

SCHEDULES

SCHEDULE 1

Section 1.

BORROWING BY BOARD

PART I

Section 1 of the Act of 1965 as amended

- 1 (1) Subject to subsections (3) and (4) of this section, the National Coal Board (hereafter in this Act referred to as "the Board") may borrow temporarily, by way of overdraft or otherwise, either from the Secretary of State or, with the consent of the Secretary of State, from any other person, such sums in sterling as the Board may require for meeting their obligations and discharging their functions.
- (2) Subject to subsection (3) of this section, the Board may borrow (otherwise than by way of temporary loan) from the Secretary of State such sums in sterling as the Board may require in connection with their functions for all or any of the following purposes, that is to say—
- (a) for meeting any expenses properly chargeable to capital, being expenses incurred in connection with the provision or improvement of assets ;
 - (b) for the provision of working capital;
 - (c) for acquiring an undertaking or part of an undertaking ;
 - (d) for lending money to, or meeting a guarantee given for the . benefit of, any person for the purpose of an undertaking carried on by him or, where that person is a body corporate, an undertaking carried on by a subsidiary of that body corporate within the meaning of section 154 of the Companies Act 1948 ;
 - (e) for subscribing for or acquiring shares, stock, debentures, debenture stock, or other securities of a like nature, of a body corporate, otherwise than by way of investment;
 - (f) to pay off any money borrowed by the Board;
 - (g) for any purpose for which capital moneys are properly applicable (whether or not specified in the foregoing paragraphs of this subsection).
- (2A) The Board with the consent of the Secretary of State (which shall require the approval of the Treasury) may borrow in a currency other than sterling any sum which they have power to borrow in sterling from the Secretary of State.
- (3) Without prejudice to subsection (4) of this section, the aggregate amount outstanding in respect of the principal of—
- (a) sums borrowed by the Board otherwise than from any of their wholly owned subsidiaries (including any sum which under section 1(4) of the Coal Industry Act 1973 is deemed to have so borrowed), and

Status: This is the original version (as it was originally enacted).

- (b) sums borrowed by any wholly owned subsidiary of the Board otherwise than from the Board or from another such subsidiary, shall not exceed the limit of £1,800 million, but the Secretary of State with the approval of the Treasury may, on not more than two occasions, by order made by statutory instrument increase or further increase that limit by £400 million (so that the limit becomes £2,200 million or on the second occasion £2,600 million).
- (4) The aggregate of the amounts outstanding in respect of sums borrowed temporarily by the Board under subsection (1) and subsection (2A) of this section—
- (a) shall not at any time exceed such limit as the Secretary of State may from time to time direct, and
 - (b) at the end of any financial year of the Board shall not be such as to permit any accumulated deficit on the Board's revenue account to exceed £50 million or such lesser or greater sum, but not exceeding £100 million, as the Secretary of State with the approval of the Treasury may specify by order made by statutory instrument.
- (5) The Board shall not have power to borrow money except in accordance with this section or with section 2(3) of the Coal Industry Act 1973.
- (6) The Secretary of State may lend to the Board any sums which the Board have power to borrow under subsection (1) or (2) of this section.
- (7) [Paragraph (a) makes textual amendments in the Act of 1946, and defines the Coal Industry Nationalisation Act 1946 as " the Act of 1946 ". The remaining provisions are repealed by this Act.]
- (8) Any power conferred by a provision of this section to make an order shall include power to vary or revoke the order by a subsequent order made under that provision; but no such power shall be exercisable unless a draft of the order has been laid before the Commons House of Parliament and approved by a resolution of that House.

Section 2 of the Act of 1973 as amended

- 2 (1) [Repealed].
- (2) In accordance with any general authority given by the Secretary of State with the approval of the Treasury, the Board may under subsection (1) or subsection (2A) of section 1 of the Act of 1965 borrow temporarily from any person other than the Secretary of State any sum which they have power to borrow under either of those subsections with the consent of the Secretary of State.
- (3) With the consent of the Secretary of State and the approval of the Treasury the Board may borrow (otherwise than by way of temporary loan) from the Commission of the European Communities or from the European Investment Bank (established by Article 129 of the EEC Treaty) any sum in sterling which the Board have power to borrow from the Secretary of State under section 1(2) of the Act of 1965.
- (4) It is hereby declared for the avoidance of doubt that references in section 1 of the Act of 1965 to borrowing by the Board do not include borrowing by subsidiaries of the Board.
- (5) The Board shall not make any loan to any of their subsidiaries except 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.

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

- (6) The Board shall not exercise their power to guarantee the repayment by any person of money lent to him, or the payment of interest on money lent to any person, unless the Secretary of State gives his consent or it is exercised in accordance with a general authority given by the Secretary of State.
- (7) It shall be the duty of the Board to exercise their control over their wholly owned subsidiaries so as to secure that no such subsidiary guarantees the repayment by any person of money lent to him, or the payment of interest on money lent to any person, except with the consent of the Secretary of State or in accordance with a general authority given by him.
- (8) [Repealed].

PART II

Section 1 of the Act of 1965 is set out as amended by—
section 4(1) of the Act of 1971,
section 2 of, and paragraph 3 of Schedule 1 to, the Act of 1973,
paragraph 2 of Schedule 4 to the Statutory Corporations (Financial Provisions) Act 1975,
orders under the Ministers of the Crown (Transfer of Functions) Act 1946, and
this Act.

Section 2 of the Act of 1973 is set out as amended by this Act.

SCHEDULE 2

Section 6.

PIT CLOSURES: RELEVANT EXPENDITURE

- 1 (1) In section 6 of this Act "relevant expenditure" means expenditure, determined in such manner as may, with the approval of the Treasury, be agreed between the Secretary of State and the Board, on any of the following, namely—
- (i) payments under the Redundancy Payments Act 1965, so far as those payments exceed any sums received by the Board in consequence thereof under that Act, and payments under any scheme for comparable purposes made under section 37 of the Act of 1946 ;
 - (ii) payments in respect of loss of superannuation and employment prospects ;
 - (iii) payments by way of contributions to superannuation funds maintained by virtue of the said section 37 in respect of any increase in the cost of retirement benefits paid before normal retiring age ;
 - (iv) payments to persons in the employment of the Board whose place of employment is changed, and who in consequence change their place of residence in connection with the removal, and resettlement of those persons with or without their dependants ;
 - (v) the provision of housing for such persons as are mentioned in head (iv) above ;
 - (vi) the provision of travelling allowances or transport services for persons employed by the Board whose place of employment is changed;

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

- (vii) the temporary supplementation of the earnings of persons employed by the Board whose work or place of employment is changed in consequence of the closure of, or of part of, a pit;
 - (viii) the maintenance of existing social welfare activities within the meaning of the Miners' Welfare Act 1952, or of existing arrangements for the provision of benefits in kind in areas where the number of persons employed by the Board has fallen since the end of March 1965 as the consequence of the closure of collieries.
- (2) Head (iii) above shall not include contributions in respect of any increase in the cost of retirement benefits where those contributions are reimbursed by the Secretary of State under section 4 of the Act of 1967.
- 2 (1) References in section 6 of this Act to expenditure for any year shall be construed as references to expenditure actually incurred in that year, except as provided by the following provisions of this paragraph.
- (2) The Secretary of State and the Board may, with the approval of the Treasury, agree—
- (a) that expenditure to be incurred in pursuance of obligations undertaken by the Board in any year to make payments over periods extending beyond that year shall, to such extent as may be so agreed, be treated for the purposes of the said section as expenditure in that year of an amount greater than that actually incurred determined in such manner as may be so agreed, and
 - (b) that, in lieu of any expenditure incurred in connection with the provision of housing by the Coal Industry Housing Association, the Board shall be deemed to have incurred such obligations involving such expenditure as would, according to the agreement, have been incurred by the Board if that housing had been provided by a local authority.
- (3) In this paragraph "year" means a financial year of the Board.

SCHEDULE 3

Section 12.

TO BE INSERTED IN THE ACT OF 1946 AS SCHEDULE 2A

“ELIGIBILITY FOR SUPERANNUATION RIGHTS

The table below sets out classes of persons for whom rights may be provided under section 37(1 A) of this Act. Table

TABLE

- | | |
|---|--|
| 1 | Any person who has been in the employment of a subsidiary of the Board. |
| 2 | Any person who has been in the employment of a body corporate in which the Board then had an interest of a kind defined by regulations under section 37 of this Act and which was then, or at any earlier time, a subsidiary of the Board. |
| 3 | (1) Any person who has been in the employment of a body corporate to which this head then applied. |
| | (2) This head applies to a body corporate in which the Board, or a subsidiary of the Board, has an interest of a prescribed kind where— |

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

- (a) more than one-half in nominal value of the equity share capital of the body corporate is held by nationalised bodies, or
 - (b) its members consist of or include nationalised bodies, and those nationalised bodies can together control the composition of the board of directors of the body corporate, or
 - (c) the body corporate is a subsidiary of another body corporate to which this head applies.
- (3) In this head "prescribed" means prescribed by regulations under section 37 of this Act, and those regulations may prescribe different kinds of interests for cases within paragraphs (a), (b) and (c) above respectively.
- 4 Any person who has been in the employment of a partnership where—
- (a) the Board or a subsidiary of the Board was one of the partners, and
 - (b) that partner, together with any other partners who were nationalised bodies, had an interest, or interests, in the partnership satisfying conditions prescribed by regulations under section 37 of this Act.
- 5 Other persons, so far as benefits in their favour are by reference to the employment of persons within heads 1, 2, 3 or 4 above.

In this Table—

"nationalised body" means—

- (a) a body corporate established by or under any enactment for the carrying on of any industry or part of an industry, or of any undertaking, under national ownership or control, or
- (b) a subsidiary of such a body corporate,

"subsidiary" has the meaning given by section 154 of the Companies Act 1948."

SCHEDULE 4

Section 15.

MINOR AMENDMENTS

Coal Industry Nationalisation Act 1946 (c. 59)

- 1 (1) The Act of 1946 shall be amended as follows.
- (2) For section 1(2)(e) substitute the following paragraph—
- “(e) any activities which can advantageously be carried on by the Board with a view to making the best use of their assets”.
- (3) In section 3(4) after the words "activities of the Board" insert the words "in Great Britain or elsewhere".
- (4) At the end of section 31(1) add the words "in Great Britain or elsewhere".
- (5) In section 36(2)(c) (inserted by section 46(1) of the Opencast Coal Act 1958) for the word "tons" substitute "tonnes".
- (6) In section 54(1) after the word "functions" insert the words "in Great Britain or elsewhere".

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

- (7) At the beginning of section 63(3) (references to activities not to include overseas activities) insert the words " Except as otherwise expressly provided ".

Coal Industry Act 1967 (c. 91)

- 2 In section 4(1) of the Act of 1967 (payments by Secretary of State to Board in respect of early retirement benefits for those eligible under schemes under section 3 of that Act) after the words " section 3 above" insert the words " or section 7 of the Coal Industry Act 1977 ".
- 3 Sections 5 and 6 of the Act of 1967 (reimbursement of losses in postponing pit closures, and an additional loss of using coal in generating electricity or producing gas), which are spent enactments, shall cease to have effect.

Coal Industry Act 1971 (c. 16)

- 4 In section 5(2) of the Act of 1971 for the words from the beginning to the words " but before giving any consent thereunder " substitute the words " Before giving any consent under subsection (1) of this section ".

National Coal Board (Finance) Act 1976 (c. 1)

- 5 In section 2(5) of the Act of 1976 (payments towards pension scheme deficiencies: exclusion of expenditure relevant for pit closure grants) for the words from " for the purposes of " to the end of the subsection substitute the words " defined in Schedule 2 to the Coal Industry Act 1977 ".

SCHEDULE 5

Section 15.

REPEALS

PART I

GRANTS FOR PIT CLOSURES

| Chapter | Short Title | Extent of Repeal |
|-------------|-------------------------|---|
| 1965 c. 82. | Coal Industry Act 1965. | Section 3. |
| 1967 c. 91. | Coal Industry Act 1967. | Section 2. Section 4(3). Section 7(3). In the Schedule, paragraphs 3, 4 and 5. |
| 1971 c. 16. | Coal Industry Act 1971. | Section 1. Section 9(1). |

The repeals in this Part do not affect grants under section 1 of the Act of 1971 in respect of the Board's financial year ending in March 1978, or in any earlier year.

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

| Chapter | Short Title | Extent of Repeal |
|------------|-------------------------|---|
| 1973 c. 8. | Coal Industry Act 1973. | Section 3. In Schedule 1, paragraph 4. |

The repeals in this Part do not affect grants under section 1 of the Act of 1971 in respect of the Board's financial year ending in March 1978, or in any earlier year.

PART II

OTHER REPEALS

| Chapter | Short Title | Extent of Repeal |
|----------------------------|---|--|
| 12, 13 & 14 Geo. 6. c. 53. | Coal Industry Act 1949. | Section 2. |
| 1965 c. 82. | Coal Industry Act 1965. | In section 1(7) the words from the beginning to "March 1965 and", and paragraphs (b) and (c). |
| 1966 c. 47. | National Coal Board (Additional Powers) Act 1966. | Section 1(3). |
| 1967 c. 91. | Coal Industry Act 1967. | Section 3. Sections 5 and 6. In the Schedule paragraphs 1 and 2. |
| 1971 c. 16. | Coal Industry Act 1971. | Section 2. |
| 1973 c. 8. | Coal Industry Act 1973. | In section 2 subsections (1) and (8). Section 4. Section 6. Section 7. Section 9. In section 12, in subsection (1) the definition of "the financial years 1974-76", and subsections (3), (4) and (5). |
| 1976 c. 1. | National Coal Board (Finance) Act 1976. | Section 1. Section 3. |