



New Towns Act 1981

1981 CHAPTER 64

PART II

COMMISSION FOR THE NEW TOWNS AND TRANSFERS FROM AND DISSOLUTION OF DEVELOPMENT CORPORATIONS

Commission for the New Towns

35 Establishment of Commission

- (1) The body corporate established by the name of the Commission for the New Towns (in this Act referred to as the Commission) continues in being.
- (2) In relation to the Commission—
 - (a) it is not to be regarded as the servant or agent of the Crown or as enjoying any status, immunity or privilege of the Crown, and
 - (b) its property is not to be regarded as property of, or held on behalf of, the Crown,and nothing in this Act, except the express provision relating to stamp duty in section 72(1), shall be construed as exempting the Commission from liability to any tax, duty, rate, levy or other charge whatsoever, whether local or general.
- (3) Part V of the Reserve and Auxiliary Forces (Protection of Civil Interests) Act 1951 (which provides for the making to service men of payments to make up their civil remuneration) has effect as if in Part I of Schedule 2 to that Act the capacities specified in the first column included that of employee of the Commission, and the Commission were specified as respects that capacity in the second column.
- (4) Schedule 9 to this Act has effect with respect to—
 - (a) the constitution and proceedings of the Commission, and
 - (b) other matters relating to the Commission and its members.

36 Functions of Commission

- (1) The Commission is incorporated for the purpose of taking over, holding, managing and turning to account the property previously vested in the development corporation for a new town and transferred to the Commission by an order under the following provisions of this Act.
- (2) It is the Commission's general duty to maintain and enhance the value of the land held by them and the return obtained by them from it, but in discharging their functions in relation to any town the Commission shall have regard to the purpose for which the town was developed under this Act and to the convenience and welfare of persons residing, working or carrying on business there.
- (3) Subject to the provisions of this Act and to any direction given to them by the Secretary of State under section 37 below, the Commission has power, with a view to the better fulfilment of the purpose mentioned in subsection (1) above by the improvement of any of their towns, or to the convenience or welfare of persons residing, working or carrying on business there—
 - (a) to acquire (otherwise than by transfer under this Act), hold, manage and turn to account land situated in or near the town, or any interest in or rights over such land;
 - (b) with the approval of the Secretary of State given with the concurrence of the Treasury, to make contributions towards the cost of providing amenities for the town, or of providing for it water supplies or sewerage or sewage disposal services;
 - (c) to promote or assist by any means, and in particular by making advances towards the cost of purchasing land, or of erecting, extending, improving or adapting buildings or works, the setting up or extension of businesses in the town ;
 - (d) to dispose of any property for such purposes and in such manner as they think fit.
- (4) A transaction between a person and the Commission shall not be invalidated by reason of any non-compliance by the Commission with subsection (2) above; nor shall any such transaction be invalidated by reason of any non-compliance by the Commission with the requirement of subsection (3) above that they shall exercise the powers conferred by that subsection with the view there mentioned.
- (5) References in this section to disposing of property shall be construed as including references to granting any interest in or rights over it.

37 Restrictions on functions of Commission

- (1) The Commission does not have power to borrow money except in accordance with sections 58 to 60 below.
- (2) The Commission in discharging their functions shall comply with such directions as may be given to them by the Secretary of State, but in giving any such direction he shall have regard to the provisions of section 36(2) above.
- (3) The Commission shall not without the authority given generally or specially of the Secretary of State—
 - (a) transfer the freehold in any land, or grant a lease of any land for a term of more than 99 years, except in the case of a private dwelling and in pursuance of an

- agreement to make the transfer or grant to the person, occupying or proposing to occupy it as his residence; or
- (b) develop any land, except in accordance with proposals submitted to the Secretary of State and approved by him.
- (4) The Commission shall not have power to dispose by way of gift, mortgage or charge of any land or, except as provided by section 36(3)(b), of any other property.
- (5) A transaction between a person and the Commission shall not be invalidated by reason of any failure by the Commission to comply with directions given by the Secretary of State under subsection (2) above, and such a person shall not be concerned to see or enquire whether a direction under that subsection has been given or complied with.
- (6) Where the Commission purports to dispose of land by virtue of section 36, then—
- (a) in favour of any person claiming under the Commission, the disposal so purporting to be made shall not be invalid by reason that any authority which is required under subsection (3)(a) had not been given ; and
- (b) a person dealing with the Commission or a person claiming under the Commission shall not be concerned to see or enquire whether any such authority has been given.
- (7) References in this section to disposing of land, or of property, shall be construed as including references to granting any interest in or rights over it.

38 Local authorities and work for Commission

- (1) The council of a county or district in which the whole or any part of the area of a new town is situated may, at the request of the Commission and for such consideration and on such other terms and conditions as may be agreed between the council and the Commission—
- (a) do for the Commission any building or other work on land (including land outside the county or district), being work undertaken for the purposes of the Commission's functions in relation to the new town, or any work preliminary to or connected with any such work on land as mentioned above ; or
- (b) allow the Commission to have for the purpose of any such work as mentioned above the services of officers or servants of the council or the use of premises or equipment of the council.
- (2) This section applies in relation to a joint board discharging functions of any such council as mentioned above as it applies in relation to the council.

Transfer of property and undertakings of development corporations, and their dissolution

39 Power of development, corporation to transfer undertakings

- (1) Subject to the provisions of this section, a development corporation may, by an agreement made with any local authority or any statutory undertakers and approved by the Secretary of State with the concurrence of the Treasury—
- (a) transfer to that local authority any part of the under taking of the corporation, or
- (b) transfer to those statutory undertakers any part of the undertaking of the corporation which consists of a statutory undertaking,

upon such terms as may be prescribed by the agreement.

The foregoing provision is without prejudice to the powers of development corporations under this Act to dispose of any of their property, including any trade or business carried on by them.

- (2) Before approving an agreement under this section the Secretary of State shall consult with the council of every county and of every district in which the whole or any part of the area of the new town is situated, except, in the case of an agreement made with such a council, the council with whom it is made.
- (3) Before approving an agreement under this section for the transfer of a statutory undertaking, the Secretary of State shall publish in the London Gazette, and in one or more newspapers circulating in the area in which the new town is situated, a notice stating that the agreement has been submitted for approval, and describing the general effect of the agreement.
- (4) If within 28 days from the publication of the notice in the London Gazette in accordance with subsection (3) above any objection to the agreement is made by any statutory undertakers—
 - (a) who are carrying on, or are authorised to carry on, a statutory undertaking of a character similar to the statutory undertaking proposed to be transferred by the agreement, and
 - (b) who do so within the area in which the new town is situated or any adjacent area,
 subsection (1) above shall apply in relation to the agreement as if for the reference to the Secretary of State there were substituted a reference to the Secretary of State and the appropriate Minister.
- (5) If the Secretary of State is satisfied that it is expedient, having regard to any agreement made or proposed to be made under this section, that the liability of the development corporation in respect of advances made to them under the following provisions of this Act should be reduced, he may, by an order—
 - (a) made with the Treasury's consent, and
 - (b) to which section 77(5) below shall apply,
 reduce that liability to such extent as may be specified in the order.
- (6) The payment of any sums payable by a local authority for the purposes of an agreement under this section shall be a purpose for which that authority may borrow money.

40 Transfer of sewerage and sewage disposal undertakings to water authorities

- (1) A development corporation for a new town who have, in pursuance of an order under section 34 above, been carrying on a sewerage or sewage disposal undertaking may—
 - (a) by agreement with a water authority, and
 - (b) with the consent of the Secretary of State and the Treasury,
 transfer the whole or any part of the undertaking to that authority.
- (2) An order made by the Secretary of State—
 - (a) may provide for the transfer to a water authority of the whole or any part of a sewerage or sewage disposal undertaking which has, in pursuance of an order under section 34, been carried on by the development corporation ; and

- (b) may contain such incidental, consequential and supplemental provisions as the Secretary of State thinks necessary or expedient for the purposes of the order.
- (3) The terms on which the whole or any part of an undertaking is transferred by an order under this section—
 - (a) shall be such as the Secretary of State, with the Treasury's consent, may specify in the order, and
 - (b) may provide for the payment by the water authority of such sums, to be satisfied in such manner, as may be so specified,but the total of the sums so paid shall not exceed the total capital cost of the undertaking less depreciation written off.
- (4) Before making an order under this section the Secretary of State shall consult with the water authority and with any other authority appearing to him to be concerned.
- (5) The Secretary of State shall give notice of any order which he proposes to make under this section—
 - (a) to the water authority, and
 - (b) to the development corporation,and if within 28 days after he has given such notice either of them gives notice to him that they object to the proposal, and the objection is not withdrawn, the order shall be subject to special parliamentary procedure.

41 Transfer of property to Commission and dissolution of corporation

- (1) Where, after consultation with the council of every county and of every district in which the whole or any part of the area of a new town is situated, the Secretary of State is satisfied that the purposes for which the development corporation is established under this Act have been substantially achieved, he shall by order direct—
 - (a) that on such date as may be specified in the order the property of the corporation (other than property excepted under the following provisions of this Act) shall vest in the Commission, and the corporation shall cease to act except for the purpose of taking such steps (if any) as may be authorised or required by the order to dispose of any property so excepted, to prepare its final accounts and report, or otherwise to wind up its affairs; and
 - (b) that on that date or such later date as may be fixed by or under the order, the corporation shall be dissolved.
- (2) With respect to the transfer to the Commission by an order under this section of the property of a development corporation and with respect to matters arising out of the transfer or out of the dissolution of the corporation—
 - (a) Schedule 10 to this Act has effect; and
 - (b) the Secretary of State may by order under this section make such further incidental or supplementary provisions as appear to him to be necessary or expedient in relation to any such matter.
- (3) Where a development corporation's sewerage or sewage disposal undertaking is transferred to the Commission under this Act, section 40 above shall continue to apply to the undertaking as if the Commission were the development corporation.

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

- (4) Where by virtue of an order under section 6 above a development corporation discharges functions in relation to more than one new town, the Secretary of State may make an order under subsection (1) above in relation—
- (a) to that corporation, and
 - (b) to any of those towns without the other or others,
- as if the corporation were not concerned with the other or others, but without providing for the dissolution of the corporation.
- (5) In the case of any such order, Schedule 10 shall apply subject to such modifications as may be provided by the order for the purpose in particular of determining what part of the corporation's property, rights, liabilities and obligations is to be transferred to the Commission.