

# Civil Aviation Act 1980

# **1980 CHAPTER 60**

An Act to provide for the reduction of the public dividend capital of the British Airways Board and otherwise to make provision in relation to the finances of the Board; to provide for the subsequent dissolution of the Board and the vesting of all its property, rights, liabilities and obligations in a company nominated by the Secretary of State; to make provision with respect to the finances of that company; to amend the Civil Aviation Act 1971; to amend section 4 of the Civil Aviation (Eurocontrol) Act 1962; to require sound-proofing grants to be taken into account in determining compensation for depreciation due to the use of aerodromes; to make further provision with respect to the investigation of accidents arising out of or in the course of air navigation; to amend the Protection of Aircraft Act 1973; to extend the powers of the British Airports Authority in relation to aerodromes outside Great Britain and clarify its powers in certain other respects; to enable that Authority to acquire certain land by agreement; and to enable the owners and managers of certain aerodromes to make byelaws in relation to lost property found at those aerodromes. [13th November 1980]

# PART I

## THE BRITISH AIRWAYS BOARD

## Reduction of public dividend capital of British Airways Board

## 1 Reduction of public dividend capital of British Airways Board.

- (1) The public dividend capital of the British Airways Board (referred to below in this Part of this Act as "the Board") shall be reduced by virtue of this section by the sum of £160 million, and any entitlement of the Secretary of State and any liability of the Board in respect of the Board's public dividend capital shall be correspondingly reduced.
- (2) References in this Part of this Act to the public dividend capital of the Board are references to the capital amount for the time being outstanding in respect of payments

to the Board under section 7(1) of the Act of 1977 (including payments deemed to have been made under section 7(1) by virtue of section 8(b) or 14(1)(b) of that Act).

(3) Nothing in subsection (1) above shall be taken as affecting any arrangements made by the Board before the passing of this Act for the payment of any sums to the Secretary of State in consideration of the reduction of the public dividend capital of the Board by virtue of this section; and any sums received by the Secretary of State in pursuance of any such arrangements shall be paid into the Consolidated Fund.

#### 2 Financial limit of the Board.

In section 9(1) of the British Airways Board Act 1977 (limit on borrowing powers of the Board) for the words from "shall not" to the end there shall be substituted the words "shall not exceed £1,000 million.".

#### Modifications etc. (not altering text)

C1 The text of s. 2 is in the form in which it was originally enacted: it was not reproduced in Statutes in Force and does not reflect any amendments or repeals which may have been made prior to 1.2.1991.

Vesting of property, etc., of British Airways Board in a company nominated by the Secretary of State

# **3** Vesting of property, etc., of British Airways Board in a company nominated by the Secretary of State.

- (1) On the appointed day all the property, rights, liabilities and obligations to which the Board was entitled or subject immediately before that day shall (subject to the following provisions of this section and section 5(1) of this Act) become by virtue of this section property, rights, liabilities and obligations of a company nominated for the purposes of this section by the Secretary of State (referred to below in this Part of this Act as "the successor company").
- (2) The Secretary of State may, after consulting the Board, by order made by statutory instrument nominate for the purposes of this section any company formed and registered under the <sup>MI</sup>Companies Act 1948; but on the appointed day the nominated company must be a company limited by shares in which all the issued shares are held by or on behalf of the Crown.
- (3) Any agreement made, transaction effected or other thing done by, to or in relation to the Board which is in force or effective immediately before the appointed day shall have effect on and after that day as if made, effected or done by, to or in relation to the successor company, in all respects as if the successor company were the same person, in law, as the Board; and accordingly references to the Board—
  - (a) in any agreement (whether or not in writing) and in any deed, bond or other instrument;
  - (b) in any process or other document issued, prepared or employed for the purpose of any proceeding before any court or other tribunal or authority; and
  - (c) in any other document whatsoever relating to or affecting any property, right, liability or obligation of the Board which vests by virtue of this section in the successor company;

shall be taken on and after the appointed day as referring to the successor company.

- (4) Section 1(3) of this Act shall continue to apply to any sums received in pursuance of any such arrangements as are there mentioned after those arrangements become binding on the successor company by virtue of this section.
- (5) Schedule 1 to this Act contains specific provisions with respect to the effect in certain respects of the vesting of the property, rights, liabilities and obligations of the Board in the successor company by virtue of this section; but nothing in those provisions shall be taken as prejudicing the general effect of the preceding provisions of this section.
- (6) References in this Part of this Act to property, rights, liabilities and obligations of the Board are references to all such property, rights, liabilities and obligations, whether or not capable of being transferred or assigned by the Board.
- (7) No right, liability or obligation under any agreement for the rendering by any person of services to the Board as a member of the Board shall vest by virtue of this section in the successor company, except any liability for remuneration payable in respect of any period falling before the appointed day.
- (8) It is hereby declared for the avoidance of doubt that—
  - (a) any reference in this Part of this Act to property of the Board is a reference to property of the Board whether situated in the United Kingdom or elsewhere; and
  - (b) any such reference to rights, liabilities or obligations of the Board is a reference to rights to which the Board is entitled, or (as the case may be) liabilities or obligations to which the Board is subject, whether under the law of the United Kingdom or of any part of the United Kingdom or under the law of any country or territory outside the United Kingdom.

Marginal Citations M1 1948 c. 38.

#### 4 Initial government shareholding in the successor company.

- (1) As a consequence of the vesting in the successor company by virtue of section 3 of this Act of all the property, rights, liabilities and obligations of the Board, the successor company shall issue—
  - (a) to the Secretary of State; or
  - (b) to any person appointed as the Secretary of State's nominee under subsection (4) below; or
  - (c) to any person entitled to require the issue of the shares in question following their initial allotment to the Secretary of State or to any such nominee;

such shares in the company as the Secretary of State may direct.

- (2) Shares required to be issued in pursuance of this section shall be issued or allotted at such time or times and on such terms (as to allotment) as the Secretary of State may direct.
- (3) Shares issued in pursuance of this section—
  - (a) shall be of such nominal value as the Secretary of State may direct; and

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- (b) shall be issued as fully paid and treated for the purposes of the [<sup>F1</sup>Companies Act 1985] as if they had been paid up by virtue of the payment to the successor company of their nominal value in cash.
- (4) The Secretary of State may appoint such person or persons as he thinks fit to act as his nominees for the purposes of this section; and any person holding any shares or rights acquired by virtue of this section as a nominee of the Secretary of State shall hold and deal with them (or any of them) on such terms and in such manner as the Secretary of State may direct.
- (5) The Secretary of State may not dispose of any shares issued or of any rights to shares initially allotted to him in pursuance of this section, appoint any person as his nominee or give any directions for the purposes of this section without the consent of the Treasury.
- (6) Any dividends or other sums received by [<sup>F2</sup>the Treasury or] the Secretary of State in right of or on the disposal of any shares or rights acquired by virtue of this section shall be paid into the Consolidated Fund.

 $(7) \ldots \ldots \overset{F3}{\ldots}$ 

#### **Textual Amendments**

- **F1** Words substituted by Companies Consolidation (Consequential Provisions) Act 1985 (c. 9, SIF 27), s. 30, Sch. 2
- F2 Words inserted by S.I. 1988/1984, art. 3(3), Sch. para. 1(1)
- F3 S. 4(7) repealed by Finance Act 1988 (c. 39, SIF 114), s. 148, Sch. 14 Pt. XI

#### Modifications etc. (not altering text)

C2 By S.I. 1988/1984, arts. 2, 3 certain functions of the Secretary of State are transferred to the Treasury so as to be exercisable concurrently with the Secretary of State

## 5 Financial structure of the successor company and its subsidiaries.

- (1) Subject to paragraph 2 of Schedule 2 to this Act, any entitlement of the Secretary of State and any liability of the Board in respect of the public dividend capital of the Board shall be extinguished immediately before the appointed day; and the aggregate nominal value of the shares in the successor company issued in pursuance of section 4 of this Act shall be equal to the amount of the public dividend capital immediately before that day.
- (2) For the purposes of any statutory accounts of the successor company, the value of any asset and the amount of any liability of the Board vesting in that company on the appointed day shall be taken to be the value or (as the case may be) the amount assigned to that asset or liability for the purposes of the corresponding statement of accounts prepared by the successor company in accordance with section 8(8) or (9) of this Act in respect of the Board's final accounting period.
- (3) In subsection (2) above the reference to the Board's final accounting period is a reference—
  - (a) to the Board's final accounting year, if that year ends with the day immediately preceding the appointed day; and
  - (b) in any other event, to the period mentioned in section 8(9) of this Act.

(4) For the purposes of any statutory accounts of the successor company the amount to be included in respect of any item shall be determined as if anything done by the Board (whether by way of acquiring, revaluing or disposing of any assets or incurring, revaluing or discharging any liability, or by carrying any amount to any provision or reserve, or otherwise) had been done by the successor company.

Accordingly (but without prejudice to the generality of the preceding provision) the amount to be included from time to time in any reserves of the successor company as representing its accumulated realised profits available for distribution shall be determined as if any profits realised and retained by the Board had been realised and retained by the successor company.

(5) References in this section to the statutory accounts of the successor company are references to any accounts prepared by the successor company for the purposes of any provision of the [<sup>F4</sup>Companies Acts 1985] (including group accounts).

#### **Textual Amendments**

F4

Words substituted by Companies Consolidation (Consequential Provisions) Act 1985 (c. 9, SIF 27), s. 30, **Sch. 2** 

#### 6 Government investment in shares and securities of the successor company.

(1) The Secretary of State may at any time-

- (a) subscribe for or acquire ordinary voting shares in the successor company; or
- (b) take up or acquire securities of the successor company which are convertible into or carry rights to subscribe for ordinary voting shares; or
- (c) acquire rights to subscribe for any such shares; or
- (d) direct any person acting as his nominee for the purposes of section 4 of this Act to take the action mentioned in paragraph (a), (b) or (c) above in relation to such shares, securities or rights so mentioned as he may direct.
- [<sup>F5</sup>(1A) The Treasury may at any time take, or direct any person acting as their nominee to take, any such action as is mentioned in subsection (1)(a), (b) or (c) above.]
  - (2) In subsection (1) above "ordinary voting shares" means shares in the company which-
    - (a) carry voting rights at general meetings of the company; and
    - (b) carry a right to participate in any distribution (whether of dividends or of capital) without limit as to amount (but the right to participate in distributions need not extend to a dividend declared out of profits earned during any period falling wholly or partly before the date of acquisition of the shares).
  - (3) Any nominee of [<sup>F6</sup>the Treasury or] the Secretary of State who acquires any shares or other securities or rights by virtue of this section shall hold and deal with them (or any of them) on such terms and in such manner [<sup>F7</sup>as the Treasury or, as the case may be, the Secretary of State may direct.]
  - (4) Any shares, securities or rights acquired by virtue of this section shall be paid for out of moneys provided by Parliament; and any dividends or other sums received by [<sup>F8</sup>the Treasury or] the Secretary of State in right of, or on the disposal of, any such shares, securities or rights shall be paid into the Consolidated Fund.

(5) The Secretary of State may not acquire any shares, securities or rights by virtue of this section or dispose of any shares, securities or rights so acquired, or give any directions for the purposes of this section, without the consent of the Treasury.

#### **Textual Amendments**

- F5 S. 6(1A) inserted by S.I. 1988/1984, art. 3(3), Sch. para. 1(2)
- **F6** Words inserted by S.I. 1988/1984, art. 3(3), **Sch. para. 1(3)**
- F7 Words substituted by S.I. 1988/1984, art. 3(3), Sch. para. 1(3)
- **F8** Words inserted by S.I. 1988/1984, art. 3(3), Sch. para. 1(4)

#### **Modifications etc. (not altering text)**

C3 By S.I. 1988/1984, arts. 2, 3 certain functions of the Secretary of State are transferred to the Treasury so as to be exercisable concurrently with the Secretary of State

#### 7 Target investment limit for Government shareholding under sections 4 and 6.

- (1) As soon as any shares in the successor company are held otherwise than by or on behalf of the Crown, the Secretary of State shall by order made by statutory instrument fix a target investment limit in relation to the shares for the time being held in that company by the Secretary of State or his nominees (referred to below in this section as "the Government shareholding").
- (2) The target investment limit—
  - (a) shall be expressed as a proportion of the voting rights exercisable at general meetings of the successor company; and
  - (b) shall be equal to the proportion of those voting rights which is carried by the Government shareholding at the time when the order fixing the limit is made.
- (3) It shall be the duty of [<sup>F9</sup>the Treasury and] the Secretary of State so to exercise—
  - (a) [<sup>F10</sup>their] powers under section 6 of this Act and [<sup>F10</sup>their] power to dispose of any shares held by [<sup>F10</sup>them]; and
  - (b) [<sup>F10</sup>their] power to give directions to [<sup>F10</sup>their] nominees;

as to secure that the Government shareholding does not carry a proportion of the voting rights exercisable at general meetings of the successor company exceeding the target investment limit.

- (4) Notwithstanding subsection (3) above, [<sup>F11</sup>the Treasury or the Secretary of State may]—
  - (a) take up, or direct [<sup>F11</sup>any nominee of theirs or his] to take up, any rights for the time being [<sup>F11</sup>available to them or him], or to that nominee, as an existing holder of shares in or securities of the successor company or as an existing holder of a right to subscribe for any such shares;
  - (b) exercise or direct [<sup>F11</sup>any nominee of theirs or his] to exercise any right to subscribe for such shares;

but if as a result the Government shareholding at any time exceeds the target investment limit it shall be [<sup>F11</sup>the duty of the Treasury and the Secretary of State] to comply with subsection (3) as soon after that time as is reasonably practicable.

(5) Only one order shall be made under this section, and the statutory instrument containing it shall be subject to annulment in pursuance of a resolution of either House of Parliament.

#### Textual Amendments

- **F9** Words inserted by S.I. 1988/1984, art. 3(3), Sch. para. 1(5)
- F10 Words substituted by S.I. 1988/1984, art. 3(3), Sch. para. 1(5)
- F11 Words substituted by S.I. 1988/1984, art. 3(3), Sch. para. 1(6)

#### Modifications etc. (not altering text)

- C4 In s. 7, the expression "Government shareholding" is extended by S.I. 1988/1984, arts. 2, 3
- C5 By S.I. 1988/1984, arts. 2, 3 certain functions of the Secretary of State are transferred to the Treasury so as to be exercisable concurrently with the Secretary of State

#### 8 Dissolution of the Board and transitional provisions.

- (1) Subject to the following provisions of this section and to the transitional provisions contained in Schedule 2 to this Act, the enactments mentioned in Part I of Schedule 3 to this Act shall cease to have effect on the appointed day to the extent specified in column 3 of that Part.
- (2) Where notwithstanding the provisions of section 3 of this Act any steps remain to be taken after the appointed day to secure that the vesting in the successor company by virtue of that section of any foreign property, right, liability or obligation of the Board is effective under the relevant foreign law—
  - (a) the Board shall continue in existence after the appointed day notwithstanding subsection (1) above; and
  - (b) section 1 of and Schedule 1 to the Act of 1977 (excluding paragraphs 7 to 10, 14 and 15) shall continue to have effect in relation to the constitution and proceedings of the Board;

until the Board is dissolved in accordance with subsection (7) below.

- (3) During any period after the appointed day when the Board's existence is preserved by virtue of subsection (2) above (referred to below in this section as "the transitional period") it shall be the duty of the Board and of the successor company (subject to subsection (4) below) to take all such steps as may be requisite to secure that the vesting in the successor company of any foreign property, right, liability or obligation of the Board is effective under the relevant foreign law.
- (4) The time of performance of the duties imposed on the Board and the successor company under subsection (3) above in the case of any particular property, right, liability or obligation shall be determined by the successor company in the light of any commercial factors which appear to it to be relevant to the timing of any steps required to secure effective vesting under the relevant foreign law in that case.
- (5) The Board shall have all such powers as may be requisite for the performance of its duty under subsection (3) above; but it shall be the duty of the successor company to act on behalf of the Board (so far as possible) in the performance of that duty.
- (6) Any expenses incurred by the Board in performing its duty under subsection (3) above shall be met by the successor company; and any rights, liabilities and obligations

acquired or incurred by the Board during the transitional period shall become rights, liabilities and obligations of the successor company after the dissolution of the Board in accordance with subsection (7) below.

- (7) If the Board continues in existence after the appointed day by virtue of subsection (2) above the Secretary of State may by order made by statutory instrument dissolve the Board on a day specified in the order, as soon as he is satisfied that nothing further remains to be done by the Board under subsection (3) above.
- (8) If the Board has not already done so by the appointed day, it shall be the duty of the successor company to prepare statements of accounts in accordance with section 15 of the Act of 1977 and to make a report to the Secretary of State in accordance with section 16 of that Act in respect of the accounting year of the Board ending last before the appointed day; and those sections shall apply accordingly as if references to the Board were references to the successor company.
- (9) If the accounting year of the Board ending last before the appointed day does not end with the day immediately preceding that day, it shall be the duty of the successor company to prepare such statements and to make such a report in respect of the period beginning immediately after the end of that accounting year and ending with the day immediately preceding the appointed day; and sections 15 and 16 of the Act of 1977 shall apply in any such case as if—
  - (a) that period were an accounting year of the Board; and
  - (b) references in those sections to the Board were references to the successor company.
- (10) References in this section to any foreign property, right, liability or obligation of the Board are references respectively to—
  - (a) property of the Board situated in a country or territory outside the United Kingdom; and
  - (b) any right to which the Board is entitled or (as the case may be) any liability or obligation to which it is subject under the law of any such country or territory.

#### Miscellaneous and supplemental

# 9 Application of Trustee Investments Act 1961 in relation to investment in the successor company.

- (1) For the purpose of applying paragraph 3(b) of Part IV of Schedule 1 to the <sup>M2</sup>Trustee Investments Act 1961 (which provides that shares and debentures of a company shall not count as wider-range and narrower-range investments respectively within the meaning of that Act unless the company has paid dividends in each of the five years immediately preceding that in which the investment is made) in relation to investment in shares or debentures of the successor company during the calendar year in which the appointed day falls ("the first investment year") or during any year following that year, the successor company shall be deemed to have paid a dividend as there mentioned—
  - (a) in any year preceding the first investment year which is included in the relevant five years; and
  - (b) in the first investment year, if that year is included in the relevant five years and the successor company does not in fact pay such a dividend in that year.
- (2) In subsection (1) above "the relevant five years" means the five years immediately preceding the year in which the investment in question is made or proposed to be made.

Marginal Citations M2 1961 c. 62.

### 10 Interpretation of Part I.

- (1) In this Part of this Act—
  - "the Act of 1977" means the <sup>M3</sup>British Airways Board Act 1977;

"appointed day" means such day as the Secretary of State may appoint by order made by statutory instrument after consulting the Board and the Treasury;

"the Board" has the meaning given by section 1(1) of this Act;

"share" includes stock; and

"the successor company" has the meaning given by section 3(1) of this Act.

- (2) References in this Part of this Act to the public dividend capital of the Board shall be construed in accordance with section 1(2) of this Act.
- (3) An order under section 3 of this Act nominating any company for the purposes of that section and an order under subsection (1) above appointing a day may be varied or revoked by a subsequent order at any time before any property, rights, liabilities or obligations of the Board vest in any company by virtue of section 3.

#### Modifications etc. (not altering text)

- C6 Power of appointment conferred by s. 10(1) not exercised
- C7 1.4.1984 appointed for the purposes of Pt. I by S.I. 1983/1940, art. 2

**Marginal Citations** 

**M3** 1977 c. 13.

#### PART II

MISCELLANEOUS AMENDMENTS OF THE LAW RELATING TO CIVIL AVIATION

11–19 .....<sup>F12</sup>

 Textual Amendments

 F12
 Ss. 11–19, 21 repealed by Civil Aviation Act 1982 (c. 16, SIF 9), s. 109, Sch. 16

Compensation for depreciation due to the use of aerodromes

# 20 Sound-proofing grants to be taken into account in determining compensation for depreciation.

- (1) In section 4(3) of the <sup>M4</sup>Land Compensation Act 1973 (which requires the benefit of certain works to be taken into account in assessing the exetent of depreciation of a claimant's interest due to the use of certain public works, including aerodromes)—
  - (a) at the end of paragraph (a) there shall be inserted the following words " or under any peovision of a scheme operated by a person managing an aerodrome which provides for the payment of soud-proofing grants in respect of buildings near the aerodrome "; and
  - (b) at the end of the subsection there shall be added the following paragraph— " in paragraph (a) above "sound-proofing grants" in relation to any buildings means grants towards the cost of insulating those buildingd or parts of those buildings against noise. "
- (2) Amendments cooresponding to those made by subsection (1) above shall be made—
  - (a) in section 4(3) of the <sup>M5</sup>Land Compensation (Scotland) Act 1973; and
  - (b) in Article 7(3) of the <sup>M6</sup>Land Acquisition and Compensation (Northern Ireland) Order 1973;

(which respectively make provision for Scotland and Northern Ireland corresponding to that made for England and Wales by the provision amended by subsection (1).

#### Modifications etc. (not altering text)

**C8** The text of s. 20 is in the form in which it was originally enacted: it was not reproduced in Statutes in Force and does not reflect any amendments or repeals which may have been made prior to 1.2.1991.

#### **Marginal Citations**

- M4 1973 c. 26.
- M5 1973 c. 56.
- M6 S.I. 1973/1896 (N.I. 21).

# 21 .....<sup>F13</sup>

**Textual Amendments F13** Ss. 11–19, 21 repealed by Civil Aviation Act 1982 (c. 16, SIF 9), s. 109, Sch. 16

# 22, 23. .....<sup>F14</sup>

#### **Textual Amendments**

F14 Ss. 22, 23 repealed by Aviation Security Act 1982 (c. 36, SIF 9), s. 40, Sch. 3

24, 25. .....<sup>F15</sup>

**Textual Amendments** F15 Ss. 24, 25 repealed by Airports Act 1986 (c. 31, SIF 9), s. 83(5), Sch. 6 Pt. I

26 .....<sup>F16</sup>

Textual AmendmentsF16S. 26 repealed by Civil Aviation Act 1982 (c. 16, SIF 9), s. 109, Sch. 16

### Supplemental

### 27 Interpretation of Part II.

In this Part of this Act—

"theAct of 1949" means the Civil Aviation Act 1949; and "theAct of 1971" means the Civil Aviation Act 1971.

#### 28 Repeals consequent on Part II.

The enactment mentioned in Part II of Schedule 3 to this Act (which include an enactment which was spent before the passing of this Act) are hereby repealed to the extent specified in column 3 of that Schedule.

#### Modifications etc. (not altering text)

**C9** The text of s. 28 is in the form in which it was originally enacted: it was not reproduced in Statutes in Force and does not reflect any amendments or repeals which may have been made prior to 1.2.1991.

### PART III

#### SUPPLEMENTARY PROVISIONS

#### 29 Administrative expenses.

There shall be paid out of moneys provided by Parliament-

- (a) any administrative expenses incurred by the Secretary of State in consequence of the provisions of this Act; and
- (b) any increase attributable to this Act in the sums payable under any other Act out of moneys so provided.

## **30** Application of Act to certain overseas territories.

- (1) Her Majesty may by Order in Council direct that any of the provisions of this Act shall extend, with such modifications (if any) as may be specified in the Order, to any relevant overseas territory.
- (2) In subsection (1) above,—

"modifications" includes additions, omissions and amendments; and "relevant overseas territory" means any of the Channel Islands, the Isle of Man, any colony and any country or place outside Her Majesty's dominions in which for the time being Her Majesty has jurisdiction.

# 31 Citation and extent.

(1) This Act may be cited as the Civil Aviation Act 1980.

(2) This Act, except sections 24 and 25, extends to Northern Ireland.

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# SCHEDULES

## SCHEDULE 1

#### EFFECT OF SECTION 3 IN CERTAIN CASES

#### *Modification of agreements*

- Where immediately before the appointed day there is in force an agreement which—
  - (a) confers or imposes on the Board any rights, liabilities or obligations which vest in the successor company by virtue of section 3 of this Act; and
  - (b) refers (in whatever terms and whether expressly or by implication) to a member or officer of the Board;

the agreement shall have effect, in relation to anything falling to be done on or after that day, as if for that reference there were substituted a reference to such person as that company may appoint or, in default of appointment, to the officer of that company who corresponds as nearly as may be to the member or officer of the Board in question.

#### Pensions

- 2 (1) Any service which immediately before the appointed day was required by section 12(5) of the <sup>M7</sup>Civil Aviation Act 1978 to be treated for the purposes of a scheme maintained under that section (pension schemes) as if it were service as an employee of the Board shall be treated as service as an employee of the successor company for the purposes of any relevant pension arrangements.
  - (2) Any provision made by the Board under paragraph 8 or 10 of Schedule 1 to the Act of 1977 (pensions, allowances or gratuities to or in respect of members of the Board or the air corporations) which by virtue of section 3(3) of this Act has effect as if made by the successor company shall be maintained by the successor company.
  - (3) For the purposes of any relevant pension arrangements—
    - (a) any period of employment by the Board of an employee of the Board who becomes an employee of the successor company shall be treated as employment by that company; and
    - (b) any period of a person's employment before the appointed day by a company which becomes a wholly owned subsidiary of the successor company on the appointed day shall be treated as employment by a wholly owned subsidiary of the successor company.
  - (4) References in this paragraph to relevant pension arrangements are references to any arrangements for the payment of pensions, allowances or gratuities which by virtue of section 3(3) of this Act have effect as if made by the successor company and any further arrangements made by the successor company for corresponding purposes.

Marginal Citations M7 1978 c. 8.

#### Regional development grants

- 3 (1) Where an asset, or the right to receive an asset, vests in the successor company by virtue of section 3 of this Act, then for the purposes of Part I of the <sup>M8</sup>Industry Act 1972—
  - (a) so much of any expenditure incurred by the Board in providing that asset as is approved capital expenditure (of any description mentioned in section 1(3) of that Act) in respect of which no payment of regional development grant has been made to the Board shall be treated as having been incurred by the successor company and not by the Board; and
  - (b) where the asset itself vests in the successor company by virtue of section 3, it shall be treated as a new asset if it would have fallen to be so treated if it had remained vested in the Board.
  - (2) In this paragraph "regional development grant" means a grant under Part I of the Industry Act 1972 and "approved capital expenditure" has the same meaning as in that Part of that Act.

Marginal Citations M8 1972 c. 63.

## SCHEDULE 2

#### TRANSITIONAL PROVISIONS

- 1 Subsections (2) to (4) of section 6 of the Act of 1977 (provisions with respect to loans made to the Board by the Secretary of State under section 6(1)) shall continue to apply in relation to any loan made to the Board by the Secretary of State under that section in respect of which any outstanding liability of the Board becomes a liability of the successor company by virtue of section 3 of this Act.
- 2 (1) Section 5(1) of this Act shall not operate to extinguish any liability of the Board to make any payment in pursuance of section 7(2) of the Act of 1977 (payments in consideration of public dividend capital) in respect of a period falling before the appointed day, and subsections (2) to (4) of section 7 shall continue to apply in relation to any such liability.
  - (2) An amount may be fixed in pursuance of section 7(2) in respect of any such liability after it becomes a liability of the successor company by virtue of section 3 of this Act; but section 7(2) shall have effect in relation to any such case as if references to the Board were references to the successor company.
- 3 Subsections (2) to (5) of section 11 of the Act of 1977 (provisions with respect to Treasury guarantees under section 11(1) of certain obligations of the Board) shall continue to apply in relation to any guarantee given, or having effect as if given,

by the Treasury under that section with respect to a liability of the Board which becomes a liability of the successor company by virtue of section 3 of this Act, but as if the references in subsection (3) of that section to the Board were references to the successor company.

## SCHEDULE 3

Sections 8(1) and 28.

#### ENACTMENT REPEALED

**Modifications etc. (not altering text)** 

C10 The text of Sch. 3 is in the form in which it was originally enacted: it was not reproduced in Statutes in Force and does not reflect any amendments or repeals which may have been made prior to 1.2.1991.

# PART I

#### **REPEALS CONSEQUENT ON PART I**

Chapter	Short title	Extent of repeal
12, 13 & 14 Geo. 6. c. 67.	The Civil Aviation Act 1949.	Section 15.
		Section 16(3)
		In section 56, the words from "or on" to "British Airways Board".
1971 c. 75.	The Civil Aviation Act 1971.	In paragraph 15 of Schedule 10, the words "and the British Airways Board".
1975 c. 24	The House of Commons Disqualification Act 1975.	In Part II of Schedule 1, the entry relating to the British Airways Board.
1975 c. 25	The Northern Ireland Assembly Disqualification Act 1975.	In Part II of Schedule 1, the entry relating to the British Airways Board.
1975 c. 71.	The Employment Protection Act 1975.	In Schedule 16, paragraph 5 of Part IV.
1977 c. 13.	The British Airways Board Act 1977.	The whole Act.
1978 c. 8.	The Civil Aviation Act 1978.	Section 5(3).
		Section 12.
		In Schedule 1, paragraph 8.

## PART II

# REPEALS CONSEQUENT ON PART II

Chapter	Short title	Extent of repeal
1971 c. 75. The Civi	The Civil Aviation Act 1971.	Section 3(2) and (3)
		In section 4(2A), the words "section 3(2) of this Act or".
		In section 10(2) the words "(1) or (2)".
		In section 20(2)(a), the words "or section 24(2)".
		Section 24(2).
		In section 29(11), the definition of "designated aerodrome".
		In section 29A(1), the words from "within" to "Act", the word "further", and the words from "than" to "that section".
		In paragraph 12 of Schedule 1, in sub- paragraph (1) the words from "with" to "remuneration", and sub-paragraphs (2) to (4).
		Schedule 1, paragraph 14.
1973 c. 47.	The Protection of Aircraft Act 1973.	In section 9(2), the words from "or to" to "operator".
1974 c. 8.	The Statutory Corporations (Financial Provisions) Act 1974.	Schedule 2, paragraph 7.
1975 c. 55.	The Statutory Corporations (Financial Provisions) Act 1975.	In Schedule 2, the words "The Civil Aviation Authority".
		Schedule 4, paragraph 6(a).
1978 c. 8.	The Civil Aviation Act 1978.	Section 5(1) and (2).
		In Schedule 1, paragraphs 5, $6(9)(a)$ and (b) and 9(2).

# Status:

Point in time view as at 01/02/1991.

### Changes to legislation:

There are currently no known outstanding effects for the Civil Aviation Act 1980.