider expedient, and may in particular provide for the dissolution of any Regional Council, the winding up of their affairs and the disposal of their records in such manner as the National Council consider desirable, and the payment by the Corporation of any specified expenses arising out of the dissolution and winding up.

SCHEDULE 4

Section 27.

GAS SUPPLY CODE

Laying of pipes etc.

Power to break up streets, bridges etc.

- 1 (1) Subject to the following provisions of this paragraph, the Corporation may, for the purposes of the exercise or performance of any of their functions under this Act or any other enactment, open and break up any street or bridge, and open and break up any sewers, drains or tunnels within or under any such street or bridge, and place pipes, conduits, service pipes, cables, pressure governors, sewers and other works, and from time to time repair, alter or remove them, and for the purposes aforesaid may remove or use all earth and materials in or under any such street or bridge, and may in any such street erect any pillars, lamps and other works, and do all other acts which the Corporation from time to time think necessary for the purposes of the exercise or performance of any of their said functions, doing as little damage as may be in the exercise of the powers hereby conferred and making compensation for any damage done in the exercise of those powers.

- (2) The powers of the Corporation under sub-paragraph (1) above shall include power to erect in any street one or more structures for housing pressure governors, but only with the consent, which shall not be unreasonably withheld, of the highway authority or other person having the control or management of the street.

Any question whether or not consent to the erection of such a structure is unreasonably withheld shall be determined by arbitration ; and for the purposes of this sub-paragraph, the withholding of consent shall, to the extent that it is based on the ground that the structure ought to be erected elsewhere than in a street, be treated as unreasonable if the Corporation show either that there is no reasonably practicable alternative to erecting it in a street, or that all such alternatives would, on the balance of probabilities, involve greater danger to life or property.

- (3) Nothing in sub-paragraph (1) above shall empower the Corporation to lay down or place any pipe or other works into, through or against any building, or in any land not dedicated to the public use, without the consent of the owners and occupiers thereof:

Provided that—

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- (a) the Corporation may exercise the powers conferred by that sub-paragraph in relation to any street which has been laid out but not dedicated to the public use for the purpose of giving a supply of gas to any premises which abut on the street, and
 - (b) the Corporation may, after giving notice in writing to the owners and occupiers of the land or building not less than seven clear days before the entry, enter upon any land (not being a street to which paragraph (a) above applies) or building for the purpose of placing a new pipe in the place of an existing pipe which has already been lawfully placed, or of repairing or altering any pipe lawfully placed, so, however, that entry may be made without such notice in cases of emergency arising from defects in any pipes, but notice shall then be given as soon as possible after the occurrence of the emergency.
- (4) Except in cases of emergency arising from defects in any pipes or other works, a street or bridge which does not constitute for the purposes of the Highways Act 1959 a highway or part of a highway maintainable at the public expense, and is under the control or management of, or maintainable by, any railway authority or navigation authority, shall not be opened or broken up without the consent of that authority ; but that consent shall not be unreasonably withheld, and any question whether or not consent is unreasonably withheld shall be determined by arbitration.

In the application of this sub-paragraph to Scotland, for the words from "constitute " to " public expense " there shall be substituted the words " constitute a highway as defined in section 50(1) of the Roads (Scotland) Act 1970 ".

- (5) If the Corporation open or break up a street or bridge to which sub-paragraph (4) above applies without the consent required by that sub-paragraph, they shall be guilty of an offence and liable on summary conviction to a fine not exceeding £50.
- (6) The powers conferred by sub-paragraph (1) above shall be included among those to which section 15 of the Highways Act 1959 and (in Scotland) section 4 of the Special Roads Act 1949 (restriction on laying of mains etc. in special roads) apply.

Obligation to supply gas

Right to demand supply.

- 2 (1) The Corporation shall, upon being required to do so by the owner or occupier of any premises situated within twenty-five yards from any main of the Corporation through which the Corporation are for the time being distributing gas, give and continue to give a supply of gas to those premises, and shall furnish and lay any pipe that may be necessary for that purpose subject to the conditions specified in the following provisions of this paragraph:

Provided that this provision shall not apply in relation to any main used only for the purpose of giving a separate supply of gas for industrial purposes, or of conveying gas in bulk.

- (2) The cost of providing and laying so much of any pipe for the supply of gas to any owner or occupier as may be laid upon the property of the owner or in possession of the occupier, not being property dedicated to public use, and of so much of any such pipe as may be laid for a greater distance than thirty feet from any pipe of the

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Corporation, although not on such property, shall, if the Corporation so require, be defrayed by the owner or occupier.

- (3) The Corporation shall carry out any necessary work of maintenance, repair or renewal of any such pipe which is provided and laid at the cost of the owner or occupier of any premises, and may recover the expenses reasonably incurred by them in so doing from the owner or occupier of the premises.
- (4) Nothing in sub-paragraph (2) or (3) above shall be taken as affecting any rights or obligations as between the owner and occupier of the premises in relation to any such pipe as aforesaid.
- (5) Every owner or occupier of premises requiring under this paragraph a supply of gas shall—
 - (a) serve a notice on the Corporation specifying the premises in respect of which the supply is required, and the day (not being earlier than a reasonable time after the service of the notice) upon which the supply is required to commence, and undertaking to pay the charges in respect of the supply as they become due, and
 - (b) give to the Corporation (if required by them to do so) security for the payment to them of all money which may become due to them from such owner or occupier in respect of any pipe to be provided by the Corporation and in respect of gas to be supplied by the Corporation.
- (6) Where the Corporation have given a supply of gas for any premises and the owner or occupier has not given such security as aforesaid, or the security given has become invalid or insufficient, the Corporation may, by notice in writing, require the owner or occupier, within seven days after the service of the notice, to give them security for the payment of all money which may from time to time become due to them in respect of the supply, and if the owner or occupier fails to comply with the notice the Corporation may if they think fit discontinue the supply for those premises so long as the failure continues.

Relief from obligation to supply.

- 3 (1) Where a new or increased supply of gas is required under paragraph 2 above for purposes other than lighting or domestic use, and the supply cannot be given without the laying of a new main, or the enlarging of an existing main, or the constructing or enlarging of any other works required for the supply of gas by the Corporation, the Corporation shall, notwithstanding the provisions of that paragraph, not be obliged to give the supply unless the person requiring it enters into a written contract with them—
 - (a) to continue to receive and pay for a supply of gas of such minimum quantity and for such minimum period as the Corporation may reasonably require, having regard to the expense to be incurred by them in laying or enlarging the main or constructing or enlarging the other works, or
 - (b) to make such payment to the Corporation (in addition to any payments to be made from time to time for gas supplied) as the Corporation may reasonably require having regard to the matters aforesaid,
 and gives to the Corporation (if required by them to do so) security for the payment of all money which may become due under the contract.
- (2) Any question arising under sub-paragraph (1) above whether a supply can be given without the laying or enlarging of a main or the constructing or enlarging of other

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works, or as to the reasonableness of the minimum quantity or period therein referred to or of the payment required by the Corporation, or as to the nature and amount of the security to be given, shall in default of agreement be determined by arbitration.

- (3) In determining any such question, the arbitrator (or, in Scotland, arbiter) shall have regard to the following among other considerations—
- (a) the total annual quantity of gas required by the applicant, the maximum quantity required per hour, and the hours of the day during which the Corporation may be called upon to supply gas to the applicant,
 - (b) the capital expenditure which the Corporation would have to incur in the laying of a new main or the enlarging of an existing main or the construction or enlarging of other works for the purpose of giving the supply, and
 - (c) how far the capital expenditure may become unproductive to the Corporation in the event of the supply ceasing to be given.

Stand by supply.

- 4 (1) Notwithstanding anything in any enactment a person shall not be entitled to demand or continue to receive a supply of gas from the Corporation for the purposes only of a stand-by supply for any premises having a separate supply of gas, or having a supply (in use or ready for use for the purpose for which the stand-by supply of gas is required) of electricity, steam, or other form of energy, unless he has agreed with the Corporation to pay them such annual sum in addition to any charge for gas supplied as will give them a reasonable return on the capital expenditure incurred by them in providing the stand-by supply, and will cover other charges incurred by them in order to meet the possible maximum demand for those premises.
- (2) Any question arising under this paragraph—
- (a) as to whether a supply of gas is demanded or received for the purpose only of a stand-by supply, or
 - (b) as to whether any premises have a separate supply of gas or have a supply (in use or ready for use for the purpose for which a stand-by supply of gas is required) of electricity, steam, or other form of energy, or
 - (c) as to the amount of the said annual sum to be specified in the agreement,
- shall in default of agreement be determined by arbitration.

Supply to public lamps.

- 5 The Corporation shall supply gas to any public lamps to which, immediately before the appointed day, an Area Board were supplying gas under the duty imposed on them by paragraph 11 of Schedule 3 to the Gas Act 1948 in such quantities as the authority by or for whom the lamps are maintained may from time to time require.
- 6 If the Corporation fail to give a supply of gas to any owner or occupier of premises entitled to such a supply, or to supply gas to any public lamps in accordance with paragraph 5 above, they shall, unless the failure was due to circumstances not within their control, or was authorised by any provision of this Schedule or by regulations made under section 31 of this Act, be guilty of an offence and liable on summary conviction to a fine not exceeding £20.

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Meters and fittings

Consumption of gas to be ascertained by meter.

7 Every consumer of gas supplied by the Corporation shall, if required to do so by them, take his supply through a meter duly stamped in accordance with section 30 of this Act; and the Corporation shall if so required by the owner or occupier of any premises, or by any authority within paragraph 5 above, supply to the said owner, occupier or authority, either by way of sale or by way of hire, an appropriate meter (whether a prepayment meter or otherwise) for ascertaining the quantity of gas supplied by them:

Provided that—

- (a) the said owner, occupier or authority shall, if so required by the Corporation, before receiving the meter give to the Corporation security for payment to them of the price of the meter if it is to be purchased, or of the rent of the meter if it is to be hired, and
- (b) the preceding provisions of this paragraph shall not have effect in relation to the supply of gas to a person under any agreement made with the Corporation and providing for the quantity of gas supplied to him to be ascertained otherwise than by means of a duly stamped meter.

Metres to be kept in proper order.

- 8
- (1) Every consumer shall at all times, at his own expense, keep all meters belonging to him, whereby the quantity of gas supplied by the Corporation is registered, in proper order for correctly registering the quantity of gas, and in default of his doing so the Corporation may cease to supply gas through that meter.
 - (2) The Corporation shall at all times at their own expense, keep all meters let for hire by them to any consumer in proper order for correctly registering the quantity of gas supplied, and in default of their so doing the consumer shall not be liable to pay rent for the meter in respect of the period of the default.
 - (3) The Corporation shall have access to and be at liberty to remove, inspect and replace any meter at all reasonable times, and shall, while any such meter is removed, fix a substituted meter on the premises; and, subject to sub-paragraph (4) below, the cost of removing, inspecting and replacing a meter and of fixing a substituted meter shall be defrayed by the Corporation.
 - (4) Where a meter is removed for the purpose of being examined by a meter examiner in accordance with this Act, the person at whose request the examination is to be carried out shall, unless the meter is found to register erroneously to a degree exceeding the degree permissible under the regulations for the time being in force, defray the expenses incurred in removing, examining and replacing the meter and fixing a substituted meter, and the said expenses shall, if the meter is found to register erroneously as aforesaid, be defrayed by the owner of the meter.

Placing of meters in new premises.

- 9
- (1) Every meter to be used in a building not previously supplied with gas or in connection with a new-or substituted pipe laid between the main and the meter shall be placed as near as practicable to the main, but within the outside wall of the building:

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Provided that the meter may be placed otherwise than within the outside wall of the building if it is placed either in accommodation of a type and construction reasonably approved by the Corporation by an approval given in relation to buildings generally, or to any class or description of buildings, or in a separate meter house or other accommodation outside the building reasonably approved by the Corporation in the case of that particular building.

- (2) If the requirements of sub-paragraph (1) above are not complied with, the Corporation may refuse to supply gas to the premises until those requirements have been complied with.

Meter to be evidence of quantity of gas supplied.

- 10 (1) Subject to sub-paragraph (2) below, where gas is supplied through a meter, the register of the meter shall be prima facie evidence of the quantity of gas supplied:

Provided that where a meter is found, when examined by a meter examiner appointed under this Act, to register erroneously to a degree exceeding the degree permissible under the regulations for the time being in force—

- (a) the meter shall be deemed to have registered erroneously to the degree so found since the penultimate date on which the register of the meter was ascertained before the date of the examination and otherwise than in connection therewith, except in a case where it is proved to have begun to register erroneously as aforesaid on some later date; and
- (b) the amount of allowance to be made to, or the surcharge to be made on, the consumer by the Corporation in consequence of the erroneous registration shall be paid to Or by the consumer, as the case may be, and shall, in the case of a surcharge, be recoverable in like manner as charges for gas are recoverable by the Corporation.

- (2) Sub-paragraph (1) above shall not have effect in relation to the supply of gas to a person under any agreement made with the Corporation and providing for the quantity of gas supplied to him to be ascertained otherwise than by means of a duly stamped meter.

Alteration and replacement of burners on change of calorific value.

- 11 The Corporation shall, in the case of any alteration in the calorific value declared in respect of any gas supplied by them, take at their own expense such steps as may be necessary to alter, adjust or replace the burners in the appliances of consumers of that gas in such manner as to secure that the gas can be burned with safety and efficiency:

Provided that in the case of any consumer who objects thereto the Corporation shall not carry out any such alteration, adjustment or replacement except where in the opinion of the Corporation such alteration, adjustment or replacement is necessary in the interests of safety.

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Resale of gas supplied

Maximum charges for reselling gas supplied by the Corporation.

- 12 (1) The Corporation shall from time to time fix maximum prices at which gas supplied by them may be re-sold, and shall publish the prices so fixed in such manner as in their opinion will secure adequate publicity therefor.
- (2) Different prices may be fixed under this paragraph in different classes of cases which may be defined by reference to areas, tariffs applicable to gas supplied by the Corporation, or any other relevant circumstances,
- (3) If any person resells any gas supplied by the Corporation at a price exceeding the maximum price fixed under this paragraph and applicable thereto, the amount of the excess shall be recoverable by the person to whom the gas was resold in any court of competent jurisdiction, and in England and Wales shall be so recoverable as a simple contract debt.

Recovery of gas charges, etc.

Recovery of charges.

- 13 Any charges due to the Corporation in respect of the supply of gas, and any charges due to the Corporation in respect of the supplying and fixing of any meter or fittings, shall be recoverable by the Corporation in any court of competent jurisdiction, and in England and Wales shall be so recoverable as a simple contract debt.

New occupier not to be liable for arrears.

- 14 If the occupier of any premises, being premises supplied with gas by the Corporation, quits the premises without paying any amount due from him in respect of charges in respect of the supply, the Corporation shall not be entitled to require from the next occupier of the premises the payment of the amount due, unless that occupier has undertaken with the former occupier to pay or exonerate him for the payment of that amount.

Liability of occupier on quitting premises.

- 15 (1) If the occupier of any premises, being premises supplied with gas by meter by the Corporation, quits the premises without giving notice thereof in writing to the Corporation so that it is received by the Corporation at least twenty-four hours before he quits the premises, he shall be liable to pay to the Corporation all charges in respect of the supply of gas to the premises accruing due up to the next date on which the register of the meter on the premises is usually ascertained, or the date from which any subsequent occupier of the premises requires the Corporation to supply gas to the premises, whichever first occurs.
- (2) Sub-paragraph (1) above, or a statement of the effect thereof, shall be endorsed upon every demand note for gas charges payable to the Corporation.

Refusal of supply to person in default.

- 16 If a person requiring a supply of gas from the Corporation has previously quitted premises at which gas was supplied to him by the Corporation without paying all money due from him by way of charges in respect of the supply of gas to those premises, the Corporation may refuse to furnish him with a supply of gas until he pays the money so due.

Power to cut off supply in case of default.

- 17 (1) If any person has not, after the expiry of twenty-eight days from the making of a demand in writing by the Corporation for payment thereof, paid the charges due from him in respect of the supply of gas by them to any premises, the Corporation, after the expiration of not less than seven days' notice in writing of their intention, may cut off the supply from the premises by disconnecting the service pipe at the meter (whether the pipe belongs to the Corporation or not) or by such other means as they think fit, and any expense incurred in cutting off the supply shall be recoverable in like manner as charges for gas.
- (2) Where the Corporation have cut off the supply of gas from any premises in consequence of any default on the part of the occupier thereof, the Corporation shall not be under any obligation to resume the supply of gas to the occupier so in default until he has made good the default and paid the reasonable expenses of re-connecting the supply, but subject as aforesaid, nothing in this paragraph shall prejudice or interfere with any rights conferred on any person by paragraph 2 of this Schedule.

Use of antifluators and valves

Antifluators and valves.

- 18 (1) Where a consumer of gas supplied by the Corporation uses the gas for working or supplying an engine, gas compressor or other similar apparatus or any apparatus liable to produce in any main of the Corporation a pressure less than atmospheric pressure (any such engine, compressor or apparatus being hereafter in this paragraph referred to as a "compressor"), he shall, if so required by the Corporation by notice in writing, fix in a suitable position and keep in use an appliance provided by him which will effectually prevent pressure fluctuation in the supply mains and any other inconvenience or danger being caused to other consumers of gas by reason that they and the first-mentioned consumer are supplied with gas from the same source.
- (2) Where a consumer of gas supplied by the Corporation uses for or in connection with the consumption of the gas so supplied any air at high pressure (in this paragraph referred to as "compressed air") or any gas not supplied by the Corporation (in this paragraph referred to as "extraneous gas"), he shall, if so required by the Corporation by notice in writing, fix in a suitable position and keep in use an appliance provided by him which will effectually prevent the admission of the compressed air or extraneous gas into the service pipe or into any main through which gas is supplied by the Corporation.
- (3) Where a consumer is required by this paragraph to keep in use any appliance, he shall at his own expense keep it in proper order and repair, and repair, renew or replace it if it is not in proper order or repair.

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- (4) It shall not be lawful for a consumer of gas supplied by the Corporation to use a compressor, or any apparatus for using compressed air or extraneous gas, unless he has given to the Corporation not less than fourteen days' notice in writing of his intention to do so:

Provided that this sub-paragraph shall not apply to the use of any compressor or apparatus which was lawfully in use immediately before the appointed day.

- (5) If a consumer makes default in complying with any provision of this paragraph, the Corporation may cut off the supply of gas to him and shall not be required to resume the supply until the default has been remedied to their reasonable satisfaction.
- (6) The Corporation shall, as soon as is practicable after any person first becomes a consumer of gas supplied by them, give to that person notice in writing of the effect of the preceding provisions of this paragraph:

Provided that this requirement shall not apply in the case of any person who is a consumer of gas immediately before the appointed day, and to whom a notice has been given before that day pursuant to paragraph 27(6) of Schedule 3 to the Gas Act 1948 (which imposes a similar requirement).

- (7) The Corporation shall have access at all reasonable times to any premises supplied by them with gas upon which the Corporation have reason to believe that a compressor or compressed air or extraneous gas is being used, in order to ascertain whether the provisions of this paragraph are being complied with.
- (8) The Corporation shall have power to disconnect, remove, test and replace any appliance which a consumer of gas supplied by them is required by this paragraph to keep in use, and any expenses incurred by the Corporation under this sub-paragraph shall, if the appliance is found in proper order and repair, be paid by the Corporation but otherwise shall be paid by the consumer.

Penalties

Improper use of gas.

- 19 If any person supplied with gas by the Corporation improperly uses or deals with the gas so as to interfere with the efficient supply of gas by the Corporation to any consumer, the Corporation may, if they think fit, cease to supply gas to that person.

Injury to pipes and fittings and interference with meters.

- 20 (1) If any person wilfully, fraudulently, or by culpable negligence, injures or suffers to be injured any pipes, meter or fittings belonging to the Corporation, or alters the index to any meter, or prevents any meter from duly registering the quantity of gas supplied, he shall (without prejudice to any other right or remedy for the protection of the Corporation or the punishment of the offender) be guilty of an offence and liable on summary conviction to a fine not exceeding £100.
- (2) The prosecution of any such offence shall not prevent the Corporation from recovering the amount of any damage caused to them by the offence, and, if the offence involves any injury to or interference with any pipes, meter or fittings belonging to the Corporation, the Corporation may also, until the matter has been

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remedied, but no longer, discontinue the supply of gas to the person so offending (notwithstanding any contract previously existing).

- (3) The existence of artificial means for causing an alteration of the index to any meter or the prevention of any meter from duly registering, when the meter is under the custody or control of the consumer, shall be prima facie evidence that the alteration or prevention, as the case may be, has been fraudulently and wilfully caused by the consumer using the meter.

Restoration of supply without consent.

- 21 If any person, without the consent of the Corporation, restores to any premises a supply of gas which has been cut off by them otherwise than in the exercise of a power conferred by regulations made under section 31 of this Act, he shall be guilty of an offence and liable on summary conviction to a fine not exceeding £100 and the Corporation may again cut off the supply.

Notice of connection or disconnection of service pipe.

- 22 No person shall connect any meter with a service pipe through which gas is supplied by the Corporation, or disconnect any meter from any such pipe, unless he has given to the Corporation, so that it is received by them at least twenty-four hours before he does so, notice in writing of his intention to do so, specifying the time and place of the proposed connection or disconnection ; and if any person acts in contravention of this provision, he shall be guilty of an offence and liable on summary conviction to a fine not exceeding £10.

Escape of gas.

- 23 Where any gas escapes from any pipe of the Corporation, they shall, immediately after receiving notice of the escape in writing, prevent the gas from escaping; and if the Corporation fail within twenty-four hours from the service of the notice effectually to prevent the gas from escaping, they shall be guilty of an offence and liable on summary conviction to a fine not exceeding £100:

Provided that in any proceedings for an offence under this paragraph it shall be a defence for the Corporation to prove that it was not reasonably practicable for them effectually to prevent the gas from escaping within the said period of twenty-four hours, and that they did effectually prevent the escape as soon as it was reasonably practicable for them to do so.

Rights of entry

Entry for purposes of inspection.

- 24 (1) Any officer authorised by the Corporation may at all reasonable times, on the production of some duly authenticated document showing his authority, enter any premises in which there is a service pipe connected with the gas mains of the Corporation in order to inspect the meters, fittings and works for the supply of gas, or for the purpose of ascertaining the quantity of gas consumed or supplied, except in a case where the occupier of the premises has applied in writing to the Corporation for the disconnection of the service pipe from the mains and the Corporation have failed to disconnect it within a reasonable time.

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- (2) The said powers of inspection shall, in relation to any premises or part of any premises which are or is wholly occupied as a factory within the meaning of the Factories Act 1961, extend only to the inspection of—
- (a) such of the meters on the premises, or on that part of the premises as the case may be, as are used by the Corporation for measuring gas supplied by them, and
 - (b) the pipes and other fittings or works by which those meters are connected with the gas mains of the Corporation.

Entry for purposes of removing pipes etc. on discontinuance of supply.

- 25 (1) Where—
- (a) a person occupying premises supplied with gas by the Corporation ceases to require such a supply, or
 - (b) a person entering into occupation of any premises previously supplied with gas by the Corporation does not take a supply of gas from the Corporation or hire such of the pipes, meters, fittings or apparatus on the premises as belong to the Corporation, or
 - (c) the Corporation are authorised to cut off the supply of gas from any premises otherwise than by virtue of any regulations made under section 31 of this Act,
- it shall be lawful for an officer authorised by the Corporation, after twenty-four hours' notice to the occupier under the hand of an officer so authorised, or to the owner or lessee of the premises if they are unoccupied, to enter the premises at all reasonable times for the purpose of removing and to remove any pipes, meters, fittings or apparatus through which the supply was given to the premises.
- (2) The notice required to be given by sub-paragraph (1) above may, in the case of unoccupied premises the owner or lessee of which is unknown to the Corporation and cannot be ascertained after diligent inquiry, be given by affixing it upon a conspicuous part of the premises not less than forty-eight hours before the premises are entered.
- (3) Where the Corporation have reasonable cause to suspect that gas is escaping, or may escape, in any premises, it shall be lawful for an officer authorised by them to enter the premises for the purpose of inspecting the gas fittings and preventing the escape, and to inspect the fittings, carry out any work necessary to prevent the escape, and take any other steps necessary to avert danger to life or property; and where the Corporation have reasonable cause to suspect that gas which has escaped has entered, or may enter, any premises, it shall be lawful for such an officer to enter those premises also and to take any steps necessary to avert danger to life or property.

Premises to be left secure, and damage to be made good.

- 26 Where, in pursuance of any powers conferred by this Schedule or by regulations made under section 31 of this Act, entry is made on any premises by an officer of the Corporation, the officer shall ensure that the premises are not left less secure by reason of the entry; and the Corporation shall make good, or pay compensation for, any damage caused by the officer or by any person accompanying him in entering the premises, in taking any action therein authorised by this Schedule or the said regulations, or in making the premises secure.

Penalty for obstruction.

- 27 If any person wilfully obstructs any officer exercising powers under paragraphs 24 to 26 above or under any regulations made under section 31 of this Act, or any other power of entry conferred by this Schedule, he shall be guilty of an offence and liable on summary conviction to a fine not exceeding £50 if it is his first conviction of an offence under this paragraph or, in any other case, a fine not exceeding £100.

Applications of Rights of Entry (Gas and Electricity Boards) Act 1954.

- 28 The provisions of this Schedule and any regulations under section 31 of this Act conferring powers of entry or otherwise relating thereto shall have effect subject to the provisions of the Rights of Entry (Gas and Electricity Boards) Act 1954 as amended by paragraph 5 of Schedule 6 to this Act.

General

Gas fittings not to be subject to distress.

- 29 (1) Any gas fittings let for hire by the Corporation and marked or impressed with a sufficient mark or brand indicating the Corporation as the owner thereof—
- (a) shall not be subject to distress or to the landlord's remedy for rent, or be liable to be taken in execution under process of any court or any proceedings in bankruptcy against the person in whose possession they may be, and
 - (b) shall not be deemed to be landlord's fixtures, notwithstanding that they may be fixed or fastened to any part of the premises in which they may be situated.
- (2) In the application of sub-paragraph (1)(a) above to Scotland, for the word "distress" and the words "in bankruptcy against" there shall be substituted respectively the word "poinding" and the words "for the sequestration of the estate of".

Provisions as to security.

- 30 (1) Where any security is required by the provisions of this Schedule to be given to the Corporation, the security may be by way of deposit or otherwise, and of such amount as the person required to give the security and the Corporation may agree on or as, in default of such agreement, may be determined by arbitration.
- (2) Where any money is deposited with the Corporation by way of such security as aforesaid, the Corporation shall pay interest at such rate as may from time to time be fixed by order of the Secretary of State made with the approval of the Treasury, on every sum of 50p so deposited for every six months during which it remains in the hands of the Corporation.

Arbitration.

- 31 Where under any provision in this Schedule the determination of any question is referred to arbitration, the reference shall be to a single arbitrator (or, in Scotland, arbiter) to be appointed by agreement between the parties or, in default of agreement, by the Secretary of State.

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Copies of enactments to be available for inspection.

- 32 The Corporation shall keep in their principal office copies of all local enactments which apply to the Corporation, and at such other places as they may determine copies of such of those enactments as they consider appropriate, and the enactments kept by the Corporation pursuant to this paragraph shall be available for public inspection at all reasonable hours, and any person shall be entitled during those hours to take copies thereof and extracts therefrom.

Nuisance.

- 33 Nothing in this Act shall exonerate the Corporation from any proceedings for any nuisance caused by them.

Saving for Coast Protection Act 1949.

- 34 Nothing in this Act shall affect the application to any operation of sections 34 to 36 of the Coast Protection Act 1949 (restriction of works detrimental to navigation).

Justices and judges not to be disqualified.

- 35 No justice of the peace or judge of any court shall be disqualified from acting in cases arising under this Schedule by reason only of his being liable to the payment of any charges for gas or other charges under this Act

Interpretation.

- 36 In this Schedule—
- " navigation authority " means any person or body of persons, whether incorporated or not, authorised by or under an enactment to work, maintain, conserve, improve or control any canal or other inland navigation, navigable river, estuary, harbour or dock ;
 - " railway authority " means any person or body of persons, whether incorporated or not, authorised by an enactment to construct, work or carry on a railway ; and
 - " street " includes any square, court, alley, highway, road, lane, thoroughfare, or public passage or place.

SCHEDULE 5

Section 34.

RATING OF CORPORATION IN ENGLAND AND WALES

PART I

AMENDMENT OF GENERAL RATE ACT 1967

- 1 The section to be substituted for section 33 of the General Rate Act 1967 is as follows:—

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“33 British Gas Corporation.

- (1) Subject to subsection (2) and without prejudice to subsections (3) and (5) of this section, no premises occupied by the British Gas Corporation (hereafter referred to as "the Corporation") shall be liable to be rated or to be included in any valuation list or in any rate.
- (2) The foregoing subsection shall not apply—
 - (a) to premises used as a dwelling ; or
 - (b) to premises occupied by the Corporation wholly or mainly for the purposes of an undertaking for the supply of water; or
 - (c) to premises occupied and used by the Corporation wholly or mainly for the manufacture of plant or gas fittings ; or
 - (d) to a shop, room or other place occupied and used by the Corporation wholly or mainly for the sale, display or demonstration of apparatus or accessories for use by consumers of gas (any use for the receipt of payments for gas consumed being disregarded); or
 - (e) subject and without prejudice to the provisions of paragraph 12 of Schedule 6 to this Act, to office premises occupied by the Corporation and not situated on operational land of theirs.
- (3) For the purposes of the making and levying of a rate for any rating area for any rate period, if in the penultimate year the Corporation—
 - (a) supplied gas to consumers in that area ; or
 - (b) manufactured gas in that area; or
 - (c) produced gas in that area by the application to gas purchased by them of any process not consisting only of purification, or of blending with other gases, or of both purification and such blending,the Corporation shall be treated as occupying in that area during that rate period a hereditament of a rateable value calculated in accordance with the provisions of Part I of Schedule 6 to this Act.
- (4) The hereditament which the Corporation are to be treated as occupying in a rating area by virtue of subsection (3) of this section shall be taken not to be situated in any part of that area in which there are leviable, as an additional item of the rate, expenses which are not leviable in the area taken as a whole.
- (5) If the Secretary of State is of opinion that payments by way of rates should be made by the Corporation by virtue of this subsection by reference to any premises occupied and used by them for the reception or liquefaction of gas or the evaporation of gas in a liquid state, being in any case gas purchased by the Corporation, he may, subject to paragraph 13 of Schedule 6 to this Act, make an order designating the premises for the purposes of this subsection and providing for the determination, by such method as may be specified by the order, of a value for the premises for those purposes ; and where such an order is in force, the Secretary of State may direct—
 - (a) that the Corporation shall, during such period as is specified in the direction, be treated for rating purposes as occupying within the rating area in which the premises designated by the order are situated (and whether or not the Corporation occupy or are treated

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- as occupying any other hereditament in that area) a hereditament of a rateable value equal to the value determined as aforesaid; and
- (b) that paragraph 5 of Schedule 6 to this Act shall have effect during the said period as if the Corporation's adjusted basic total of rateable values mentioned in that paragraph were reduced by an amount equal to that value ;

and any direction under this subsection may be varied or revoked by a subsequent direction thereunder.

- (6) Subject to paragraph 13 of Schedule 6 to this Act, the Secretary of State may by order provide that, in such of the provisions of this section, the said Schedule 6, or any other enactment relating to rating as may be specified in the order, any reference to the manufacture of gas shall include a reference to such dealings with gas as may be specified by the order.
- (7) There shall have effect for the purposes of this section and Part I of Schedule 6 to this Act the supplementary provisions contained in Part II of that Schedule; and for the purposes of this section and that Schedule—
- (a) the expression " gas " includes gas in a liquid state, and, without prejudice to the provisions of any order under subsection (6) of this section, the following operations—
- (i) the liquefaction of gas, and
- (ii) the evaporation of gas in a liquid state,
- shall not of themselves be taken to constitute the manufacture of gas or the application of a process to gas ;
- (b) the expression " penultimate year ", in relation to a rate period or to a year, means the last but one year before that rate period or year ;
- (c) the expressions " office premises " and " operational land " have the meanings respectively assigned by section 32(8) of this Act."

2 The Schedule to be substituted for Schedule 6 to the General Rate Act 1967 is as follows:—

“SCHEDULE 6

THE BRITISH GAS CORPORATION

PART I

Calculation of rateable value of notional hereditament

- 1 The provisions of this Part of this Schedule shall have effect for the purpose of calculating for any rate period the rateable value of the hereditament which, by virtue of section 33(3) of this Act, the British Gas Corporation (hereafter referred to as "the Corporation ") are to be treated as occupying in any rating area.
- 2 (1) Subject to sub-paragraph (2) of this paragraph and to paragraph 4(3) of Schedule 5 to the Gas Act 1972, the Corporation shall be taken for the purposes of this Part of this Schedule to have a basic total of rateable values equal to £9,640,560.

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- (2) If it appears to the Secretary of State that by reason of any substantial change of circumstances it is expedient so to do, he may, by order made after consultation with the Corporation and with such associations of local authorities as appear to him to be concerned, and with any local authority with whom consultation appears to him to be desirable, vary the Corporation's basic total of rateable values for the purposes of this Part of this Schedule; but an order under this sub-paragraph shall not have effect until approved by a resolution of each House of Parliament.
- 3 For the purposes of this Part of this Schedule, the standard number of therms of the Corporation shall be 2, 154, 934, 611.
- 4 For each year the Corporation shall—
- (a) estimate the number representing the total number of therms which, in the penultimate year, they supplied to consumers in England and Wales less one-half the number of therms in any gas which they purchased in that year in order to supply consumers in England or Wales ; and
 - (b) calculate and certify the amount by which that estimated number exceeds or falls short of their standard number of therms;
- and the Corporation's basic total of rateable values shall be adjusted for that year by multiplying it by the fraction of which the numerator is their standard number of therms increased by one-fifth of the said excess or, as the case may be, decreased by one-fifth of the said deficiency, and the denominator is their standard number of therms.
- 5 (1) Subject to sub-paragraph (4) of this paragraph and to section 33(5) of this Act, the Corporation's basic total of rateable values, as adjusted for any year under paragraph 4 of this Schedule, shall be apportioned in accordance with sub-paragraph (2) of this paragraph for that year among all the rating areas in which, in the penultimate year, the Corporation supplied any therms to consumers, manufactured any therms, or produced any therms by such an application of such a process as is mentioned in section 33(3)(c) of this Act.
- (2) The proportion of the Corporation's adjusted total to be allocated under sub-paragraph (1) of this paragraph to any one rating area shall be ascertained by multiplying that adjusted total by the fraction of which—
- (a) the numerator is the number of therms, as estimated and certified by the Corporation, which the Corporation supplied in the penultimate year to consumers in that area, plus nine-tenths of the number of therms (if any), as so estimated and certified, which in that year the Corporation manufactured in that area or produced in that area by such an application of such a process as is mentioned in section 33(3)(c) of this Act; and
 - (b) the denominator is the total number of therms, as so estimated and certified, which the Corporation supplied in the penultimate year to consumers in England and Wales, plus nine-tenths of the total number of therms, as so estimated and certified, which in that year the Corporation manufactured in England or Wales or produced in England or Wales by such an application of such a process.

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- (3) For the purposes of sub-paragraph (2) of this paragraph, the number of terms produced by such an application of such a process as aforesaid shall be taken to be half the actual number thereof.
- (4) Subject to paragraph 13 of this Schedule, the Secretary of State may by order provide that the adjusted total aforesaid shall, instead of being apportioned and allocated as provided by the foregoing provisions of this paragraph, be apportioned and allocated as provided by the order.
- 6 The amount which, in accordance with paragraph 5 of this Schedule, is allocated for any year to a rating area shall be the rateable value of the hereditament which, by virtue of section 33(3) of this Act, the Corporation are to be treated as occupying in that area for any rate period insisting of or forming part of that year.

PART II

Supplementary provisions

- 7 As respects each rating area in which the Corporation will fall to be treated as occupying during any rate period a hereditament of a rateable value calculated in accordance with Part I of this Schedule, it shall be the duty of the Corporation, before the end of the month of October preceding the beginning of that period, to transmit to the rating authority and to the valuation officer a statement setting out particulars of all the matters estimated, calculated and certified for the purpose of computing the rateable value of that hereditament.
- 8 On receipt of a statement under paragraph 7 of this Schedule, the valuation officer shall calculate the rateable value of the hereditament which the Corporation are to be treated as occupying during the rate period in question, and shall notify the amount of that rateable value to the rating authority before the end of the month of December preceding the beginning of that rate period.
- 9 The duty imposed on the Corporation by paragraph 7 of this Schedule shall be enforceable by mandamus at the instance of the rating authority or of the valuation officer; and the duty imposed on the valuation officer by paragraph 8 of this Schedule shall be enforceable by mandamus at the instance of the rating authority.
- 10 Where the valuation officer notifies the amount of a rateable value to the rating authority in accordance with paragraph 8 of this Schedule—
- (a) the rating authority, in making and levying any rate for a rate period to which the notification relates, shall include the Corporation as the occupier of a hereditament of that rateable value ; and
 - (b) the valuation officer, at or as soon as may be after the beginning of the year consisting of or comprising any such rate period, shall cause such alterations (if any) to be made in the valuation list as may be requisite for showing the Corporation in the list as the occupier of a hereditament of that rateable value, and if any

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such alteration is made after the beginning of the year, it shall be treated as having been made at the 'beginning of the year:

Provided that, if the year referred to in sub-paragraph (b) of this paragraph is a year beginning with the date on which a new valuation list comes into force, that sub-paragraph shall not apply, but the valuation officer shall include the Corporation in the list as the occupier of a hereditament of the said rateable value.

- 11 (1) The provisions of this paragraph shall have effect where gas is manufactured by the Corporation in a gasworks which is situated partly in one rating area and partly in one or more other rating areas.
- (2) For the purposes of section 33 of this Act, the Corporation shall be treated as manufacturing gas in each of the rating areas in which a part of the gasworks is situated, notwithstanding that no gas is actually manufactured in one or more of those areas.
- (3) For the purposes of paragraph 5 of this Schedule the gas manufactured in the gasworks in any year shall be treated as apportioned between all the rating areas in which parts of the gasworks are situated, in such proportions as may be agreed between the rating authorities of those areas and the Corporation:

Provided that if any apportionment required by this sub-paragraph for the purpose of apportioning the Corporation's adjusted total of rateable values for any year has not been agreed between the rating authorities and the Corporation before the end of the month of September preceding the beginning of that year, the apportionment required by this sub-paragraph shall be made by the Secretary of State and notified by him to the rating authorities and to the Corporation as soon as may be after the end of that month.

- (4) In this paragraph—
- (a) the expression " gasworks " means any group of premises within one curtilage which is occupied by the Corporation for the purposes of the manufacture of gas, and a group of premises shall not be treated as being otherwise than within one curtilage by reason only that it is traversed by a public highway ;
- (b) any reference to the manufacture of gas shall be construed as including a reference to the production of gas by such an application of such process as is mentioned in section 33(3)(c) of this Act.
- 12 For the purposes of section 33(2)(e) of this Act, paragraph 8 of Schedule 5 to this Act shall have effect as if for any reference therein to section 32(2)(b) of this Act there were substituted a reference to the said section 33(2)(e), and as if it provided for the determination of any such question as is mentioned in sub-paragraph (3) or (4) thereof by the Secretary of State for Trade and Industry.
- 13 Before making any order under section 33(5) or (6) of this Act, or under paragraph 5(4) of this Schedule, the Secretary of State shall consult with the Corporation, with such associations of local authorities as appear to him to be concerned, and with any local authority with whom consultation appears to him to be desirable; and any such order—

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- (a) may contain such incidental, supplemental and consequential provisions, including any provisions altering any enactment or instrument, as the Secretary of State considers expedient for the purposes of the order ; and
- (b) shall be subject to annulment in pursuance of a resolution of either House of Parliament.”

PART II

TRANSITIONAL PROVISIONS

- 3 (1) The Corporation shall not by virtue of section 33(3) of the General Rate Act 1967 as set out in paragraph 1 of this Schedule be treated as occupying a hereditament in any rating area for any rate period beginning before 1st April 1974 ; but if during any rate period beginning on or after the appointed day and ending before the said 1st April an Area Board would if this Act had not been passed have been treated as occupying a hereditament in any area by virtue of section 33(3) of the said Act of 1967 as in force immediately before the appointed day, the Corporation shall be treated for the purpose of the making and levying of a rate for that area for that period as occupying the like hereditament during that period.
- (2) If the appointed day falls before 1st April 1973, the Secretary of State may nevertheless make at any time before the said 1st April an order under paragraph 2(2) of Schedule 6 to the said Act of 1967 as in force immediately before the appointed day which shall have effect for the purpose of calculating in accordance with Part I of that Schedule as so in force the rateable values of the hereditaments which the Corporation are to be treated as occupying by virtue of sub-paragraph (1) above.
- (3) For the purposes of sub-paragraph (1) above, paragraphs 7 to 10 of the said Schedule 6 shall have effect until the appointed day as if this Act had not been passed, and, as then in force, shall thereafter continue to have effect with the necessary modifications.
- 4 (1) Subject to sub-paragraph (2) below, in relation to any rate period or year beginning on or after 1st April 1974, section 33(3) of and Schedule 6 to the General Rate Act 1967 as set out in Part I of this Schedule shall have effect as if references to gas supplied, manufactured, produced or purchased by the Corporation included references to gas supplied, manufactured, produced or, as the case may be, purchased by the Corporation as the Gas Council and by Area Boards.
- (2) Sub-paragraph (1) above shall not apply to paragraph 4(a) of the said Schedule 6, but, in relation to any such rate period or year as is mentioned in the said sub-paragraph (1), the reference in the said paragraph 4(a) to gas purchased by the Corporation in order to supply consumers in England or Wales shall include a reference to gas purchased by the Corporation as the Gas Council in order to supply Area Boards or consumers in England or Wales, and to gas purchased by Area Boards otherwise than from the Corporation as such.
- (3) If, by virtue of any order under paragraph 2(2) of the said Schedule 6 as in force immediately before the appointed day (including an order made by virtue of paragraph 3(2) above), the basic totals of rateable values of the Area Boards in England and Wales as on 1st April 1973 amount in the aggregate to a sum other than £9,640,560, that sum shall be substituted for the reference to £9,640,560 in paragraph 2(1) of that Schedule as set out in paragraph 2 above.

- 5 (1) Where any premises designated by an order in force immediately before the appointed day under subsection (5) of section 33 of the General Rate Act 1967 are thereafter occupied and used by the Corporation as mentioned in that subsection in relation to gas purchased either by the Corporation (whether as such or as the Gas Council) or by an Area Board, the order and any related direction so in force shall, with the necessary modifications, have effect as from that day as if authorised by, and made or given under, the new section 33(5) set out in paragraph 1 of this Schedule; but the Secretary of State shall vary the direction as from that day so that it provides as mentioned in the said section 33(5) as so set out, subject to the qualification that, so far as it requires a reduction in the basic total of rateable values of any Area Board, that requirement shall continue to have effect for the purpose of calculating the rateable values of the hereditaments which the Corporation are to be treated as occupying by virtue of paragraph 3(1) of this Schedule.
- (2) Any direction given by virtue of an order made under the said section 33(5) on or after the appointed day may make such provision as is mentioned in the said section 33(5) as in force immediately before that day for the purpose specified in sub-paragraph (1) above.

SCHEDULE 6

Section 49(1).

MINOR AND CONSEQUENTIAL AMENDMENTS

PART I

SPECIFIC AMENDMENTS OF PUBLIC GENERAL ACTS

The Land Drainage Act 1930

- 1 In section 61(1)(e) of the Land Drainage Act 1930, for the words " the undertakings of Area Boards (within the meaning of the Gas Act, 1948)", there shall be substituted the words " the undertaking of the British Gas Corporation ".

The Petroleum (Production) Act 1934

- 2 For the proviso to section 4 of the Petroleum (Production) Act 1934, there shall be substituted the following proviso—
- “Provided that the Secretary of State shall not give an authorisation under this section in respect of any premises unless he is satisfied—
- (a) that the British Gas Corporation have been given an opportunity of purchasing the gas at a reasonable price, and
 - (b) that the gas is to be supplied to those premises for industrial purposes only”.

The Gas Act 1948

- 3 Section 46 of the Gas Act 1948 (central guarantee fund) and paragraph 32 of Schedule 3 to that Act (pollution of inland waters) shall cease to have effect.

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The Iron and Steel Act 1949

- 4 In section 47 of the Iron and Steel Act 1949 (as revived by section 34 of the Iron and Steel Act 1967 and set out in Schedule 4 to that Act), the words " with the Gas Council and with any Area Gas Board in whose area those activities are or are to be carried on " shall be omitted.

Rights of Entry (Gas and Electricity Boards) Act 1954

- 5 (1) In section 1(2) of the Rights of Entry (Gas and Electricity Boards) Act 1954, for the words " the enactments relating to gas ", there shall be substituted the words " the Gas Act 1972 or regulations made thereunder, by any other enactment relating to gas ", and for the words " a Gas Board or Electricity Board ", there shall be substituted the words " the British Gas Corporation or an Electricity Board ".
- (2) In section 2(1)(a) of the said Act, for the words " a Gas Board or ", there shall be substituted the words " the Corporation or an ", and before the words " such a Board", there shall be inserted the words " the Corporation or ".
- (3) In the said section 2(1), for the words " the Board " (in both places where they appear), there shall be substituted the words " the Corporation or Board ".
- (4) In section 2(3) of the said Act, for the words " section seventy of the Gas Act, 1948 (if entry is required for the purposes of a Gas Board) ", there shall be substituted the words " section 44 of the Gas Act 1972 (if entry is required for the purposes of the Corporation) ".
- (5) In section 3(1) of the said Act:—
- (a) the following definition shall be inserted before that of " Electricity Board " —
 “ the Corporation ' means the British Gas Corporation ;”,
 - (b) the following definition shall be substituted for that of " employee " —
 “ employee ', in relation to the Corporation or to an Electricity Board, means an officer, servant or agent of the Corporation or of the Board ;”,
 - (c) the definition of " Gas Board " shall be omitted.

The Valuation and Rating (Scotland) Act 1956

- 6 (1) In section 24 of the Valuation and Rating (Scotland) Act 1956—
- (a) any reference to a Gas Board shall be construed as a reference to the British Gas Corporation,
 - (b) in subsection (1)—
 - (i) for the words " the year 1961-1962 and of any subsequent year ", there shall be substituted the words " any year subsequent to the year following the appointed day ",
 - (ii) the words " the year 1961-1962 or" shall be omitted,
 - (c) in subsection (2)—
 - (i) for the words " 1961-1962", there shall be substituted the words " subsequent to the year following the appointed day ",
 - (ii) the words " except as provided in this Part of this Act" shall be omitted,

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- (d) in subsection (4)—
 - (i) the words " and the next following" shall be omitted,
 - (ii) after the word " section ", the following definition shall be inserted—

“appointed day ' means the day appointed by the Secretary of State under section 1(1) of the Gas Act 1972”,
 - (iii) in the definition of " excepted premises", after the words "functions of a Gas Board", there shall be inserted the words " or lands and heritages occupied and used by the British Gas Corporation wholly or mainly for the manufacture of plant or gas fittings
- (2) In section 43(1) of the said Act, the definition of " Gas Board " shall be omitted and there shall be inserted the following definition—

“gas ' includes gas in a liquid state, but—

 - (a) the liquefaction of gas, and
 - (b) the evaporation of gas in a liquid state,

shall not of themselves be taken to constitute the manufacture of gas or the application of a process to gas.”.
- (3) In Schedule 4 to the said Act—
 - (a) any reference to a Gas Board shall be construed as a reference to the British Gas Corporation,
 - (b) in paragraph 1, for the words " 1963-1964 ", there shall be substituted the words " subsequent to the year following the appointed day ",
 - (c) for paragraph 3, there shall be substituted the following paragraph—

“3. For the purposes of this Schedule the standard number of therms shall be 157, 613, 661,”
 - (d) in paragraph 4—
 - (i) in sub-paragraph (1), after the word "For" there shall be inserted the words " the basic year and ",
 - (ii) in sub-paragraph (2)(a), for the words " their area ", there shall be substituted the word " Scotland ",
 - (e) in paragraph 5(1)(b), for the words " the area of the Board ", there shall be substituted the word " Scotland

House of Commons Disqualification Act 1957

- 7 In Part II of Schedule 1 to the House of Commons Disqualification Act 1957 (which lists bodies of which all members are disqualified for membership of the House of Commons), as it applies in relation to the House of Commons of the Parliament of the United Kingdom, the references to an Area Gas Board and to the Gas Council shall be omitted, and there shall be inserted at the appropriate point the words " The British Gas Corporation ".

The Housing Act 1957

- 8 In section 130 of the Housing Act 1957, the words "gas boards", " and gas works respectively" and " or gas" shall be omitted.

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

The Rivers (Prevention of Pollution) Act 1961

- 9 In section 2(2)(e) and section 4(1)(c) of the Rivers (Prevention of Pollution) Act 1961, the words "paragraph 32 of the Third Schedule to the Gas Act, 1948, or " shall be omitted.

The Local Government (Financial Provisions etc.) (Scotland) Act 1962

- 10 In section 3 of the Local Government (Financial Provisions etc.) (Scotland) Act 1962—
- (a) any reference to a Gas Board shall be construed as a reference to the British Gas Corporation,
 - (b) in paragraph (a), for the words from " Boards)" to the end there shall be substituted the words " the number of therms estimated under paragraph 4(2) of that Schedule shall be reduced by one-half of the number of therms purchased by the British Gas Corporation in order to supply consumers in Scotland in the period of twelve months referred to in that paragraph ",
 - (c) in paragraph (c)—
 - (i) after the word " manufactured" there shall be inserted the words " in Scotland ",
 - (ii) after the word " produced " there shall be inserted the words " in Scotland ",
 - (d) after paragraph (d), the following paragraph shall be inserted—

“(c) in this section the expression ' gas ' has the same meaning as in section 43(1) of the Act of 1956”.

The Local Government (Financial Provisions) (Scotland) Act 1963

- 11 In section 12 of the Local Government (Financial Provisions) (Scotland) Act 1963—
- (a) any reference to a Gas Board shall be construed as a reference to the British Gas Corporation,
 - (b) in subsection (1), for the words " 1963-1964 ", there shall be substituted the words " subsequent to the year following the appointed day ",
 - (c) after subsection (3), the following subsection shall be added—

“(4) In this section the expression ' the appointed day' means the day appointed by the Secretary of State under section 1(1) of the Gas Act 1972.”

The Continental Shelf Act 1964

- 12 (1) In section 9(3) of the Continental Shelf Act 1964, for paragraph (a), there shall be substituted the following paragraph—
- “(a) that the supply is for industrial purposes and that the British Gas Corporation have been given an opportunity of purchasing the gas at a reasonable price ; or”.
- (2) In section 9(6) of the said Act, for the words "an Area Board", there shall be substituted the words " the British Gas Corporation ".

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

- (3) In section 9(7) of the said Act, the words "' Area Board' has the same meaning as in the Gas Act 1948 and" shall be omitted.

The Rivers (Prevention of Pollution) (Scotland) Act 1965

- 13 In section 2(2) of the Rivers (Prevention of Pollution) (Scotland) Act 1965, paragraph (e) shall be omitted.

The Gas Act 1965

- 14 (1) In Part II of the Gas Act 1965, for the words " a gas authority ", " the gas authority ", " the gas authority concerned " and " any gas authority " (wherever those words occur), there shall be substituted the words " the Corporation ".

Provided that—

- (a) the words " the Corporation " shall be substituted in section 5(2) for the words " the gas authority authorised to operate the underground gas storage ", in section 5(4) for the words " the gas authority to whom the storage authorisation order applies ", in section 5(11) for the words "the gas authority named in the order ", and in section 19(5)(c) for the words " the gas authority having responsibilities as respects the storage ",
 - (b) in section 16(4), for the words " The gas authority on whom a notice is served under this section ", there shall be substituted the words " Where a notice is served on the Corporation under this section, they ", and
 - (c) in section 17(1), for the words " and a gas authority failing to comply with this subsection ", there shall be substituted the words " and if the Corporation fail to comply with this subsection, they ",
 - (d) in section 17(5), for the words "A gas authority failing to comply with this subsection", there shall be substituted the words " If the Corporation fail to comply with this subsection, they ", and
 - (e) in section 17(6), for the words " A gas authority guilty of an offence under this Part of this Act by virtue of this section", there shall be substituted the words " if the Corporation are guilty of an offence under this Part of this Act by virtue of this section, they ".
- (2) In Part II of the said Act, for the words "section 11 of the principal Act" (wherever those words occur), there shall be substituted the words " Schedule 2 to the principal Act " ; and in section 13(3) of the said Act, for the words "the said section 11 ", there shall be substituted the words " the said Schedule 2 ".
- (3) In section 4(8) of the said Act, paragraph (a) shall be omitted.
- (4) In section 12(6) of the said Act, the words "another gas authority or " shall be omitted.
- (5) In section 19(3) and in section 19(4) of the said Act, for the words " the Gas Council ", there shall be substituted the words " the Corporation ".
- (6) In section 21(1) and in section 21(2) of the said Act, for the words " section 68(1)", there shall be substituted the words " section 42(1) " and in section 21(2), for the words " Section 69(1)", there shall be substituted the words " Section 43(1) ".
- (7) In section 21(3) of the said Act, for the words " that authority or ", there shall be substituted the words " the Corporation or that ".

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- (8) In section 22(1) of the said Act, for the words " Section 70 ", there shall be substituted the words " Section 44 " and in section 22(2), for the words " Section 73 ", there shall be substituted the words " Section 46 ".
- (9) In section 28(1) of the said Act:—
- (a) the following definition shall be inserted before that of " danger " —
" the Corporation ' means the British Gas Corporation; ”,
 - (b) the following definition shall be substituted for that of " large-scale map " —
" large-scale map ' means a map on a scale not less than 1 in 10,560; ”,
and
 - (c) the definition of " gas authority " shall be omitted.
- (10) In section 32(2) of the said Act, for the words from " the Gas Act, 1948 " to " that Act", there shall be substituted the words " the Gas Act 1972 ".
- (11) In paragraph 1(1) of Schedule 2 to the said Act, paragraph (a) shall be omitted.
- (12) In paragraph 8(1), in paragraph 8(5) and in paragraph 12(8) of Schedule 2 to the said Act, for the words "section 73 ", there shall be substituted the words " section 46 ".
- (13) Paragraph 14 of Schedule 2 to the said Act shall be omitted.
- (14) In paragraph 1(4) of Schedule 6 to the said Act, the words " or any other gas authority " shall be omitted.
- (15) In paragraph 5 of Schedule 6 to the said Act, for the words "a gas board", there shall be substituted the words " the Corporation ".
- (16) In paragraph 6 of Schedule 6 to the said Act, for the words " that gas authority", there shall be substituted the words " the Corporation ".

The Selective Employment Payments Act 1966

- 15 (1) In Part I of Schedule 1 to the Selective Employment Payments Act 1966, the following entry shall be substituted for the entries numbered 7 and 8—
- “7 The British Gas Corporation.”.
- (2) In Part II of that Schedule, for the words "an Area Gas Board" there shall be substituted the words " the British Gas Corporation ".

The Local Government (Scotland) Act 1966

- 16 (1) In section 18 of the Local Government (Scotland) Act 1966—
- (a) in subsection (1), the words " or section 3(1) of the Gas Act 1965 " shall be omitted,
 - (b) in subsection (4), for paragraph (b), there shall be substituted the following paragraph—
" (b) the British Gas Corporation, is the Secretary of State for Trade and Industry ; and ”,
 - (c) in subsection (5), for the words from " Gas Council" to " 1948", there shall be substituted the words " British Gas Corporation ".
- (2) In section 19 of the said Act—

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- (a) in subsection (1), the words "or section 3(1) of the Gas Act 1965 " shall be omitted,
- (b) in subsection (3), for the words from " any area board " to " 1948 ", there shall be substituted the words " the British Gas Corporation ".

The General Rate Act 1967

- 17 In paragraph 5(1)(b) of Schedule 3 to the General Rate Act 1967, for the words "an area board established by the Gas Act 1948, in the Gas Council", there shall be substituted the words " the British Gas Corporation ".

The Chronically Sick and Disabled Persons Act 1970

- 18 In section 14(1) of the Chronically Sick and Disabled Persons Act 1970, for the words " the Gas Consultative Councils ", there shall be substituted the words " the National Gas Consumers' Council and the Regional Gas Consumers' Councils ".

PART II

GENERAL ADAPTATIONS ETC.

- 19 All local enactments, and (under whatever Act made) all regulations, rules and orders, which are in force immediately before the appointed day and then applicable to the Gas Council or an Area Board shall have effect as from that day as if—
- (a) for references therein to the Gas Council or an Area Board there were substituted references to the Corporation, and
 - (b) for any reference therein (however worded, and whether expressed or implied) to the business, or any part of the business, of the Gas Council or an Area Board, or to the area of supply of an Area Board or any part thereof, there were substituted a reference to the corresponding part of the Corporation's business or, as the case may be, to the corresponding area supplied by the Corporation,
- and shall also have effect, as from such date as may be prescribed (which may be prior to the making of the regulations but not to the appointed day), with such other adaptations and modifications (if any) as may be prescribed, being adaptations or modifications required in consequence of the provisions of this Act.
- 20 Any public general Act passed before 1st May 1949 (the vesting date for the purposes of the Gas Act 1948) and, by virtue of section 56(3) of that Act, to be construed immediately before the appointed day as referring to an Area Board or the business of an Area Board shall be construed as from the appointed day as referring to the Corporation or, as the case may be, the corresponding part of the Corporation's business.
- 21 For the purpose of securing, so far as is reasonably practicable, a uniform statutory code applicable throughout any part of Great Britain, the Secretary of State may by order provide for the amendment or repeal of any local enactment, regulation or order to which paragraph 19 above applies, or for its extension to any area specified in the order, and for such matters consequential on or incidental to any such amendment, repeal or extension for which the Secretary of State considers it necessary or expedient to provide.

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

SCHEDULE 7

Section 49(2).

SAVINGS AND TRANSITIONAL PROVISIONS

PART I

MATTERS ARISING FROM THE INDUSTRY'S NEW STRUCTURE

Pensions for members of Gas Council and Area Boards

- 1 In section 1(3) of this Act, the reference to any person who is or has been a member of the Corporation shall include a reference to any person who has at any time been a member of the Gas Council or an Area Board.

Corporation's first report, and terminal reports etc. on Gas Council and Area Boards

- 2 (1) In relation to the Corporation's report under section 8(1) of this Act in respect of their first financial year, the reference in that provision to the Corporation's functions, policy and programmes includes a reference to their functions, policy and programmes as the Gas Council, and the directions referred to in subsection (2) of the said section 8 include any directions given to them as the Gas Council, other than directions in respect of which a notification has been given before the appointed day under section 10(2) of the Gas Act 1948.
- (2) If by the appointed day the Gas Council have not made a report under section 10 of the said Act of 1948 in respect of their last full financial year as (the Gas Council, it shall be the duty of the Corporation to make to the Secretary of State as soon as possible after the appointed day a report for that year complying with the said section 10 in its application to the Gas Council.
- (3) It shall be the duty of the Corporation to make to the Secretary of State, as soon as possible after the appointed day and, if the Secretary of State so directs, in such form as is specified in the direction—
- (a) in the case of each of the Area Boards, a report for the period from the end of the Board's last full financial year until the appointed day, being one complying with the said section 10 in its application to the Board as respects that period, and
- (b) in the case of any Area Board who have not by that day made a report under the said section 10 in respect of their last full financial year, a report for that year complying with the said section 10 in its application to the Board as respects that year.
- (4) The Secretary of State shall lay a copy of every report made to him under this paragraph before each House of Parliament.
- (5) The Corporation shall also furnish the Secretary of State with such returns, accounts and other information as he may from time to time require with respect to the activities before the appointed day of any of the Area Boards, and shall afford to the Secretary of State facilities for the verification of information so furnished.

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Gas Consultative Councils : transfer of pending matters, and terminal reports by Regional Councils

- 3 (1) Where immediately before the appointed day a Gas Consultative Council established under section 9 of the Gas Act 1948 have any matter under consideration pursuant to paragraph (a) or (b) of subsection (4) of that section, that matter shall be included among those which it is the duty of the appropriate Regional Council or Councils to consider pursuant to the corresponding provision (that is to say, paragraph (a) or paragraph (c)) of section 10(5) of this Act; and the duty of the Corporation under section 10(7) of this Act shall include a duty to consider any conclusions or reports of a Gas Consultative Council which, immediately before the appointed day, are required by subsection (6) of the said section 9 to be considered by one of the Area Boards.
- (2) Any representation received by a local representative of a Gas Consultative Council on behalf of that Council shall be treated as from the appointed day as having been received on behalf of the appropriate Regional Council or Councils.
- 4 (1) Each of the Regional Councils existing as from the appointed day for the area of one of the Area Boards shall, as soon as possible thereafter, make to the Corporation—
- (a) a report on the exercise and performance of their functions by the Gas Consultative Council for that area during the period from the end of the last full financial year of the Area Board until the appointed day, and
 - (b) if as respects that year the Gas Consultative Council have not by that day made a report to the Area Board under section 10(4) of the Gas Act 1948, a report on the exercise and performance of their functions by that Council during that year;
- and the Corporation shall include any report under this sub-paragraph in their appropriate report under paragraph 2 above on the Area Board in question.
- (2) The Secretary of State may give directions requiring any Regional Council specified therein to make to the Corporation, as soon as possible after the appointed day.—
- (a) a report on the exercise and performance of their functions by any Gas Consultative Council in respect of whom a report is not required under sub-paragraph (1) above during the period from the end of the last full financial year of the Area Board for whose area that Council was established until the appointed day, and
 - (b) if as respects that year the Gas Consultative Council have not by that day made a report to that Area Board under the said section 10(4), a report on the exercise and performance of their functions by that Council during that year;
- and the Corporation shall include any report under this sub-paragraph in their appropriate report under paragraph 2 above on that Area Board.

Compulsory purchase

- 5 Anything done before the appointed day for the purposes of or otherwise in connection with, the compulsory purchase of land, or rights over land, by the Gas Council or an Area Board under section 11 of the Gas Act 1948 shall have effect as from that day as if done for the purposes of, or otherwise in connection with, the compulsory purchase of the land or rights in question by the Corporation under Schedule 2 to this Act.

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PART II

FINANCIAL MATTERS

Government advances to Gas Council before appointed day

- 6 Section 20(5) of this Act shall have effect as if the sums therein referred to included any sums issued to the Secretary of State in the financial year in which the appointed day falls for the purpose of enabling him to make advances to the Gas Council under section 2 of the Electricity and Gas Act 1963, and any sums received by him in that or any subsequent year in respect of advances to the Council under that section or section 42 of the Finance Act 1956 ; and the Secretary of State shall not include any sums to which this paragraph applies in any account prepared by him under the said section 2.

British Gas Stock regulations

- 7 Any regulations under section 43(2) of the Gas Act 1948 in force immediately before the appointed day shall, with the necessary modifications, have effect as from that day as if made under section 21(2) of this Act and referring to stock created under that section as well as stock created under the said section 43.

Compensation to local authorities

- 8 Payments made by the Corporation in satisfaction of the liabilities of Area Boards under section 28 of the Gas Act 1948 shall be treated as capital payments or annual ones according as they would have been treated by virtue of subsection (5) of that section if made before the appointed day by those Boards.

Accounts

- 9 (1) The statement to be prepared by the Corporation under section 23(1)(b) of this Act in respect of their first financial year shall be one showing the state of affairs of the Corporation, and the aggregate profit or loss in that year of the Corporation (whether as such or as the Gas Council) and the Area Boards.
- (2) If by the appointed day the Gas Council or any of the Area Boards have not prepared a statement of accounts in respect of their last full financial year pursuant to section 50(1) of the Gas Act 1948, it shall be the duty of the Corporation to prepare a statement in respect of that year as soon as possible after that day, being one complying with the requirements of the said section 50 and any relevant direction in force thereunder immediately before that day; and if by the appointed day the accounts of the Gas Council or of any Area Board for the said financial year have not been audited pursuant to section 50(3) of the said Act of 1948 they shall be audited pursuant to this sub-paragraph by the auditors appointed in respect of that year under the said section 50(3).
- (3) It shall be the duty of the Corporation to prepare as soon as possible after the appointed day a statement of accounts in respect of each of the Area Boards for the period from the end of their last full financial year until that day, being a statement complying with the requirements of the said section 50 and any relevant direction in force thereunder immediately before that day ; and the accounts of each of the Area Boards for the said period shall be audited by persons appointed for the purpose

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by the Secretary of State, being persons qualified for appointment as auditors under section 23(6) of this Act.

- (4) As soon as any accounts have been audited by virtue of the preceding provisions of this paragraph, the Corporation shall send a copy of any statement of those accounts prepared pursuant to those provisions or to the said section 50 to the Secretary of State, together with a copy of any report made by the auditors on the statement or accounts; and the Secretary of State shall lay a copy of the statement and of any such report before each House of Parliament.

PART III

GAS SUPPLY MATTERS

Agreements not affected by duty of Corporation to avoid undue preference in supply

- 10 The reference in section 24(2) of this Act to any special agreement made by the Corporation under section 25(6) thereof shall include a reference to any special agreement made by an Area Board under section 53(6) of the Gas Act 1948, and any agreement made by the Gas Council by virtue of section 1(3) of the Gas Act 1965.

Calorific value

- 11 (1) Any declaration having effect immediately before the appointed day with respect to the calorific value within the meaning of the Gas Act 1948 of gas supplied by an Area Board shall, notwithstanding the different meaning given to that expression for the purposes of this Act, have effect as from that day as a declaration of calorific value validly made by the Corporation for those purposes.
- (2) Subject to sub-paragraph (3) below, for the purpose of ascertaining the calorific value of gas supplied by the Corporation to any area, the Secretary of State shall be treated as having made on the appointed day a determination under section 25(1) of this Act that the gas supplied to that area is to be treated as containing such an amount of water vapour as is requisite to saturate the gas with water vapour.
- (3) Sub-paragraph (2) above shall not apply in the case of gas supplied by the Corporation from any gasworks or group of gasworks in relation to which a direction under section 74(1) of the said Act of 1948 is in force immediately before the appointed day, but, instead, for the purpose mentioned in the said sub-paragraph (2), the Secretary of State shall be treated as having made on the appointed day a determination under the said section 25(1) in relation to that gas having the like effect as that direction or, as the case may require, it shall be assumed as from the appointed day that the Secretary of State has made no such determination in relation to that gas.

Charges

- 12 (1) Any tariff in force immediately before the appointed day under section 53(4) of the Gas Act 1948 shall have effect as from that day as if fixed by the Corporation under section 25(3) of this Act.
- (2) Nothing in the said section 25 shall affect any special agreement made by an Area Board under section 53(6) of the said Act of 1948, or any agreement made by the Gas Council by virtue of section 1(3) of the Gas Act 1965.

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

Standards

- 13 (1) In relation to any regulations made before the appointed day under subsection (1) of section 26 of this Act, the first reference in that subsection to the Corporation shall be read as a reference to the Gas Council.
- (2) Any regulations in force immediately before the appointed day under section 55(4) of the Gas Act 1948 shall, with the necessary modifications, have effect as from that day as if made under subsection (3) of the said section 26:
- Provided that this sub-paragraph shall not apply to regulations relating to any such matter as is specified in paragraph (f) of the said section 55(4).
- (3) Any appointment having effect immediately before the appointed day under and for the purposes of section 55(2) of the said Act of 1948 shall have effect as from that day as if made under and for the purposes of subsection (2) of the said section 26.
- (4) The repeals effected by this Act shall not affect—
- (a) the operation of section 55(3) of the said Act of 1948 in relation to the payment of pensions to or in respect of persons whose appointments under section 55(2) of that Act come to an end before the appointed day, or
 - (b) the operation of the said section 55(3), section 2 of the Gas Act 1960 or any related enactment in relation to sums paid by the Secretary of State under the said section 55(3) or other expenses incurred before the appointed day.

Supply by other persons

- 14 Section 29(1) of this Act shall not apply—
- (a) to the supply of gas by any person to premises which he was supplying immediately before 1st May 1949 (the vesting date for the purposes of the Gas Act 1948), or
 - (b) to a person's supply of gas to any premises in accordance with the consent of an Area Board granted to him before the appointed day under section 52(1) of the said Act of 1948.

Meters

- 15 (1) Any appointment having effect immediately before the appointed day under section 54 of the Gas Act 1948 shall have effect as from that day as if made under section 30 of this Act
- (2) Any regulations in force immediately before the appointed day under the said section 54 shall, with the necessary modifications, have effect as from that day as if made under the said section 30.
- (3) Any meter which, immediately before the appointed day, is duly stamped under the said section 54 or is treated by virtue of subsection (7) of that section as so stamped, shall be treated as from that day as stamped by a meter examiner appointed under the said section 30.
- (4) The repeal by this Act of subsection (3) of the said section 54 shall not affect the operation of that subsection in relation to the payment of pensions to or in respect of persons whose appointments under that section come to an end before the appointed day.

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Safety regulations

- 16 Any regulations in force immediately before the appointed day under section 67 of the Gas Act 1948 shall, with the necessary modifications, have effect as from that day as if made under section 31 of this Act.

Re-sale charges

- 17 The maximum prices for the re-sale of gas supplied by Area Boards in force immediately before the appointed day under paragraph 17 of Schedule 3 to the Gas Act 1948 shall be treated as from that day as prices fixed by the Corporation under paragraph 12 of Schedule 4 to this Act.

Interest on deposits with Corporation by way of security

- 18 Any order in force immediately before the appointed day under paragraph 39(2) of Schedule 3 to the Gas Act 1948 shall, with the necessary modifications, have effect as from that day as if made under paragraph 30(2) of Schedule 4 to this Act.

PART IV

MISCELLANEOUS MATTERS

Conditions of employment, etc.

- 19 Any agreement with any organisation concluded by the Gas Council or an Area Board for the purposes of section 57 of the Gas Act 1948 shall, so far as in force immediately before the appointed day, have effect as from that day as if concluded with that organisation by the Corporation and for the purposes of section 35 of this Act, but, as continued in force by this paragraph, shall apply only to such class or description of persons employed by the Corporation as corresponds as nearly as may be to the class or description of persons employed by the Council or Board to which the agreement applies immediately before the appointed day.

Pension rights

- 20 The repeal by this Act of section 58 of the Gas Act 1948 shall not affect the operation of subsection (3) of that section in relation to regulations made before the appointed day, and, notwithstanding that repeal, subsection (5) of that section shall, with the necessary modifications, continue to have effect in relation to any such question as is therein mentioned.

Compensation to officers of nationalised undertakings, etc.

- 21 Any regulations in force immediately before the appointed day under section 60 of the Gas Act 1948 (including regulations made by virtue of section 62(2) of that Act) shall, notwithstanding the repeal of those provisions by this Act, continue in force thereafter subject to the necessary modifications.

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Payments in respect of selective employment tax

- 22 The payments which may be made to the Corporation under section 3(2) of the Selective Employment Payments Act 1966 shall include payments in respect of tax paid before the appointed day either by the Corporation as the Gas Council or by an Area Board.

British Gas Stock issued under Gas Act 1948 by way of compensation

- 23 Notwithstanding the repeal by this Act of the Gas Act 1948—
- (a) composite companies within the meaning of that Act shall continue to have the rights and powers conferred on them in connection with British Gas Stock by section 30(7) of that Act, and
 - (b) paragraph 5 of Part I of Schedule 2 to that Act, including that paragraph as applied by paragraph 6 of Part II of that Schedule, shall continue to apply to British Gas Stock issued pursuant to that Schedule.

SCHEDULE 8

Section 49(3).

REPEALS

Chapter	Short Title	Extent of Repeal
2 & 3 Geo. 6. c. xcix.	The London Gas Undertakings (Regulations) Act 1939.	The whole Act.
11 & 12 Geo. 6. c. 67.	The Gas Act 1948.	The whole Act.
12 & 13 Geo. 6. c. 72.	The Iron and Steel Act 1949.	In section 47, the words from " with the Gas Council " to " are to be carried on " .
14 Geo. 6. c. 39.	The Public Utilities Street Works Act 1950.	In Schedule 5, the entries relating to the Gas Act 1948.
2 & 3 Eliz. 2. c. 21.	The Rights of Entry (Gas and Electricity Boards) Act 1954.	In section 3(1), the definition of " Gas Board " .
4 & 5 Eliz. 2. c. 60.	The Valuation and Rating (Scotland) Act 1956.	In section 24, in subsection (1) the words " the year 1961— 1962 or", in subsection (2) the words " except as provided in this Part of this Act ", and in subsection (4) the words " and the next following " . In section 43(1), the definition of " Gas Board " . In Schedule 4, paragraph 12.
5 & 6 Eliz. 2. c. 20.	The House of Commons Disqualification Act 1957.	In Part II of Schedule 1, the words "An Area Gas Board

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Chapter	Short Title	Extent of Repeal
5 & 6 Eliz. 2. c. 56.	The Housing Act 1957.	" and the words " The Gas Council". In section 130, the words " gas boards ", the words " and gas works respectively " and the words " or gas ".
6 & 7 Eliz. 2. c. 55.	The Local Government Act 1958.	In section 66(1), the definition of " Gas Board ".
8 & 9 Eliz. 2. c. 27.	The Gas Act 1960.	The whole Act.
9 & 10 Eliz. 2. c. 50.	The Rivers (Prevention of Pollution) Act 1961.	In sections 2(2)(e) and 4(1)(e), the words " paragraph 32 of the Third Schedule to the Gas Act 1948 or ".
1963 c. 33.	The London Government Act 1963.	In section 93(3), the words " or gas " and the words " or the Gas Act 1948", and, in Schedule 2, paragraph 31(e).
1963 c. 59.	The Electricity and Gas Act 1963.	In section 2(1), the words " or the Gas Council". In section 3(2), paragraphs (f) and (g). In Schedule 1, the entries relating to the Gas Act 1948.
1964 c. 29.	The Continental Shelf Act 1964.	In section 9(1), the words " and section 52 of the Gas Act 1948 shall not apply to any such gas", and, in section 9(7), the words "'Area Board' has the same meaning as in the Gas Act 1948 and ".
1965 c. 13.	The Rivers (Prevention of Pollution) (Scotland) Act 1965.	Section 2(2)(e).
1965 c. 36.	The Gas Act 1965.	Part I. Section 4(8)(a). In section 12(6), the words " another gas authority or ". In section 28(1), the definition of " gas authority ". Sections 29 and 30. Schedule 1. In Schedule 2, paragraphs 1(1)(a) and 14.

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Chapter	Short Title	Extent of Repeal
1966 c. 51.	The Local Government (Scotland) Act 1966.	In paragraph 1 (4) of Schedule 6, the words " or any other gas authority ". In section 18(1), the words " or section 3(1) of the Gas Act 1965 ". In section 19(1), the words " or section 3(1) of the Gas Act 1965 ".
1968 c. 13.	The National Loans Act 1968.	In Schedule 1, the entry relating to the Gas Act 1948.
1968 c. 39.	The Gas and Electricity Act 1968.	Sections 1 and 4. In section 5, the words " the Gas Council and an Area Gas Board ". Section 6.
1969 c. 32.	The Finance Act 1969.	In Schedule 20, paragraph 26.
1972 c. 17.	The Electricity Act 1972.	In section 1(5), the words "or gas ".