



# Transport Act 1982

## 1982 CHAPTER 49

### PART I

#### THE NATIONAL BUS COMPANY

#### **1 Bus Company's powers of disposal**

- (1) Without prejudice to any powers conferred on them by any other enactment, the National Bus Company (in this Part of this Act referred to as " the Bus Company ") shall have power to provide for the disposal, in such manner as they think fit, of—
  - (a) any shares in or other securities of one of their subsidiaries which are held by the Company or by another of their subsidiaries ; or
  - (b) the whole or any part of the undertaking of, or any property, rights or liabilities of, any of their subsidiaries.
- (2) The Bus Company shall not exercise their powers under subsection (1)(a) above except with the consent of the Secretary of State.
- (3) In exercising their powers under subsection (1)(a) above the Bus Company may, with the consent of the Secretary of State, provide for employees' share schemes to be established in respect of any of their subsidiaries; and any such scheme may provide for the transfer of shares without consideration.
- (4) In this section " employees' share scheme" means a scheme for encouraging or facilitating the holding of shares or debentures in a company by or for the benefit of—
  - (a) the bona fide employees or former employees of the company or of a subsidiary of the company ; or
  - (b) the wives, husbands, widows, widowers or children or step-children under the age of eighteen of such employees or former employees.

#### **2 Provisions supplementary to section 1**

- (1) For the purpose of facilitating the eventual disposal under section 1(1) of this Act of—

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- (a) any part of the undertaking of or any property, rights or liabilities of, the Bus Company, or
- (b) the whole or any part of the undertaking of, or any property, rights or liabilities of, any of their subsidiaries ;

the Company may exercise their powers to establish subsidiaries and to transfer property, rights and liabilities to subsidiaries, notwithstanding the provisions of any enactment which may be taken to limit the purposes for which those powers may be exercised.

- (2) The Bus Company may also, for the purpose mentioned in subsection (1) above, make schemes for the transfer, between the Company and a wholly owned subsidiary of theirs or between one such subsidiary and another, of—
  - (a) any specified property, rights or liabilities ; or
  - (b) all property, rights and liabilities comprised in a specified part of the transferor's undertaking ;
 and a scheme under this subsection may contain such supplementary, incidental and consequential provisions as may appear to the Company to be necessary or expedient.
- (3) Before making a scheme under subsection (2) above which provides for the transfer of rights and liabilities under contracts of employment, the Bus Company shall consult with persons appearing to them to represent the employees concerned.
- (4) A scheme under subsection (2) above shall not come into force until it has been approved by the Secretary of State or until such date as the Secretary of State may, in giving his approval, specify ; and the Secretary of State may approve a scheme either without modifications or with such modifications as, after consultation with the Bus Company, he thinks fit.
- (5) On the coming into force of a scheme under subsection (2) above the property, rights and liabilities in question shall, subject to subsection (6) below, be transferred and vest in accordance with the scheme.
- (6) Schedule 4 to the Transport Act 1968 (supplementary provisions as to certain transfers of property, rights and liabilities) shall apply to any transfer under subsection (5) above subject to—
  - (a) any reference in that Schedule to a transfer by or a vesting by virtue of that Act being construed as a reference to a transfer by or a vesting by virtue of the scheme in question; and
  - (b) the reference in paragraph 13(5) of that Schedule to the relevant provisions of that Act being construed as a reference to the relevant provisions of this Act;
 and that subsection shall have effect subject to the provisions of that Schedule.

### **3 Powers of Secretary of State to give directions**

- (1) The Secretary of State may give directions to the Bus Company requiring them to exercise their powers under sections 1 and 2 of this Act (including the powers extended by section 2(1) of this Act) for such purposes and in such manner as may be specified in the directions.
- (2) Before giving a direction under this section the Secretary of State shall consult with—
  - (a) the Bus Company ; and

- (b) in the case of a direction requiring the Bus Company to exercise their powers under section 1 of this Act in relation to any of their subsidiaries, every county council in whose area that subsidiary provides bus services.
- (3) It shall be the duty of the Bus Company (notwithstanding any duty imposed on them by section 24(2) or (3) of the Transport Act 1968) to give effect to any directions given under this section.
- (4) In section 27(8) of the Transport Act 1962 (duty to make an annual report) after the words " this Act" there shall be inserted the words " or section 3 of the Transport Act 1982 ".
- (5) In this section—
  - " bus services " has the same meaning as in the Transport Act 1968 ;
  - " county council " includes the Greater London Council.

#### **4 Provision of services for related companies**

- (1) The Bus Company may provide for any related company any of the services which they have power to provide for any of their subsidiaries.
- (2) In this section and section 5 of this Act " related company " means a company as respects which the Bus Company have, or at any time have had, a beneficial interest (either directly or through nominees or subsidiaries) in not less than twenty per cent, of its issued ordinary share capital.

#### **5 Pensions for employees of related companies**

- (1) The Secretary of State may make such orders under section 74 of the Transport Act 1962 (power to make provision about pensions in the nationalised transport industry) in relation to related companies as he could make if those companies were subsidiaries of the Bus Company.
- (2) In exercising with respect to any pension scheme the powers conferred by this section, the Secretary of State shall take into account any representations made by the persons administering the scheme.
- (3) Except on the application of a related company which is not a subsidiary of the Bus Company, no order shall be made by virtue of this section which has the effect of placing the related company or any of its subsidiaries in any worse position; but for this purpose a related company or a subsidiary shall not be regarded as being placed in a worse position because an order provides that any changes in a pension scheme are not to be effected without the consent of the Secretary of State.
- (4) An order such as is mentioned in subsection (3) above which is made without the application of the related company shall not be invalid because it does not have the effect of securing that the related company and its subsidiaries are not placed in any worse position, but except in so far as the related company approves the effect of the order the Secretary of State shall as soon as may be make the necessary amending order.
- (5) Subsections (3) and (4) above have effect only in relation to orders made after such day as may be appointed for the purposes of this section by order made by the Secretary of State, and different days may be so appointed in relation to different related companies.

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- (6) Where an order (the " first order ") applying to a related company has been made under section 74 and at the time when it was made the related company was a subsidiary of the Bus Company, the order shall not apply to the related company when it ceases to be such a subsidiary except where an order made (at any time) by virtue of this section provides for the first order to continue to apply to the related company.
- (7) An order made by virtue of this section may, in particular, authorise the Bus Company or any subsidiary of the Company—
  - (a) to transfer liabilities and obligations under a pension scheme in relation to some (but not all) of the participants in that scheme to another pension scheme (the " other scheme "); and
  - (b) to divide or apportion a pension fund held for the purposes of the scheme between that scheme and the other scheme.
- (8) In this section " participant", in relation to a scheme, means—
  - (a) in relation to a scheme under which benefits are or will be receivable as of right, a person who has pension rights under the scheme (whether he has contributed or not); and
  - (b) in relation to a scheme under which benefits are not or will not be receivable as of right, a person who (whether he is referred to in the scheme as a member, contributor or otherwise) has contributed under the scheme and has pension rights thereunder.

## **6 Stamp duty on certain transactions**

- (1) Stamp duty shall not be chargeable under section 47 of the Finance Act 1973 in respect of—
  - (a) the formation of a subsidiary of the Bus Company ; or
  - (b) any increase in the capital of such a subsidiary ;
 if the transaction concerned is certified by the Treasury as satisfying the requirements of subsections (2) and (3) below.
- (2) A transaction satisfies the requirements of this subsection if it is effected solely for the purpose—
  - (a) of facilitating such an eventual disposal as is mentioned in section 2(1) of this Act; or
  - (b) of complying with a direction given by the Secretary of State under section 3(1) of this Act.
- (3) A transaction satisfies the requirements of this subsection if it is entered into solely in connection with a transfer to be effected under section 2 of this Act, takes place on or before the transfer date and does not give rise to an excess of capital.
- (4) For the purposes of subsection (3) above a transaction gives rise to an excess of capital if—
  - (a) in a case falling within subsection (1)(a) above the total issued capital of the subsidiary exceeds, on the transfer date, the total value of the assets less liabilities transferred; or
  - (b) in a case falling within subsection (1)(b) above, the aggregate amount of the increase of issued capital of the subsidiary exceeds, on that date, that total value;

and in this subsection " issued capital" means issued share capital or loan capital.

## **7 Interpretation of Part I**

In this Part of this Act—

" the Bus Company " means the National Bus Company; and

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