



# Regional Development Agencies Act 1998

## 1998 CHAPTER 45

An Act to make provision for regional development agencies in England; to make provision about the Development Commission and the Urban Regeneration Agency; and for connected purposes. [19th November 1998]

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

#### REGIONAL DEVELOPMENT AGENCIES

##### *Development agencies*

#### **1 Establishment**

- (1) For the purposes of this Act, England shall be divided into the regions specified in Schedule 1 and for each such region there shall be a development agency.
- (2) A development agency established by this section shall be a body corporate to be known by the name of the region for which it is established with the addition of the words "Development Agency".
- (3) Any reference in Schedule 1 to a local government or administrative area is to that area as it is for the time being.

#### **2 Constitution**

- (1) A regional development agency shall consist of not less than 8 nor more than 15 members appointed by the Secretary of State.

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- (2) In appointing a person to be a member of a regional development agency the Secretary of State shall have regard to the desirability of appointing a person who has experience of, and has shown capacity in, some matter relevant to the functions of the agency.
- (3) Before appointing a person to be a member of a regional development agency, the Secretary of State shall consult—
  - (a) such persons as appear to him to represent local authorities whose areas fall to any extent within the agency's area,
  - (b) such persons as appear to him to represent employers in the agency's area,
  - (c) such persons as appear to him to represent employees in the agency's area,
  - (d) such persons as appear to him to represent the interests of those who live, work or carry on business in rural parts of the agency's area, and
  - (e) such other persons as he considers appropriate.
- (4) The Secretary of State—
  - (a) shall designate one of the members of a regional development agency as the chairman of the agency, and
  - (b) may designate another of them as the deputy chairman of the agency.
- (5) Schedule 2 (which makes further provision about the constitution of regional development agencies) shall have effect.

### **3 Status**

A regional development agency shall not be regarded as the servant or agent of the Crown or as enjoying any status, immunity or privilege of the Crown and its property shall not be regarded as the property of, or property held on behalf of, the Crown.

#### *Activities*

### **4 Purposes**

- (1) A regional development agency shall have the following purposes—
  - (a) to further the economic development and the regeneration of its area,
  - (b) to promote business efficiency, investment and competitiveness in its area,
  - (c) to promote employment in its area,
  - (d) to enhance the development and application of skills relevant to employment in its area, and
  - (e) to contribute to the achievement of sustainable development in the United Kingdom where it is relevant to its area to do so.
- (2) A regional development agency's purposes apply as much in relation to the rural parts of its area as in relation to the non-rural parts of its area.

### **5 Powers**

- (1) Subject to the following provisions of this Part, a regional development agency may do anything which it considers expedient for its purposes, or for purposes incidental thereto.
- (2) A regional development agency may only—

- (a) give financial assistance,
  - (b) dispose of land for less than the best consideration which can reasonably be obtained, or
  - (c) form, or acquire an interest in, a body corporate,
- if the Secretary of State consents.
- (3) A regional development agency may only provide housing by acquiring existing housing accommodation and making it available on a temporary basis for purposes incidental to its purposes.

## **6 Delegation of functions by Ministers**

- (1) A Minister of the Crown may, to such extent and subject to such conditions as he thinks fit, delegate any eligible function of his to a regional development agency.
- (2) A function is eligible for the purposes of subsection (1) if—
- (a) it does not consist of a power to make regulations or other instruments of a legislative character or a power to fix fees or charges, and
  - (b) the Secretary of State considers that it can appropriately be exercised by the regional development agency concerned.
- (3) No delegation under subsection (1) may be made without the agreement of the regional development agency concerned, unless a corresponding delegation is made at the same time to all the other regional development agencies.
- (4) No variation of a delegation under subsection (1) may be made without the agreement of the regional development agency concerned, unless—
- (a) the delegation did not require the agency's agreement, and
  - (b) a corresponding variation of every corresponding delegation to another regional development agency is made at the same time.
- (5) A delegation under subsection (1) may be revoked at any time.
- (6) Schedule 3 (which makes provision for transfer schemes in connection with the delegation of a function, or the revocation of the delegation of a function, under this section) shall have effect.

## **7 Strategy**

- (1) A regional development agency shall—
- (a) formulate, and keep under review, a strategy in relation to its purposes, and
  - (b) have regard to the strategy in exercising its functions.
- (2) The Secretary of State may give a regional development agency guidance and directions in relation to the exercise of its functions under subsection (1), in particular, with respect to—
- (a) the matters to be covered by the strategy,
  - (b) the issues to be taken into account in formulating the strategy,
  - (c) the strategy to be adopted in relation to any matter, and
  - (d) the updating of the strategy.
- (3) The issues mentioned in subsection (2)(b) include issues relating to any one or more of the following—

- (a) the agency's area,
- (b) the area of any other regional development agency, and
- (c) any part of the United Kingdom outside England.

## **8 Regional consultation**

- (1) If the Secretary of State is of the opinion—
  - (a) that there is a body which is representative of those in a regional development agency's area with an interest in its work, and
  - (b) that the body is suitable to be given the role of regional chamber for the agency, he may by directions to the agency designate the body as the regional chamber for the agency.
- (2) The Secretary of State may by directions require a regional development agency for which there is a regional chamber under subsection (1)—
  - (a) to have regard, in the exercise of its functions under section 7(1)(a), to any views expressed by the chamber, and
  - (b) to consult the chamber in relation to the exercise of such of its functions as may be specified in the directions.
- (3) The Secretary of State may give a regional development agency for which there is no regional chamber under subsection (1) such guidance and directions as he thinks fit for the purpose of securing that it carries out appropriate consultation in relation to the exercise of its functions.

### *Financial arrangements*

## **9 General financial duties**

- (1) The Secretary of State may—
  - (a) after consultation with a regional development agency, and
  - (b) with the approval of the Treasury,determine the financial duties of the agency; and different determinations may be made for different functions of the agency.
- (2) The Secretary of State shall give a regional development agency notice of every determination of its financial duties under this section, and such a determination may—
  - (a) relate to a period beginning before, on, or after, the date on which it is made,
  - (b) contain supplemental provisions, and
  - (c) be varied by a subsequent determination.
- (3) The Secretary of State may, after consultation with the Treasury, give a direction to a regional development agency requiring it to pay to him an amount equal to the whole or such part as may be specified in the direction of any sum, or any sum of a description, so specified which is or has been received by the agency.
- (4) Where it appears to the Secretary of State that a regional development agency has a surplus, whether on capital or revenue account, he may, after consultation with the Treasury, direct the agency to pay to him such amount not exceeding the amount of that surplus as may be specified in the direction.

## **10 Government grants**

The Secretary of State may, with the approval of the Treasury, make to a regional development agency grants of such amounts, and on such terms, as he thinks fit.

## **11 Borrowing**

- (1) A regional development agency shall be entitled to borrow in accordance with the following provisions of this section, but not otherwise.
- (2) Subject to subsection (5), a regional development agency may, with the consent of the Secretary of State, borrow temporarily in sterling, by way of overdraft or otherwise, from persons other than the Secretary of State, such sums as it may require for meeting its obligations and carrying out its functions.
- (3) The Secretary of State shall not give consent for the purposes of subsection (2) without the approval of the Treasury.
- (4) Subject to subsection (5), a regional development agency may borrow from the Secretary of State, by way of temporary loan or otherwise, such sums in sterling as it may require for meeting its obligations and carrying out its functions.
- (5) A regional development agency may not borrow under this section if the effect would be—
  - (a) to take the aggregate amount outstanding in respect of the principal of sums borrowed under this section by regional development agencies over the collective borrowing limit, or
  - (b) to increase the amount by which the aggregate amount so outstanding exceeds that limit.
- (6) For the purposes of subsection (5), the collective borrowing limit is—
  - (a) £200 million, or
  - (b) such greater sum as the Secretary of State may, with the approval of the Treasury, specify by order made by statutory instrument.
- (7) An order under subsection (6)(b) shall not be made unless a draft of the order has been laid before, and approved by a resolution of, the House of Commons.

## **12 Government guarantees of an agency's borrowing**

- (1) The Secretary of State may, with the consent of the Treasury, guarantee, in such manner and on such conditions as he may think fit, the repayment of the principal of, the payment of interest on, and the discharge of any other financial obligation in connection with, any sum which a regional development agency borrows from any person.
- (2) Where the Secretary of State gives a guarantee under this section he shall forthwith lay a statement of the guarantee before each House of Parliament.
- (3) Where any sum is paid out for fulfilling a guarantee under this section, the Secretary of State shall, as soon as reasonably practicable after the end of each financial year (beginning with that in which the sum is paid out and ending with that in which all liability in respect of the principal of the sum and in respect of interest on it is finally discharged), lay before each House of Parliament a statement relating to that sum.

- (4) If any sums are paid out in fulfilment of a guarantee under this section, the regional development agency which borrowed the sum by reference to which the guarantee was given shall make to the Secretary of State, at such times and in such manner as he may from time to time direct—
- (a) payments of such amounts as he may so direct in or towards repayment of the sums so paid out, and
  - (b) payments of interest, at such rate as he may so direct, on what is outstanding for the time being in respect of sums so paid out,
- and the consent of the Treasury shall be required for the giving of a direction under this subsection.

### **13 Government loans**

- (1) The Secretary of State may, with the approval of the Treasury, lend to a regional development agency any sums which it has power to borrow under section 11(4).
- (2) Any loan made under this section shall be repaid to the Secretary of State at such times and by such methods, and interest on the loan 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 determine.
- (3) If in any financial year the Secretary of State lends any sums to a regional development agency under this section, he shall—
- (a) prepare in respect of that financial year an account of the sums so lent by him, and
  - (b) send that account to the Comptroller and Auditor General before the end of September in the following financial year,
- and the form of the account and the manner of preparing it shall be such as the Treasury may direct.
- (4) The Comptroller and Auditor General shall examine, certify and report on each account sent to him under this section and shall lay copies of it and of his report before each House of Parliament.
- (5) 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 to a regional development agency under this section; and any sums received by the Secretary of State in pursuance of subsection (2) shall be paid into the National Loans Fund.

### **14 Accounts and records**

- (1) A regional development agency shall—
- (a) keep proper accounts and proper accounting records, and
  - (b) prepare in respect of each accounting period a statement of accounts giving a true and fair view of the state of affairs and the income and expenditure of the agency.
- (2) Every statement of accounts prepared under subsection (1) shall comply with any requirement which the Secretary of State has, with the consent of the Treasury, notified in writing to the agency and which relates to any of the following matters, namely—
- (a) the information to be contained in the statement,
  - (b) the manner in which that information is to be presented, or

- (c) the methods and principles according to which the statement is to be prepared.
- (3) Subject to subsections (4) and (5), “accounting period”, in relation to a regional development agency, means a period beginning with 1st April and ending with the next 31st March.
- (4) The Secretary of State may, in relation to an accounting period of a regional development agency, direct that the period shall end with such date other than the next 31st March as may be specified in the direction.
- (5) Where the Secretary of State has given a direction under subsection (4), the following accounting period of the agency to which the direction was given shall begin with the day after the date specified in the direction and, subject to any further direction under subsection (4), shall end with the next 31st March.
- (6) In this section, “accounting records”, in relation to a regional development agency, includes all books, papers and other records of the agency relating to, or to matters dealt with in, the accounts required to be kept by this section.

## **15 Audit**

- (1) The accounts of a regional development agency for each accounting period shall be audited by the Comptroller and Auditor General.
- (2) A copy of—
- (a) any accounts of a regional development agency which are audited under subsection (1), and
  - (b) the report made on those accounts by the Comptroller and Auditor General,
- shall be sent to the Secretary of State as soon as reasonably practicable after the report is received by the agency; and the Secretary of State shall lay before each House of Parliament a copy of those accounts and that report.
- (3) In this section—
- “accounting period” and “accounting records” have the same meanings as in section 14; and
- references to accounts, in relation to a regional development agency, include any statement prepared by it under that section.

### *Information, reports and accountability*

## **16 Provision of information etc. to the Secretary of State**

A regional development agency shall provide the Secretary of State with such information, advice and assistance as he may require.

## **17 Annual report**

- (1) As soon as reasonably practicable after the end of each accounting period, a regional development agency shall prepare a report on its activities during that period and shall send a copy of that report to the Secretary of State.
- (2) A report under this section shall—

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- (a) be in such form and contain such information as the Secretary of State may specify by directions to the agency, and
  - (b) set out any other directions given to the agency under this Part during the period to which the report relates.
- (3) Following receipt of a report under this section, the Secretary of State shall lay a copy of it before each House of Parliament and arrange for copies of it to be published in such manner as he considers appropriate.
- (4) In this section, “accounting period” has the same meaning as in section 14.

## **18 Regional accountability**

- (1) The Secretary of State may by directions require a regional development agency for which there is a regional chamber under section 8(1)—
- (a) to supply the chamber with information of such description as may be specified in the directions,
  - (b) to answer questions put by the chamber about information supplied to it by the agency and to do so in such manner as may be so specified, and
  - (c) to take such other steps for the purpose of accounting to the chamber for the exercise of its functions as may be so specified.
- (2) A regional development agency shall hold a public meeting within such period after the publication of its annual report as the Secretary of State may by directions specify.
- (3) A regional development agency shall give such notice of a meeting held for the purposes of subsection (2) as the Secretary of State may by directions specify and publish it in such manner as he may so specify.
- (4) The Secretary of State may give a regional development agency guidance and directions with respect to the conduct of a meeting held for the purposes of subsection (2).

### *Vesting and acquisition of land*

## **19 Vesting of land by order**

- (1) The Secretary of State may, in relation to land in England, by order made by statutory instrument provide that land specified in the order which is vested in a local authority or other public body or in a wholly-owned subsidiary of a public body shall vest in a regional development agency.
- (2) An order under subsection (1) may not specify land vested in statutory undertakers which is used for the purpose of carrying on their statutory undertakings or which is held for that purpose.
- (3) In the case of land vested in statutory undertakers, the power to make an order under subsection (1) shall be exercisable by the Secretary of State and the appropriate Minister.
- (4) The reference in subsection (3) to the Secretary of State and the appropriate Minister shall—

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- (a) in relation to statutory undertakers who are or are deemed to be statutory undertakers for the purposes of any provision of Part XI of the Town and Country Planning Act 1990, be construed as if contained in that Part, and
  - (b) in relation to any other statutory undertakers, be construed in accordance with an order made by the Secretary of State by statutory instrument.
- (5) If, for the purposes of subsection (3), any question arises as to which Minister is the appropriate Minister in relation to any statutory undertakers, that question shall be determined by the Treasury.
- (6) An order under subsection (1) shall have the same effect as a declaration under the Compulsory Purchase (Vesting Declarations) Act 1981 except that, in relation to such an order, the enactments mentioned in Schedule 4 shall have effect subject to the modifications specified there.
- (7) Compensation under the Land Compensation Act 1961, as applied by subsection (6) and Schedule 4, shall be assessed by reference to values current on the date the order under subsection (1) comes into force.
- (8) No compensation is payable under Part IV of the Land Compensation Act 1961 by virtue of an order under subsection (1).
- (9) No order under subsection (1) shall be made unless a draft of the order has been laid before and approved by resolution of each House of Parliament.
- (10) In this section—
- “local authority” also includes a county borough council and a parish council;
  - “statutory undertakers”, except where the context otherwise requires, means—
    - (a) persons authorised by any enactment to carry on any railway, light railway, tramway, road transport, water transport, canal, inland navigation, dock, harbour, pier or lighthouse undertaking, or any undertaking for the supply of hydraulic power,
    - (b) a relevant airport operator (within the meaning of the Airports Act 1986),
    - (c) British Shipbuilders, the Civil Aviation Authority and the Post Office,
    - (d) any other authority, body or undertakers specified in an order made by the Secretary of State by statutory instrument, and
    - (e) any wholly-owned subsidiary of any person, authority or body mentioned in paragraphs (a) to (c) or of any authority, body or undertakers specified in an order under paragraph (d),
- and “statutory undertaking” shall be construed accordingly;
- “wholly-owned subsidiary” has the meaning given by section 736 of the Companies Act 1985.
- (11) A statutory instrument containing an order under subsection (4) or (10) shall be subject to annulment in pursuance of a resolution of either House of Parliament.

## **20 Acquisition of land**

- (1) A regional development agency may for its purposes, or for purposes incidental thereto, acquire land by agreement or, on being authorised to do so by the Secretary of State, compulsorily.

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- (2) A regional development agency may, for those purposes, be authorised by the Secretary of State, by means of a compulsory purchase order, to acquire compulsorily such new rights over land as are specified in the order.
- (3) Where the land referred to in subsection (1) or (2) forms part of a common, open space or fuel or field garden allotment, a regional development agency may acquire (by agreement or, on being authorised to do so by the Secretary of State, compulsorily) land for giving in exchange for the land or, as the case may be, rights acquired.
- (4) The Acquisition of Land Act 1981 shall apply to the compulsory acquisition of land by virtue of subsection (1) or (3), subject to the modifications specified in Part I of Schedule 5.
- (5) Schedule 3 to that Act shall apply to the compulsory acquisition of a right by virtue of subsection (2), but with the modification that the reference in paragraph 4(3) to statutory undertakers includes a reference to a regional development agency.
- (6) Part II of Schedule 5 (which applies the Compulsory Purchase Act 1965 to the acquisition of rights by virtue of subsection (2)) shall have effect.
- (7) The provisions of Part I of that Act (so far as applicable), other than section 31, shall apply to the acquisition of land by a regional development agency by agreement; and, in that Part as so applied, “land” has the meaning given by the Interpretation Act 1978.
- (8) In subsection (2)—
  - “new rights over land” means rights over land which are not in existence when the order specifying them is made;
  - “compulsory purchase order” has the same meaning as in the Acquisition of Land Act 1981.

## **21 Rights of entry**

- (1) Any person who is duly authorised in writing by a regional development agency may at any reasonable time enter any land for the purpose of surveying it, or estimating its value, in connection with—
  - (a) any proposal by the agency to acquire the land or any other land, or
  - (b) any claim for compensation in respect of any such acquisition.
- (2) A person authorised under this section to enter any land shall, if so required, produce evidence of his authority before entry.
- (3) A person may only exercise a right under this section to enter any land if at least 28 days' notice of the intended entry was given to every owner or occupier of the land.
- (4) A notice under subsection (3) shall—
  - (a) state the purpose for which entry is required, and
  - (b) inform the person to whom it is given of his rights under this section.
- (5) The power under subsection (1) to survey land includes power to search, bore and remove soil samples for the purpose of ascertaining the nature of the subsoil or the presence in it of minerals or pollutants.
- (6) No person shall carry out under this section any works authorised by virtue of subsection (5) unless notice of his intention to do so was included in the notice under subsection (3).

- (7) The authority of the appropriate Minister shall be required for the carrying out under this section of works authorised by virtue of subsection (5) if the land in question is held by statutory undertakers and they object to the proposed works on the ground that the execution of the works would be seriously detrimental to the carrying on of their undertaking.
- (8) Where any land is damaged—
- (a) in the exercise of a right of entry conferred under this section, or
  - (b) in the making of any survey for the purpose of which any such right of entry has been so conferred,
- compensation in respect of the damage may be recovered by any person interested in the land from the regional development agency which authorised the exercise of the powers conferred by this section.
- (9) The provisions of section 118 of the Town and Country Planning Act 1990 (determination of claims for compensation) shall apply in relation to compensation under subsection (8) as they apply in relation to compensation under Part IV of that Act.
- (10) In subsection (3), “owner” has the same meaning as in the Acquisition of Land Act 1981.
- (11) Expressions used in subsection (7) have the same meanings as they have in section 325(9) of the Town and Country Planning Act 1990 (supplementary provisions as to rights of entry).

## **22 Offences in relation to rights of entry**

- (1) Any person who intentionally obstructs a person acting in exercise of his powers under section 21 commits an offence and shall be liable on summary conviction to a fine not exceeding level 3 on the standard scale.
- (2) Any person who is admitted into a factory, workshop or workplace in compliance with the provisions of section 21 commits an offence if he discloses to any person any information obtained by him in it as to any manufacturing process or trade secret.
- (3) Subsection (2) does not apply if the disclosure is made by a person in the course of performing his duty in connection with the purpose for which he was authorised to enter the premises.
- (4) A person who is guilty of an offence under subsection (2) shall be liable—
- (a) on summary conviction, to a fine not exceeding the statutory maximum;
  - (b) on conviction on indictment, to imprisonment for a term not exceeding 2 years or to a fine or to both.

## **23 Supplementary provisions**

Schedule 6 (which contains supplementary provisions about land vested in or acquired by a regional development agency under this Act) shall have effect.

*Miscellaneous and supplementary***24 Connection of private streets to highway**

- (1) For its purposes, or for purposes incidental thereto, a regional development agency may serve a notice (a “connection notice”) on the local highway authority requiring the authority to connect a private street to an existing highway (whether or not it is a highway which for the purposes of the Highways Act 1980 is a highway maintainable at the public expense).
- (2) A connection notice must specify—
  - (a) the private street and the existing highway;
  - (b) the works which appear to the agency to be necessary to make the connection; and
  - (c) the period within which those works should be carried out.
- (3) Before serving a connection notice a regional development agency shall consult the local highway authority about the proposed contents of the notice.
- (4) Within the period of 2 months beginning with the date on which the connection notice was served, the local highway authority may appeal against the notice to the Secretary of State.
- (5) After considering any representations made to him by the regional development agency concerned and the local highway authority, the Secretary of State shall determine an appeal under subsection (4) by setting aside or confirming the connection notice (with or without modifications).
- (6) A connection notice becomes effective—
  - (a) where no appeal is made within the period of 2 months referred to in subsection (4), upon the expiry of that period;
  - (b) where an appeal is made within that period but is withdrawn before it has been determined by the Secretary of State, on the date following the expiry of the period of 21 days beginning with the date on which the Secretary of State is notified of the withdrawal;
  - (c) where an appeal is made and the connection notice is confirmed by a determination under subsection (5), on such date as the Secretary of State may specify in the determination.
- (7) Where a connection notice becomes effective, the local highway authority shall carry out the works specified in the notice within such period as may be so specified and may recover the expenses reasonably incurred by them in doing so from the regional development agency which served the notice.
- (8) If the local highway authority do not carry out the works specified in the notice within such period as may be so specified, the regional development agency which served the notice may itself carry out or complete those works or arrange for another person to do so.
- (9) In this section—
  - “highway” and “local highway authority” have the same meanings as in the Highways Act 1980;
  - “private street” has the same meaning as in Part XI of that Act.

## **25 Power to alter regions**

- (1) The Secretary of State may by order make alterations in the extent of the regions in Schedule 1.
- (2) The alterations that may be made by an order under this section do not include alterations that result in a reduction or increase in the number of regions in that Schedule.
- (3) Where the Secretary of State proposes to make an order under this section, he shall take such steps as he considers sufficient to secure that members of the public who may be interested in the proposed order are informed of it and of the period within which they may make representations to him about it.
- (4) Before making an order under this section, the Secretary of State shall consult—
  - (a) every regional development agency affected by the proposed order,
  - (b) every local authority whose area includes the whole or any part of an area to which the proposed order relates, and
  - (c) such other persons as he thinks fit,and have regard to any representations made to him within the period for making representations about the proposed order.
- (5) The Secretary of State may cause a local inquiry to be held in connection with the making of an order under this section; and subsections (2) to (5) of section 250 of the Local Government Act 1972 (which relate to the giving of evidence at, and defraying the cost of, local inquiries) shall apply in relation to any inquiry held under this subsection as they apply in relation to an inquiry which a Minister causes to be held under subsection (1) of that section.
- (6) An order under this section may make such supplementary or transitional provision as the Secretary of State thinks fit including—
  - (a) provision as to the membership of a regional development agency,
  - (b) provision for the transfer of property, rights and liabilities,
  - (c) provision for the transfer of staff, and
  - (d) provision as to pending legal proceedings.
- (7) The power to make an order under this section shall be exercisable by statutory instrument.
- (8) No order shall be made under this section unless a draft of it has been laid before and approved by resolution of each House of Parliament.
- (9) An order under this section which would, apart from this subsection, be treated for the purposes of the standing orders of either House of Parliament as a hybrid instrument shall proceed in that House as if it were not such an instrument.

## **26 Change of name of agency**

- (1) A regional development agency may, by a resolution in relation to which the requirements mentioned in subsection (2) are met, change the name by which it is to be known.
- (2) The requirements referred to are—

- (a) that the resolution is considered at a meeting of the agency which is specially convened for the purpose,
  - (b) that particulars of the resolution were included in the notice of the meeting, and
  - (c) that the resolution is passed at the meeting by not less than two-thirds of the members of the agency who vote on it.
- (3) A regional development agency which changes its name under this section shall—
- (a) send notice of the change to the Secretary of State, and
  - (b) publish the notice in such manner as the Secretary of State may direct.
- (4) A change of name under this section shall not affect the rights or obligations of the regional development agency concerned or any other person, or render defective any legal proceedings; and any legal proceedings may be commenced or continued as if there had been no change of name.

## **27 General power to give guidance and directions**

- (1) The Secretary of State may give a regional development agency—
- (a) guidance, or
  - (b) directions,
- in relation to the exercise of its functions.
- (2) Directions under this section may—
- (a) restrict the agency in relation to the exercise of its functions, or
  - (b) require it to exercise its functions in any manner specified in the directions.
- (3) Directions under this section may be of a general or particular nature.
- (4) The generality of the power conferred by this section shall not be prejudiced by any other power conferred by this Part.

## **28 Guidance: supplementary**

- (1) Any power to give guidance under this Part shall be exercisable only after consultation with the regional development agency concerned.
- (2) In exercising its functions, a regional development agency shall have regard to any guidance given under this Part.
- (3) Any power to give guidance under this Part includes power to vary or revoke the guidance.
- (4) The Secretary of State shall arrange for any guidance given under this Part to be published in such manner as he considers appropriate.

## **29 Consents of Secretary of State**

A consent given under this Part by the Secretary of State to a regional development agency—

- (a) may be given unconditionally or subject to conditions,
- (b) may be given in relation to a particular case or in relation to such descriptions of case as may be specified in the consent, and

- (c) except in relation to anything already done or agreed to be done on the authority of the consent, may be varied or revoked by a notice given by the Secretary of State to the agency.

### **30 Validity of transactions**

- (1) A person who enters into a transaction with a regional development agency shall not be concerned to see or enquire—
  - (a) whether there has been any failure by the agency to observe its purposes, or
  - (b) whether the transaction would contravene any direction given by the Secretary of State.
- (2) A transaction entered into by a regional development agency shall not be invalidated merely because the agency—
  - (a) failed to observe its purposes, or
  - (b) carried out the transaction in contravention of any direction given by the Secretary of State.

### **31 Notices**

- (1) This section has effect in relation to any notice required or authorised by this Part to be given to or served on any person.
- (2) Any such notice may be given to or served on the person in question either by delivering it to him, or by leaving it at his proper address, or by sending it by post to him at that address.
- (3) Any such notice may—
  - (a) in the case of a body corporate, be given to or served on the secretary or clerk of that body, and
  - (b) in the case of a partnership, be given to or served on a partner or a person having the control or management of the partnership business.
- (4) For the purposes of this section and of section 7 of the Interpretation Act 1978 (service of documents by post) in its application to this section, the proper address of any person to or on whom a notice is to be given or served shall be his last known address, except that—
  - (a) in the case of a body corporate or its secretary or clerk, it shall be the address of the registered or principal office of that body, and
  - (b) in the case of a partnership, a partner or a person having the control or management of the partnership business, it shall be that of the principal office of the partnership;and for the purposes of this subsection the principal office of a company registered outside the United Kingdom or of a partnership carrying on business outside the United Kingdom shall be its principal office within the United Kingdom.
- (5) If the person to be given or served with any notice mentioned in subsection (1) has specified an address within the United Kingdom other than his proper address within the meaning of subsection (4) as the one at which he or someone on his behalf will accept documents of the same description as that notice, that address shall also be treated for the purposes of this section and section 7 of the Interpretation Act 1978 as his proper address.

- (6) If the name or address of any owner, lessee or occupier of land to or on whom any notice mentioned in subsection (1) is to be served cannot after reasonable inquiry be ascertained, the document may be served either by leaving it in the hands of a person who is or appears to be resident or employed on the land or by leaving it conspicuously affixed to some building or object on the land.

### **32 Minor amendments**

Schedule 7 (which makes minor amendments relating to regional development agencies) shall have effect.

### **33 Interpretation of Part I**

In this Part, “local authority” means a county council, a district council, a London borough council, the Common Council of the City of London and the Council of the Isles of Scilly.

## **PART II**

### **EXISTING BODIES**

#### *The Development Commission*

### **34 Transfer of property, rights and liabilities to agencies**

- (1) The Secretary of State may by directions require the Development Commission to make one or more schemes for the transfer to regional development agencies of such of the Commission’s property, rights and liabilities as appear to him appropriate to be transferred in consequence of the carrying out by regional development agencies of an activity of the Commission.
- (2) Schedule 8 shall have effect in relation to schemes under subsection (1).

### **35 Powers in relation to the Commission**

- (1) The Secretary of State may by order made by statutory instrument—
- (a) make provision conferring on the Commission functions with respect to the provision of services of any description to regional development agencies,
  - (b) make provision for the transfer of any function of the Commission to another public body,
  - (c) make provision conferring on another public body a function corresponding to any extent to a function of the Commission,
  - (d) make provision terminating the exercise by the Commission of any of its functions,
  - (e) make provision extinguishing any liability of the Commission in respect of money lent or advanced to it at any time by the Secretary of State,
  - (f) make provision for winding up the Commission’s affairs, and
  - (g) make provision for the dissolution of the Commission.

- (2) No provision may be made under subsection (1)(e) without the consent of the Treasury.
- (3) An order under this section may contain such supplementary, incidental, consequential or transitional provisions as the Secretary of State thinks fit.
- (4) The provision which may be made under subsection (3) includes—
  - (a) provision changing the name of a public body which acquires functions by virtue of provision made under subsection (1)(b) or (c), and
  - (b) provision for the transfer to another public body of any of the Commission’s property, rights and liabilities (including rights and liabilities under the contracts of employment of its staff).
- (5) The provision which may be made by an order under this section for the transfer of property, rights or liabilities of the Commission includes provision—
  - (a) requiring the Commission to make one or more schemes for the transfer of such of the Commission’s property, rights and liabilities as appear to the Secretary of State appropriate to be transferred in consequence of the order, and
  - (b) applying Schedule 8 in relation to a scheme under the order, with such modifications as the Secretary of State thinks fit.
- (6) The provision which may be made by an order under this section includes provision amending, repealing or otherwise modifying any enactment.
- (7) No order under this section shall be made unless a draft of it has been laid before and approved by resolution of each House of Parliament.
- (8) Any sums arising out of the transfer of property, or out of property transferred, to a Minister of the Crown by an order under this section shall be paid into the Consolidated Fund.
- (9) If an order under this section makes provision under subsection (1)(e), the assets of the National Loans Fund shall be reduced by the aggregate amount by which the liabilities of the Commission are thereby reduced.
- (10) In this section—
  - “the Commission” means the Development Commission;
  - “enactment” includes any instrument made under any enactment.

*The Urban Regeneration Agency*

**36 Transfer of property, rights and liabilities to agencies**

- (1) The Secretary of State may by directions require the Urban Regeneration Agency to make one or more schemes for the transfer to regional development agencies of such of the Agency’s property, rights and liabilities as appear to him appropriate to be transferred in consequence of the carrying out by regional development agencies of an activity of the Agency.
- (2) Schedule 9 shall have effect in relation to schemes under subsection (1).

**37 Powers in relation to the Agency**

- (1) The Secretary of State may by order made by statutory instrument—
- (a) make provision conferring on the Agency functions with respect to the provision of services of any description to regional development agencies,
  - (b) make such provision in relation to the functions of the Agency as he thinks fit for the purpose of changing it into a body whose only purpose is to hold, manage and dispose of property,
  - (c) make provision changing the name by which the Agency is to be known,
  - (d) make provision terminating the exercise by the Agency of any of its functions,
  - (e) make provision extinguishing any liability of the Agency in respect of money lent or advanced to it at any time by the Secretary of State,
  - (f) make provision for winding up the Agency's affairs, and
  - (g) make provision for the dissolution of the Agency.
- (2) No provision may be made under subsection (1)(e) without the consent of the Treasury.
- (3) An order under this section may contain such supplementary, incidental, consequential or transitional provisions as the Secretary of State thinks fit, including provision for the transfer to another public body of any of the Agency's property, rights and liabilities (including rights and liabilities under the contracts of employment of its staff).
- (4) An order under this section may, in connection with the transfer of property, rights or liabilities of the Agency, contain provision establishing a new body corporate, or enabling an existing body corporate established under any enactment, to receive property, rights or liabilities transferred.
- (5) The provision which may be made by an order under this section for the transfer of property, rights or liabilities of the Agency includes provision—
- (a) requiring the Agency to make one or more schemes for the transfer of such of the Agency's property, rights and liabilities as appear to the Secretary of State appropriate to be transferred in consequence of the order, and
  - (b) applying Schedule 9 in relation to a scheme under the order, with such modifications as the Secretary of State thinks fit.
- (6) The provision which may be made by an order under this section includes provision amending, repealing or otherwise modifying any enactment.
- (7) No order under this section shall be made unless a draft of it has been laid before and approved by resolution of each House of Parliament.
- (8) Any sums arising out of the transfer of property, or out of property transferred, to a Minister of the Crown by an order under this section shall be paid into the Consolidated Fund.
- (9) If an order under this section makes provision under subsection (1)(e), the assets of the National Loans Fund shall be reduced by the aggregate amount by which the liabilities of the Agency are thereby reduced.
- (10) In this section—
- “the Agency” means the Urban Regeneration Agency;
  - “enactment” includes any instrument made under any enactment.

## PART III

### GENERAL

#### 38 Corporation tax

- (1) The following provisions apply for the purposes of the Corporation Tax Acts.
- (2) Any trade or part of a trade transferred under a transfer scheme is to be treated as having been, at the time of its commencement and at all times since that time, a separate trade carried on by the transferee.
- (3) Where any trade, or part of a trade, is transferred under a transfer scheme, the trade carried on by the transferee after the date of the transfer is to be treated as the same trade as that which, by virtue of subsection (2), it is treated as having carried on before that date.
- (4) All property, rights and liabilities transferred under a transfer scheme are to be treated as having been, at the time when they became vested in the transferor, and at all times since that time, property, rights and liabilities of the transferee.
- (5) Anything done, in relation to property, rights and liabilities transferred under a transfer scheme, by the transferor is to be deemed to have been done by the transferee.
- (6) Where any property, rights and liabilities transferred under a transfer scheme became vested in the transferor by virtue of a transfer made by a company in which, at the time of the transfer, the transferor held an interest, that interest is to be deemed to have been held at that time by the transferee.
- (7) Where any property, rights and liabilities transferred under a transfer scheme became vested in the transferor by virtue of a qualifying transfer, or two or more successive qualifying transfers—
  - (a) subsection (4) has effect as if the reference to the time when the property, rights and liabilities became vested in the transferor were a reference to the time when they became vested in the original transferor (that is to say, the transferor under the qualifying transfer or, as the case may be, the first of the qualifying transfers), and
  - (b) if the property, rights and liabilities became vested in the original transferor by virtue of a transfer made by a company in which, at the time of the transfer, the original transferor held an interest, that interest is to be deemed to have been held at that time by the transferee under the transfer scheme.
- (8) The previous provisions of this section are subject to such apportionments of unallowed tax losses and of expenditure by reference to which capital allowances may be made as may be specified in the transfer scheme concerned.
- (9) This section has effect in relation to accounting periods beginning after the final accounting period.
- (10) In this section—
  - “capital allowance” has the same meaning as in the Tax Acts;
  - “final accounting period” means the last complete accounting period of the transferor under the transfer scheme concerned;
  - “qualifying transfer” means a transfer made to one of the following bodies by another such body—

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- (a) the Development Commission,
  - (b) the Urban Regeneration Agency,
  - (c) a regional development agency;
- “transfer scheme” means—
- (a) an order under section 25 which includes provision for the transfer of property, rights or liabilities, and
  - (b) a scheme under any of sections 34 to 37 for the transfer of property, rights or liabilities;
- “unallowed tax losses” means any losses, allowances or amounts which, as at the end of the final accounting period, are tax losses within the meaning given by section 400(2) of the Income and Corporation Taxes Act 1988.

### **39 Stamp duty**

- (1) Stamp duty shall not be chargeable on—
  - (a) a transfer scheme, or
  - (b) an instrument or agreement which is certified to the Commissioners of Inland Revenue by a Minister of the Crown as made in pursuance of a transfer scheme.
- (2) No instrument or agreement which is certified as mentioned in subsection (1)(b) shall be taken to be duly stamped unless—
  - (a) it is stamped with the duty to which it would, but for that subsection, be liable, or
  - (b) it has, in accordance with section 12 of the Stamp Act 1891, been stamped with a particular stamp denoting that it is not chargeable with any duty or that it is duly stamped.
- (3) Section 12 of the Finance Act 1895 shall not operate to require—
  - (a) the delivery to the Inland Revenue of a copy of this Act, or
  - (b) the payment of stamp duty under that section on any copy of this Act,and shall not apply in relation to any instrument on which, by virtue of subsection (1), stamp duty is not chargeable.
- (4) In subsection (1), “transfer scheme” means—
  - (a) an order under section 25 which includes provision for the transfer of property, rights or liabilities, and
  - (b) a scheme under any of sections 34 to 37 and paragraph 1 of Schedule 3 for the transfer of property, rights or liabilities.

### **40 Directions: supplementary**

- (1) Any power to give a direction under this Act shall be exercisable only after consultation with the body concerned.
- (2) Any direction under this Act shall be in writing.
- (3) It is the duty of a body to which a direction is given under this Act to comply with the direction.
- (4) Any power to give a direction under this Act includes power to vary or revoke the direction.

#### **41 General interpretation**

In this Act—

“Minister of the Crown” has the same meaning as in the Ministers of the Crown Act 1975;

“regional development agency” means a development agency established by section 1.

#### **42 Expenses**

There shall be paid out of money provided by Parliament any administrative expenses of a Minister of the Crown attributable to this Act.

#### **43 Commencement**

The preceding provisions of this Act shall come into force on such day as the Secretary of State may by order made by statutory instrument appoint; and different days may be so appointed for different purposes.

#### **44 Extent**

- (1) Subject to subsection (2), this Act extends to England and Wales only.
- (2) The extent of any amendment by this Act is the same as that of the enactment amended.

#### **45 Short title**

This Act may be cited as the Regional Development Agencies Act 1998.

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## SCHEDULES

### SCHEDULE 1

Section 1.

#### REGIONS

<i>Name of region</i>	<i>Extent</i>
East Midlands	The counties of Derbyshire, Leicestershire, Lincolnshire, Northamptonshire and Nottinghamshire The non-metropolitan districts of Derby, Leicester, Nottingham and Rutland
Eastern	The counties of Bedfordshire, Cambridgeshire, Essex, Hertfordshire, Norfolk and Suffolk The non-metropolitan districts of Luton, Peterborough, Southend-on-Sea and Thurrock
London	Greater London
North East	The counties of Durham and Northumberland The metropolitan districts of Gateshead, Newcastle upon Tyne, North Tyneside, South Tyneside and Sunderland The non-metropolitan districts of Darlington, Hartlepool, Middlesbrough, Redcar and Cleveland and Stockton-on-Tees
North West	The counties of Cheshire, Cumbria and Lancashire The metropolitan districts of Bolton, Bury, Knowsley, Liverpool, Manchester, Oldham, Rochdale, St. Helens, Salford, Sefton, Stockport, Tameside, Trafford, Wigan and Wirral The non-metropolitan districts of Blackburn with Darwen, Blackpool, Halton and Warrington
South East	The counties of Buckinghamshire, East Sussex, Hampshire, Isle of Wight, Kent, Oxfordshire, Surrey and West Sussex The non-metropolitan districts of Bracknell Forest, Brighton and Hove, the Medway Towns, Milton Keynes, Portsmouth, Reading, Slough, Southampton, West Berkshire, Windsor and Maidenhead and Wokingham
South West	The counties of Cornwall, Devon, Dorset, Gloucestershire, Somerset and Wiltshire The non-metropolitan districts of Bath and

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<i>Name of region</i>	<i>Extent</i>
	North East Somerset, Bournemouth, Bristol, North Somerset, Plymouth, Poole, South Gloucestershire, Swindon and Torbay The Isles of Scilly
West Midlands	The counties of Shropshire, Staffordshire, Warwickshire and Worcestershire The metropolitan districts of Birmingham, Coventry, Dudley, Sandwell, Solihull, Walsall and Wolverhampton The non-metropolitan districts of Herefordshire, Stoke-on-Trent and Telford and Wrekin
Yorkshire and the Humber	The county of North Yorkshire The metropolitan districts of Barnsley, Bradford, Calderdale, Doncaster, Kirklees, Leeds, Rotherham, Sheffield and Wakefield The non-metropolitan districts of the East Riding of Yorkshire, Kingston upon Hull, North East Lincolnshire, North Lincolnshire and York

## SCHEDULE 2

Section 2.

### CONSTITUTION OF AGENCIES

#### *Membership*

- 1 (1) Subject to the following provisions of this paragraph, a member of a regional development agency shall hold and vacate office in accordance with the terms of his appointment and shall, on ceasing to be a member, be eligible for re-appointment.
- (2) A member of a regional development agency may at any time resign his office by giving notice to the Secretary of State.
- (3) The Secretary of State may remove a member of a regional development agency from that office if he is satisfied—
- (a) that the member has been absent from meetings of the agency for a period of more than 3 months without the permission of the agency,
  - (b) that the member has been adjudged bankrupt, that his estate has been sequestrated or that he has made a composition or arrangement with, or granted a trust deed for, his creditors, or
  - (c) that the member is unable or unfit to carry out the functions of a member.

#### *Chairman and deputy chairman*

- 2 A person designated as chairman or deputy chairman of a regional development agency shall hold office as such in accordance with the terms of his appointment unless and until—
- (a) he resigns that office by giving notice to the Secretary of State, or
  - (b) he ceases to be a member,

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and shall, on ceasing to be chairman or deputy chairman, be eligible for further designation as such in accordance with paragraph (a) or, as the case may be, paragraph (b) of section 2(4) at any time when he is a member.

*Remuneration, pensions, etc.*

- 3 (1) A regional development agency shall pay to its members such remuneration, and such travelling and other allowances, as may be determined by the Secretary of State.
- (2) A regional development agency shall, if so required by the Secretary of State—
- (a) pay such pension, allowances or gratuities as may be determined by the Secretary of State to or in respect of a person who is or has been a member,
  - (b) make such payments as may be determined by the Secretary of State towards provision for the payment of a pension, allowances or gratuities to or in respect of a person who is or has been a member, or
  - (c) provide and maintain such schemes (whether contributory or not) as may be determined by the Secretary of State for the payment of pensions, allowances or gratuities to or in respect of persons who are or have been members.
- (3) If, when a person ceases to hold office as a member of a regional development agency, the Secretary of State determines that there are special circumstances which make it right that the person should receive compensation, the agency shall pay to him by way of compensation a sum of such amount as may be determined by the Secretary of State.

*Staff*

- 4 (1) A regional development agency may appoint such officers and employees as it may determine, subject to sub-paragraph (2).
- (2) Appointments to the position of chief executive of a regional development agency shall be made as follows—
- (a) the first appointment shall be made by the Secretary of State after consultation with the chairman (or chairman designate) of the agency, and
  - (b) subsequent appointments shall be made by the agency with the consent of the Secretary of State.
- (3) A regional development agency may—
- (a) pay such pensions, allowances or gratuities to or in respect of any persons who are or have been its officers or employees as it may, with the approval of the Secretary of State, determine,
  - (b) make such payments as it may so determine towards provision for the payment of pensions, allowances or gratuities to or in respect of any such persons, and
  - (c) provide and maintain such schemes as it may so determine (whether contributory or not) for the payment of pensions, allowances or gratuities to or in respect of any such persons.
- (4) Any reference in sub-paragraph (3) to pensions, allowances or gratuities to or in respect of any such persons as are mentioned in that sub-paragraph includes a reference to pensions, allowances or gratuities by way of compensation to or in respect of any of the agency's officers or employees who suffer loss of office or employment or loss or diminution of emoluments.

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- 5 (1) The persons to whom section 1 of the Superannuation Act 1972 applies (persons to or in respect of whom benefits may be provided by schemes under that section) shall include employees of a regional development agency.
- (2) Accordingly, in Schedule 1 to that Act, at the appropriate point in the list of “Other Bodies”, there is inserted “A development agency established under section 1 of the Regional Development Agencies Act 1998”.

#### *Proceedings*

- 6 Subject to the following provisions of this Schedule, a regional development agency may regulate its own procedure (including quorum).

#### *Delegation of functions*

- 7 (1) Anything authorised or required by or under any enactment to be done by a regional development agency may be done—
- (a) by any member, officer or employee of the agency who has been authorised for the purpose, whether generally or specially, by the agency, or
  - (b) by any committee or sub-committee of the agency which has been so authorised.
- (2) A member may not act in relation to any matter delegated to him under sub-paragraph (1)(a) if he is in any way directly or indirectly interested in that matter.

#### *Members' interests*

- 8 (1) A member of a regional development agency who is in any way directly or indirectly interested in any matter that is brought up for consideration at a meeting of the agency, or any committee or sub-committee of the agency, shall disclose the nature of his interest to the meeting; and, where such a disclosure is made—
- (a) the disclosure shall be recorded in the minutes of the meeting, and
  - (b) the member shall not take any part in any deliberation or decision of the agency, or any committee or sub-committee of the agency, with respect to that matter.
- (2) If a member is not present at a meeting at which a matter in which he is interested is brought up for consideration, sub-paragraph (1) shall only apply to him if he was aware of the fact that the matter would be brought up for consideration at the meeting.
- (3) For the purposes of sub-paragraph (1), a general notification given at a meeting of the agency by a member to the effect that he—
- (a) has an interest in a specified company, firm or other organisation, and
  - (b) is to be regarded as interested in any matter involving that company, firm or other organisation,
- shall be regarded as a sufficient disclosure of his interest in relation to any such matter.
- (4) A member need not attend in person at a meeting in order to make a disclosure which he is required to make under this paragraph if he takes reasonable steps to secure that the disclosure is made by a notice which is read and considered at the meeting.
- (5) The Secretary of State may remove a disability under this paragraph subject to such conditions as he considers appropriate.

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- (6) The power of the Secretary of State under sub-paragraph (5) includes power to remove, either indefinitely or for any period, a disability which would otherwise attach to any member, or members of any description, by reason of such interests, and in respect of such matters, as may be specified or described by the Secretary of State.
- (7) Nothing in this paragraph precludes any member from taking part in the consideration or discussion of, or voting on, any question whether an application should be made to the Secretary of State for the exercise of the power conferred by sub-paragraph (5).

#### *Vacancies and defective appointments*

- 9 The validity of any proceedings of a regional development agency shall not be affected by a vacancy amongst the members or by a defect in the appointment of a member.

#### *Minutes*

- 10 (1) Minutes shall be kept of proceedings of a regional development agency and of the committees and sub-committees of such an agency.
- (2) Minutes of any such proceedings shall be evidence of those proceedings if they are signed by a person purporting to have acted as chairman of the proceedings to which the minutes relate or of any subsequent proceedings in the course of which the minutes were approved as a correct record.
- (3) Where minutes of any such proceedings have been signed as mentioned in sub-paragraph (2), those proceedings shall, unless the contrary is shown, be deemed to have been validly convened and constituted.

#### *Execution and proof of instruments*

- 11 (1) The application of the seal of a regional development agency shall be authenticated by the signature of any member, officer or employee of the agency who has been authorised for the purpose, whether generally or specially, by the agency.
- (2) Any document which a regional development agency is authorised or required by or under any enactment to serve, make or issue may be signed on behalf of the agency by any member, officer or employee of the agency who has been authorised for the purpose, whether generally or specially, by the agency.
- (3) Every document purporting to be an instrument made or issued by or on behalf of a regional development agency and to be duly executed under the seal of the agency, or to be signed or executed by a person authorised by the agency for the purpose, shall be received in evidence and be treated, without further proof, as being so made or issued unless the contrary is shown.
- (4) In sub-paragraph (1), the reference to the signature of a person includes a reference to a facsimile of a signature by whatever process reproduced, and “signed” in sub-paragraphs (2) and (3) shall be construed accordingly.

### SCHEDULE 3

Section 6.

#### DELEGATION OF MINISTERIAL FUNCTIONS: TRANSFER SCHEMES

##### *Power to make scheme*

- 1 (1) A Minister of the Crown may make a scheme for the transfer from the Crown to one or more regional development agencies of such property, rights and liabilities as appear to him appropriate to be transferred in consequence of the delegation under section 6 of a function of his.
- (2) A Minister of the Crown may make a scheme for the transfer from one or more regional development agencies to the Crown of such property, rights and liabilities as appear to him appropriate to be transferred in consequence of the revocation of the delegation under section 6 of a function of his.

##### *Contents of scheme*

- 2 (1) The property, rights and liabilities which may be transferred by a transfer scheme include property, rights and liabilities that would not otherwise be capable of being transferred or assigned.
- (2) The transfers authorised by sub-paragraph (1) include transfers which are to take effect as if there were no such contravention, liability or interference with any interest or right as there would otherwise be by reason of any provision having effect (whether under any enactment or agreement or otherwise) in relation to the terms on which the transferor is entitled to the property or right, or subject to the liability, in question.
- 3 A transfer scheme may define the property, rights and liabilities to be transferred by the scheme by specifying or describing them or by referring to all the property, rights and liabilities comprised in a specified part of the undertaking of the transferor (or partly in one way and partly in the other).
- 4 A transfer scheme may also contain provision—
- (a) for the creation, in relation to property which the scheme transfers, of an interest in or right over the property in favour of the transferor;
  - (b) for the creation of any rights or liabilities as between two or more of the regional development agencies, or as between one or more of them and the Crown;
  - (c) for any rights or liabilities specified or described in the scheme to be, or to be to any extent, enforceable by or against two or more of the regional development agencies, or by or against one or more of them and the Crown;
  - (d) for imposing on any two or more of the regional development agencies, or on one or more of them and the Crown, an obligation to enter into written agreements with, or execute other instruments in favour of, each other.
- 5 A scheme under paragraph 1(1) may also contain provision—
- (a) for the creation in favour of a regional development agency of an interest in or right over property retained by the Crown;
  - (b) for the creation in favour of one regional development agency of an interest in or right over property which the scheme transfers to another regional development agency.

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6 A scheme under paragraph 1(2) may also contain provision for the creation in favour of the Crown of an interest in or right over property retained by a regional development agency.

7 A transfer scheme may make such supplemental, incidental and consequential provision as the Minister making it considers appropriate.

*Effect of scheme*

8 On the day appointed by a transfer scheme, the property, rights and liabilities which are the subject of the scheme shall, by virtue of this sub-paragraph, be transferred in accordance with the provisions of the scheme.

*Effect of transfer by scheme of contracts of employment*

9 (1) This paragraph applies where rights and liabilities under a contract of employment are transferred by a transfer scheme.

(2) Anything done by or in relation to the transferor in respect of the employee before the day of the transfer shall be treated on and after that day as done by or in relation to the transferee.

(3) For the purposes of the Employment Rights Act 1996, the employee's period of employment with the transferor shall count as a period of employment with the transferee, and the change of employment shall not break the continuity of the period of employment.

10 Where rights and liabilities under a contract of employment are transferred by a scheme under paragraph 1(2), the employee shall not be regarded for the purposes of Part XI of the Employment Rights Act 1996 (redundancy payments etc.) as having been dismissed by virtue of the transfer.

*Modification of scheme*

11 (1) If at any time after a transfer scheme has come into force, the Minister who made the scheme considers it appropriate to do so, having consulted any regional development agency which may be affected, he may by order provide that the scheme shall for all purposes be deemed to have come into force with such modifications, other than modifications relating to the transfer of rights and liabilities under a contract of employment, as may be specified in the order.

(2) An order under sub-paragraph (1) may make, with effect from the coming into force of the scheme, such provision as could have been made by the scheme, and in connection with giving effect to that provision from that time may contain such supplemental, consequential and transitional provision as the Minister making the order considers appropriate.

(3) The power to make an order under sub-paragraph (1) shall be exercisable by statutory instrument which shall be subject to annulment in pursuance of a resolution of either House of Parliament.

*Provision of information*

12 A regional development agency shall provide a Minister of the Crown with all such information and other assistance as he may reasonably require for the purposes of

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or in connection with the exercise of any of the powers conferred on him by this Schedule.

*Interpretation*

- 13 In the application of this Schedule to a person employed in the civil service of the State—
- (a) any reference to employment is to employment in that service,
  - (b) any reference to a contract of employment is to the terms of that employment, and
  - (c) any reference to dismissal is to the termination of his employment in that service.

SCHEDULE 4

Section 19.

VESTING OF LAND: MODIFICATIONS OF ENACTMENTS

*Land Compensation Act 1961 (c. 33)*

- 1 The Land Compensation Act 1961 shall have effect in relation to orders under section 19(1) above with the modifications in paragraphs 2 to 5 below.
- 2 References to the date of service of a notice to treat shall be treated as references to the date on which an order under section 19(1) above comes into force.
- 3 In section 17(2) (certification of appropriate alternative development), for “the authority proposing to acquire the interest have served a notice to treat in respect thereof, or an agreement has been made for the sale thereof to that authority” there is substituted “an order under section 19(1) of the Regional Development Agencies Act 1998 vesting the land in which the interest subsists in a regional development agency has come into force, or an agreement has been made for the sale of the interest to such an agency”.
- 4 In section 22(2) (interpretation of Part III), at the end of paragraph (c) there is added “or
- (d) where an order has been made under section 19(1) of the Regional Development Agencies Act 1998 vesting the land in which the interest subsists in a regional development agency”.
- 5 Any reference to a notice to treat in section 39(2) (interpretation) shall be treated as a reference to an order under section 19(1) above.

*Compulsory Purchase (Vesting Declarations) Act 1981 (c. 66)*

- 6 The Compulsory Purchase (Vesting Declarations) Act 1981 shall have effect in relation to orders under section 19(1) above with the modifications in paragraphs 7 to 9 below.
- 7 (1) Any reference in Part III or IV to a general vesting declaration shall be treated as a reference to the order.
- (2) Any reference in Part III or IV to the vesting date shall be treated as a reference to the date on which the order comes into force, and the reference in section 11(1) to

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the execution of a general vesting declaration shall be treated as a reference to the order having come into force.

- 8 In section 7(1)—
- (a) the reference to every person on whom, under section 5 of the Compulsory Purchase Act 1965, the acquiring authority could have served a notice to treat shall be treated as a reference to every person whose interest in the land to which the order relates is vested by the order in the regional development agency, and
  - (b) paragraph (i) is omitted.
- 9 (1) In Schedule 1, in paragraph 2(2), the reference to the date on which notice under section 6 is served on any person shall be treated as a reference to the date on which the order comes into force.
- (2) In that Schedule, in paragraph 10—
- (a) sub-paragraph (1)(a) is omitted, and
  - (b) the reference in sub-paragraph (1)(b) to the date on which a person first had knowledge of the execution of the general vesting declaration shall be treated as a reference to the date on which the order came into force.

## SCHEDULE 5

Section 20.

### ACQUISITION OF LAND

#### PART I

##### MODIFICATIONS OF THE ACQUISITION OF LAND ACT 1981

- 1 (1) Where a compulsory purchase order authorising the acquisition of any land is submitted to the Secretary of State in accordance with section 2(2) of the Acquisition of Land Act 1981 (procedure for authorisation), then if the Secretary of State—
- (a) is satisfied that the order ought to be confirmed so far as it relates to part of the land comprised in it, but
  - (b) has not for the time being determined whether it ought to be confirmed so far as it relates to any other such land,
- he may confirm the order so far as it relates to the land mentioned in paragraph (a), and give directions postponing the consideration of the order, so far as it relates to any other land specified in the directions, until such time as may be so specified.
- (2) Where the Secretary of State gives directions under sub-paragraph (1), the notices required by section 15 of the Acquisition of Land Act 1981 (notices after confirmation of order) to be published and served shall include a statement of the effect of the directions.
- 2 The reference in section 17(3) of the Acquisition of Land Act 1981 (local authority and statutory undertakers' land) to statutory undertakers includes a reference to a regional development agency.

## PART II

### ACQUISITION OF RIGHTS

- 3 (1) The Compulsory Purchase Act 1965 (“the 1965 Act”) shall have effect with the modifications necessary to make it apply to the compulsory acquisition of rights by virtue of section 20(2) above as it applies to the compulsory purchase of land so that, in appropriate contexts, references in the 1965 Act to land are read as referring, or as including references, to the rights or to land over which the rights are or are to be exercisable, according to the requirements of the particular context.
- (2) Without prejudice to the generality of sub-paragraph (1), in relation to the acquisition of rights by virtue of section 20(2) above—
- (a) Part I of the 1965 Act (which relates to compulsory purchases under the Acquisition of Land Act 1981) shall have effect with the modifications specified in paragraphs 4 and 5, and
  - (b) the enactments relating to compensation for the compulsory purchase of land shall apply with the necessary modifications as they apply to such compensation.
- 4 For sections 7 and 8 of the 1965 Act there is substituted—

#### **“7 Measure of compensation in case of acquisition of new right**

- (1) 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 purchased is depreciated by the purchase but also to the damage, if any, to be sustained by the owner of the land by reason of injurious affection of other land of the owner by the exercise of the right.
- (2) The modifications subject to which subsection (1) of section 44 of the Land Compensation Act 1973 (compensation for injurious affection) is to have effect, as applied by subsection (2) of that section to compensation for injurious affection under this section, are that—
- (a) for the words “land is acquired or taken” there shall be substituted the words “a right over land is acquired”, and
  - (b) for the words “acquired or taken from him” there shall be substituted the words “over which the right is exercisable”.

#### **8 Other provisions relating to acquisition of new right**

- (1) Where in consequence of the service on a person in pursuance of section 5 of this Act of a notice to treat in respect of a right over land consisting of a house, building or manufactory or of a park or garden belonging to a house (“the relevant land”)—
- (a) a question of disputed compensation in respect of the purchase of the right would apart from this section fall to be determined by the Lands Tribunal (“the Tribunal”); and
  - (b) before the Tribunal has determined that question the person satisfies the Tribunal that he has an interest which he is able and willing to sell in the whole of the relevant land and—

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- (i) where that land consists of a house, building or manufactory, that the right cannot be purchased without material detriment to that land, or
- (ii) where that land consists of such a park or garden, that the right cannot be purchased without seriously affecting the amenity or convenience of the house to which that land belongs,

the compulsory purchase order to which the notice to treat relates shall, in relation to that person, cease to authorise the purchase of the right and be deemed to authorise the purchase of that person's interest in the whole of the relevant land including, where the land consists of such a park or garden, the house to which it belongs, and the notice shall be deemed to have been served in respect of that interest on such date as the Tribunal directs.

- (2) Any question as to the extent of the land in which a compulsory purchase order is deemed to authorise the purchase of an interest by virtue of the preceding subsection shall be determined by the Tribunal.
- (3) Where in consequence of a determination of the Tribunal that it is satisfied as mentioned in subsection (1) of this section a compulsory purchase order is deemed by virtue of that subsection to authorise the purchase of an interest in land, the acquiring authority may, at any time within the period of 6 weeks beginning with the date of the determination, withdraw the notice to treat in consequence of which the determination was made; but nothing in this subsection prejudices any other power of the authority to withdraw the notice.
- (4) The modifications subject to which subsection (1) of section 58 of the Land Compensation Act 1973 (determination of material detriment) is to have effect, as applied by subsection (2) of that section to the duty of the Tribunal in determining whether it is satisfied as mentioned in subsection (1) of this section, are that—
  - (a) at the beginning of paragraphs (a) and (b) there shall be inserted the words “a right over”;
  - (b) for the word “severance” there shall be substituted the words “right on the whole of the house, building or manufactory or of the house and the park or garden”; and
  - (c) for the words “part proposed” and “part is” there shall be substituted respectively the words “right proposed” and “right is”.

- 5 (1) The following provisions of the 1965 Act (which state the effect of a deed poll executed in various circumstances where there is no conveyance by persons with interests in the land), namely—
  - (a) section 9(4) (failure of owners to convey),
  - (b) paragraph 10(3) of Schedule 1 (owners under incapacity),
  - (c) paragraph 2(3) of Schedule 2 (absent and untraced owners), and
  - (d) paragraphs 2(3) and 7(2) of Schedule 4 (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 acquired compulsorily is vested absolutely in the acquiring authority.

- (2) Section 11 of the 1965 Act (powers of entry) shall be so modified as to secure that, as from the date on which the acquiring authority has served notice to treat in respect of any right, it has 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) of the 1965 Act shall be modified correspondingly.
- (3) Section 20 of the 1965 Act (compensation for short-term tenants) 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 purchase of the interests but taking into account only the extent (if any) of such interference with such interests as is actually caused, or likely to be caused, by the exercise of the right in question.
- (4) Section 22 of the 1965 Act (protection of acquiring authority's possession of land where by inadvertence an interest in the land has not been purchased) shall be so modified as to enable the acquiring authority, in circumstances corresponding to those referred to in that section, to continue to be entitled to exercise the right in question, subject to compliance with that section as respects compensation.

## SCHEDULE 6

Section 23.

### VESTING AND ACQUISITION OF LAND: SUPPLEMENTARY PROVISIONS

#### *Extinguishment of rights over land*

- 1 (1) On an order under section 19(1) coming into force or the completion by a regional development agency of a compulsory acquisition of land under this Act—
  - (a) all private rights of way and rights of laying down, erecting, continuing or maintaining any apparatus on, under or over the land which is the subject of the order or the compulsory acquisition shall be extinguished, and
  - (b) any such apparatus shall vest in the agency in which the land is vested or by which it is acquired.
- (2) Sub-paragraph (1) does not apply—
  - (a) to any right vested in, or apparatus belonging to, statutory undertakers for the purpose of carrying on their undertaking; or
  - (b) to any right conferred by or in accordance with the telecommunications code on the operator of a telecommunications code system or to any telecommunications apparatus kept installed for the purposes of any such system.
- (3) In respect of any right or apparatus not falling within sub-paragraph (2), sub-paragraph (1) shall have effect subject to—
  - (a) any direction given by the Secretary of State before the coming into force of the order, or, as the case may be, by the agency before the completion of the acquisition, that sub-paragraph (1) shall not apply to any right or apparatus specified in the direction, and

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- (b) any agreement which may be made (whether before or after the coming into force of the order or completion of the acquisition) between the Secretary of State, or agency, and the person in or to whom the right or apparatus in question is vested or belongs.
- (4) Any person who suffers loss by the extinguishment of a right or the vesting of any apparatus under this paragraph shall be entitled to compensation from the regional development agency concerned.
- (5) Any compensation payable under this paragraph shall be determined in accordance with the Land Compensation Act 1961.

*Power to override easements*

- 2 (1) The erection, construction, carrying out, or maintenance of any building or work on land which has been vested in or acquired by a regional development agency under this Act, whether done by the agency or by any other person, is authorised by virtue of this paragraph if it is done in accordance with planning permission, notwithstanding that it involves—
  - (a) interference with an interest or right to which this paragraph applies, or
  - (b) a breach of a restriction as to the user of land arising by virtue of a contract.
- (2) Nothing in sub-paragraph (1) shall authorise interference with any right of way or right of laying down, erecting, continuing or maintaining apparatus on, under or over land, being—
  - (a) a right vested in or belonging to statutory undertakers for the purpose of the carrying on of their undertaking, or
  - (b) a right conferred by or in accordance with the telecommunications code on the operator of a telecommunications code system.
- (3) This paragraph applies to the following interests and rights, that is to say, any easement, liberty, privilege, right or advantage annexed to land and adversely affecting other land, including any natural right to support.
- (4) In respect of any interference or breach in pursuance of sub-paragraph (1), compensation shall be payable under section 7 or 10 of the Compulsory Purchase Act 1965, to be assessed in the same manner and subject to the same rules as in the case of other compensation under those sections in respect of injurious affection where the compensation is to be estimated in connection with a purchase by a regional development agency or the injury arises from the execution of works on land acquired by such an agency.
- (5) Where a person other than the regional development agency by or in which the land in question was acquired or vested is liable to pay compensation by virtue of sub-paragraph (4), and fails to discharge that liability, the liability shall (subject to sub-paragraph (6)) be enforceable against the agency.
- (6) Nothing in sub-paragraph (5) shall be construed as affecting any agreement between that agency and any other person for indemnifying the agency against any liability under that sub-paragraph.
- (7) Nothing in this paragraph shall be construed as authorising any act or omission on the part of any person which is actionable at the suit of any person on any grounds other than such an interference or breach as is mentioned in sub-paragraph (1).

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- (8) Nothing in this paragraph shall be construed as authorising any act or omission on the part of a body corporate in contravention of any limitation imposed by law on its capacity by virtue of its constitution.

*Consecrated land and burial grounds*

- 3 (1) Any consecrated land, whether including a building or not, which has been vested in or acquired by a regional development agency under this Act may (subject to the following provisions of this paragraph) be used by the agency, or by any other person, in any manner in accordance with planning permission, notwithstanding any obligation or restriction imposed under ecclesiastical law or otherwise in respect of consecrated land.
- (2) Sub-paragraph (1) does not apply to land which consists or forms part of a burial ground.
- (3) Any use of consecrated land authorised by sub-paragraph (1), and the use of any land, not being consecrated land, vested or acquired as mentioned in that sub-paragraph which at the time of vesting or acquisition included a church or other building used or formerly used for religious worship or the site thereof, shall be subject to compliance with the prescribed requirements with respect to—
- (a) the removal and reinterment of any human remains, and
  - (b) the disposal of monuments,
- and, in the case of consecrated land, shall be subject to such provisions as may be prescribed for prohibiting or restricting the use of the land, either absolutely or until the prescribed consent has been obtained, so long as any church or other building used or formerly used for religious worship, or any part thereof, remains on the land.
- (4) Any regulations made for the purposes of sub-paragraph (3)—
- (a) shall contain such provisions as appear to the Secretary of State to be requisite for securing that any use of land which is subject to compliance with the regulations shall, as nearly as may be, be subject to the like control as is imposed by law in the case of a similar use authorised by an enactment not contained in this Act or by a Measure, or as it would be proper to impose on a disposal of the land in question otherwise than in pursuance of an enactment or Measure;
  - (b) shall contain requirements relating to the disposal of any such land as is mentioned in sub-paragraph (3) such as appear to the Secretary of State requisite for securing that the provisions of that sub-paragraph shall be complied with in relation to the use of the land; and
  - (c) may contain such incidental and consequential provisions (including provision as to the closing of registers) as appear to the Secretary of State to be expedient for the purposes of the regulations.
- (5) Any land consisting of a burial ground or part of a burial ground which has been vested in or acquired by a regional development agency under this Act may be used by the agency in any manner in accordance with planning permission, notwithstanding anything in any enactment relating to burial grounds or any obligation or restriction imposed under ecclesiastical law or otherwise in respect of burial grounds.
- (6) Sub-paragraph (5) shall not have effect in respect of any land which has been used for the burial of the dead until the prescribed requirements with respect to the removal

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and reinterment of human remains and the disposal of monuments in or upon the land have been complied with.

- (7) Provision shall be made by any regulations made for the purposes of sub-paragraphs (3) and (6)—
- (a) for requiring the persons in whom the land is vested to publish notice of their intention to carry out the removal and reinterment of any human remains or the disposal of any monuments;
  - (b) for enabling the personal representatives or relatives of any deceased person themselves to undertake the removal and reinterment of the remains of the deceased and the disposal of any monument commemorating the deceased, and for requiring the persons in whom the land is vested to defray the expenses of such removal, reinterment and disposal, not exceeding such amount as may be prescribed;
  - (c) for requiring compliance with such reasonable conditions (if any) as may be imposed, in the case of consecrated land, by the bishop of the diocese, with respect to the manner of removal and the place and manner of reinterment of any human remains and the disposal of any monuments; and
  - (d) for requiring compliance with any directions given in any case by the Secretary of State with respect to the removal and reinterment of any human remains.
- (8) Subject to the provisions of any such regulations as are referred to in sub-paragraph (7), no faculty shall be required—
- (a) for the removal and reinterment in accordance with the regulations of any human remains, or
  - (b) for the removal or disposal of any monuments;
- and the provisions of section 25 of the Burial Act 1857 (which prohibits the removal of human remains without the licence of the Secretary of State except in certain cases) shall not apply to a removal carried out in accordance with the regulations.
- (9) Any power conferred by this paragraph to use land in a manner therein mentioned shall be construed as a power so to use the land, whether or not it involves—
- (a) the erection, construction or carrying out of any building or work, or
  - (b) the maintenance of any building or work.
- (10) Nothing in this paragraph shall be construed as authorising any act or omission on the part of any person which is actionable at the suit of any person on any grounds other than contravention of any such obligation, restriction or enactment as is mentioned in sub-paragraph (1) or (5).
- (11) Sub-paragraph (8) of paragraph 2 shall apply in relation to this paragraph as it applies in relation to that.
- (12) In this paragraph—
- “burial ground” includes any churchyard, cemetery or other ground, whether consecrated or not, which has at any time been set apart for the purposes of interment; and
- “monument” includes a tombstone or other memorial.
- (13) In this paragraph “prescribed” means prescribed by regulations made by the Secretary of State.

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- (14) The power to make regulations under this paragraph shall be exercisable by statutory instrument which shall be subject to annulment in pursuance of a resolution of either House of Parliament.

*Open spaces*

- 4 (1) Any land being, or forming part of, a common, open space or fuel or field garden allotment, which has been vested in or acquired by a regional development agency under this Act may be used by the agency, or by any other person, in any manner in accordance with planning permission, notwithstanding anything in any enactment—
- (a) relating to land of that kind, or
  - (b) by which the land is specially regulated.
- (2) Nothing in this paragraph shall be construed as authorising any act or omission on the part of any person which is actionable at the suit of any person on any grounds other than contravention of any such enactment as is mentioned in sub-paragraph (1).
- (3) Sub-paragraph (8) of paragraph 2 shall apply in relation to this paragraph as it applies in relation to that.

*Displacement of persons*

- 5 If the Secretary of State certifies that possession of a house which—
- (a) has been vested in or acquired by a regional development agency under this Act, and
  - (b) is for the time being held by the agency for its purposes,
- is immediately required for those purposes, nothing in the Rent (Agriculture) Act 1976, the Rent Act 1977 or the Housing Act 1988 shall prevent the agency from obtaining possession of the house.

*Extinguishment of public rights of way*

- 6 (1) Where any land has been vested in or acquired by a regional development agency under this Act, and is for the time being held by the agency for the purposes of its objects, the Secretary of State may by order extinguish any public right of way over the land, if he is satisfied—
- (a) that an alternative right of way has been or will be provided, or
  - (b) that the provision of an alternative right of way is not required.
- (2) Where the Secretary of State proposes to make an order under this paragraph, he shall—
- (a) publish in such manner as appears to him to be requisite a notice—
    - (i) stating the effect of the order, and
    - (ii) specifying the time (not being less than 28 days from the publication of the notice) within which, and the manner in which, objections to the proposal may be made, and
  - (b) serve a like notice—
    - (i) on the local planning authority in whose area the land is situated, and
    - (ii) on the relevant highway authority.

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- (3) In sub-paragraph (2) “the relevant highway authority” means any authority which is a highway authority in relation to the right of way proposed to be extinguished by the order under this paragraph.
- (4) Where an objection to a proposal to make an order under this paragraph is duly made and is not withdrawn, the provisions of paragraph 7 shall have effect in relation to the proposal.
- (5) For the purposes of this paragraph an objection to such a proposal shall not be treated as duly made unless—
- (a) it is made within the time and in the manner specified in the notice required by this paragraph, and
  - (b) a statement in writing of the grounds of the objection is comprised in or submitted with the objection.
- 7 (1) In this paragraph any reference to making a final decision, in relation to an order, is a reference to deciding whether to make the order or what modification, if any, ought to be made.
- (2) Unless the Secretary of State decides apart from the objection not to make the order, or decides to make a modification which is agreed to by the objector as meeting the objection, the Secretary of State—
- (a) shall, before making a final decision, consider the grounds of the objection as set out in the statement comprised in or submitted with the objection, and
  - (b) may, if he thinks fit, require the objector to submit within a specified period a further statement in writing as to any of the matters to which the objection relates.
- (3) In so far as the Secretary of State, after considering the grounds of the objection as set out in the original statement and in any such further statement, is satisfied that the objection relates to a matter which can be dealt with in the assessment of compensation, he may treat the objection as irrelevant for the purpose of making a final decision.
- (4) In any case where—
- (a) after considering the grounds of the objection as set out in the original statement and in any such further statement, the Secretary of State is satisfied that, for the purpose of making a final decision, he is sufficiently informed as to the matters to which the objection relates, or
  - (b) a further statement has been required but is not submitted within the specified period,
- the Secretary of State may make a final decision without further investigation as to the matters to which the objection relates.
- (5) Subject to sub-paragraphs (3) and (4), the Secretary of State, before making a final decision, shall afford to the objector an opportunity of appearing before, and being heard by, a person appointed for the purpose by the Secretary of State; and if the objector avails himself of that opportunity, the Secretary of State shall afford an opportunity of appearing and being heard on the same occasion—
- (a) to the person on whose representation the order is proposed to be made, and
  - (b) to any other persons to whom it appears to the Secretary of State to be expedient to afford such an opportunity.

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- (6) Notwithstanding anything in the preceding provisions of this paragraph, if it appears to the Secretary of State that the matters to which the objection relates are such as to require investigation by public local inquiry before he makes a final decision, he shall cause such an inquiry to be held; and where he determines to cause such an inquiry to be held, any of the requirements of those provisions to which effect has not been given at the time of that determination shall be dispensed with.

*Telegraphic lines*

- 8 (1) Where an order under paragraph 6 extinguishing a public right of way is made and at the time of the publication of the notice required by sub-paragraph (2) of that paragraph any telecommunication apparatus was kept installed for the purposes of a telecommunications code system under, in, on, over, along or across the land over which the right of way subsisted—
- (a) the power of the operator of the system to remove the apparatus shall, notwithstanding the making of the order, be exercisable at any time not later than the end of the period of 3 months from the date on which the right of way is extinguished and shall be exercisable in respect of the whole or any part of the apparatus after the end of that period if before the end of that period the operator of the system has given notice to the regional development agency concerned of his intention to remove the apparatus or that part of it, as the case may be;
  - (b) the operator of the system may by notice given in that behalf to the regional development agency concerned not later than the end of the said period of 3 months abandon the telecommunication apparatus or any part of it;
  - (c) subject to paragraph (b), the operator of the system shall be deemed at the end of that period to have abandoned any part of the apparatus which he has then neither removed nor given notice of his intention to remove;
  - (d) the operator of the system shall be entitled to recover from the regional development agency concerned the expense of providing, in substitution for the apparatus and any other telecommunication apparatus connected with it which is rendered useless in consequence of the removal or abandonment of the first-mentioned apparatus, any telecommunication apparatus in such other place as the operator may require; and
  - (e) where under the preceding provisions of this sub-paragraph the operator of the system has abandoned the whole or any part of any telecommunication apparatus, that apparatus or that part of it shall vest in the regional development agency concerned and shall be deemed, with its abandonment, to cease to be kept installed for the purposes of a telecommunications code system.
- (2) As soon as practicable after the making of an order under paragraph 6 extinguishing a public right of way in circumstances in which sub-paragraph (1) applies in relation to the operator of any telecommunications code system, the Secretary of State shall give notice to the operator of the making of the order.

*Statutory undertakers*

- 9 (1) Where any land has been vested in or acquired by a regional development agency under this Act and—

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- (a) there subsists over that land a right vested in or belonging to statutory undertakers for the purpose of the carrying on of their undertaking, being a right of way or a right of laying down, erecting, continuing or maintaining apparatus on, under or over that land, or
  - (b) there is on, under or over the land apparatus vested in or belonging to statutory undertakers for the purpose of the carrying on of their undertaking,

the agency may serve on the statutory undertakers a notice stating that, at the end of the period of 28 days from the date of service of the notice or such longer period as may be specified therein, the right will be extinguished or requiring that, before the end of that period, the apparatus shall be removed.
- (2) The statutory undertakers on whom a notice is served under sub-paragraph (1) may, before the end of the period of 28 days from the service of the notice, serve a counter-notice on the agency stating that they object to all or any provisions of the notice and specifying the grounds of their objection.
- (3) If no counter-notice is served under sub-paragraph (2)—
  - (a) any right to which the notice relates shall be extinguished at the end of the period specified in that behalf in the notice, and
  - (b) if, at the end of the period so specified in relation to any apparatus, any requirement of the notice as to the removal of the apparatus has not been complied with, the agency may remove the apparatus and dispose of it in any way it may think fit.
- (4) If a counter-notice is served under sub-paragraph (2) on the agency, it may either withdraw the notice (without prejudice to the service of a further notice) or apply to the Secretary of State and the appropriate Minister for an order under this paragraph embodying the provisions of the notice with or without modification.
- (5) Where by virtue of this paragraph any right vested in or belonging to statutory undertakers is extinguished, or any requirement is imposed on statutory undertakers, those undertakers shall be entitled to compensation from the regional development agency concerned.
- (6) Sections 280 and 282 of the Town and Country Planning Act 1990 (measure of compensation to statutory undertakers) shall apply to compensation under sub-paragraph (5) as they apply to compensation under section 279(4) of that Act.
- (7) Except in a case where paragraph 8 applies—
  - (a) the reference in paragraph (a) of sub-paragraph (1) to a right vested in or belonging to statutory undertakers for the purpose of the carrying on of their undertaking shall include a reference to a right conferred by or in accordance with the telecommunications code on the operator of a telecommunications code system; and
  - (b) the reference in paragraph (b) of that sub-paragraph to apparatus vested in or belonging to statutory undertakers for the purpose of the carrying on of their undertaking shall include a reference to telecommunication apparatus kept installed for the purposes of any such system.
- (8) Where paragraph (a) or (b) of sub-paragraph (1) has effect as mentioned in sub-paragraph (7), in the rest of this paragraph and in paragraph 10—
  - (a) any reference to statutory undertakers shall have effect as a reference to the operator of any such system as is referred to in sub-paragraph (7); and

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- (b) any reference to the appropriate Minister shall have effect as a reference to the Secretary of State for Trade and Industry.
- 10 (1) Before making an order under paragraph 9 the Secretary of State and the appropriate Minister—
- (a) shall afford to the statutory undertakers on whom notice was served under paragraph 9(1) an opportunity of objecting to the application for the order, and
- (b) if any objection is made, shall consider the objection and afford to those statutory undertakers and to the agency on which the counter-notice was served an opportunity of appearing before and being heard by a person appointed by the Secretary of State and the appropriate Minister for the purpose,
- and the Secretary of State and the appropriate Minister may then, if they think fit, make the order in accordance with the application either with or without modification.
- (2) Where an order is made under paragraph 9—
- (a) any right to which the order relates shall be extinguished at the end of the period specified in that behalf in the order, and
- (b) if, at the end of the period so specified in relation to any apparatus, any requirement of the order as to the removal of the apparatus has not been complied with, the regional development agency concerned may remove the apparatus and dispose of it in any way it may think fit.
- 11 (1) Where any land has been vested in or acquired by a regional development agency under this Act and—
- (a) there is on, under or over the land apparatus vested in or belonging to statutory undertakers, and
- (b) the undertakers claim that development to be carried out on the land is such as to require, on technical or other grounds connected with the carrying on of their undertaking, the removal or re-siting of the apparatus affected by the development,
- the undertakers may serve on the agency a notice claiming the right to enter on the land and carry out such works for the removal or re-siting of the apparatus or any part of it as may be specified in the notice.
- (2) Where, after the land has been vested or acquired as mentioned in sub-paragraph (1), development of the land is begun to be carried out, no notice under this paragraph shall be served later than 21 days after the beginning of the development.
- (3) Where a notice is served under this paragraph the agency on which it is served may, before the end of the period of 28 days from the date of service, serve on the statutory undertakers a counter-notice stating that it objects to all or any of the provisions of the notice and specifying the grounds of its objection.
- (4) If no counter-notice is served under sub-paragraph (3), the statutory undertakers shall, after the end of the said period of 28 days, have the rights claimed in their notice.
- (5) If a counter-notice is served under sub-paragraph (3), the statutory undertakers who served the notice under this paragraph may either withdraw it or apply to the Secretary of State and the appropriate Minister for an order under this paragraph conferring on the undertakers—

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- (a) the rights claimed in the notice, or
  - (b) such modified rights as the Secretary of State and the appropriate Minister think it expedient to confer on them.
- (6) Where by virtue of this paragraph or an order made by the Secretary of State and the appropriate Minister under it, statutory undertakers have the right to execute works for the removal or re-siting of apparatus, they may arrange with the regional development agency concerned for the works to be carried out by the agency, under the superintendence of the undertakers, instead of by the undertakers themselves.
- (7) Where works are carried out for the removal or re-siting of statutory undertakers' apparatus, being works which the undertakers have the right to carry out by virtue of this paragraph or an order made by the Secretary of State and the appropriate Minister under it, the undertakers shall be entitled to compensation from the regional development agency concerned.
- (8) Sections 280 and 282 of the Town and Country Planning Act 1990 (measure of compensation to statutory undertakers) shall apply to compensation under sub-paragraph (7) as they apply to compensation under section 279(4) of that Act.
- (9) In sub-paragraph (1)(a), the reference to apparatus vested in or belonging to statutory undertakers shall include a reference to telecommunication apparatus kept installed for the purposes of a telecommunications code system.
- (10) Where sub-paragraph (1)(a) has effect as mentioned in sub-paragraph (9), in the rest of this paragraph—
- (a) any reference to statutory undertakers shall have effect as a reference to the operator of any such system as is referred to in sub-paragraph (9); and
  - (b) any reference to the appropriate Minister shall have effect as a reference to the Secretary of State for Trade and Industry.
- 12 (1) The powers conferred by this paragraph shall be exercisable where, on a representation made by statutory undertakers, it appears to the Secretary of State and the appropriate Minister to be expedient that the powers and duties of those undertakers should be extended or modified, in order—
- (a) to secure the provision in the area of a regional development agency of services which would not otherwise be provided, or which would not otherwise be satisfactorily provided, or
  - (b) to facilitate an adjustment of the carrying on of the undertaking necessitated by any of the acts and events mentioned in sub-paragraph (2).
- (2) The said acts and events are—
- (a) the vesting in or acquisition by a regional development agency under this Act of any land in which an interest was held, or which was used, for the purpose of the carrying on of the undertaking of the statutory undertakers in question, and
  - (b) the extinguishment of a right or the imposition of any requirement by virtue of paragraph 9.
- (3) The powers conferred by this paragraph shall also be exercisable where, on a representation made by a regional development agency, it appears to the Secretary of State and the appropriate Minister to be expedient that the powers and duties of statutory undertakers should be extended or modified in order to secure the provision of new services, or the extension of existing services, in the agency's area.

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- (4) Where the powers conferred by this paragraph are exercisable, the Secretary of State and the appropriate Minister may, if they think fit, by order provide for such extension or modification of the powers and duties of the statutory undertakers as appears to them to be requisite in order to secure—
- (a) the provision of the services in question, as mentioned in sub-paragraph (1)(a) or sub-paragraph (3); or
  - (b) the adjustment in question, as mentioned in sub-paragraph (1)(b), as the case may be.
- (5) Without prejudice to the generality of sub-paragraph (4), an order under this paragraph may make provision—
- (a) for empowering the statutory undertakers to acquire (whether compulsorily or by agreement) any land specified in the order, and to erect or construct any buildings or works so specified,
  - (b) for applying, in relation to the acquisition of any such land or the construction of any such works, enactments relating to the acquisition of land and the construction of works,
  - (c) where it has been represented that the making of the order is expedient for the purposes mentioned in sub-paragraph (1)(a) or (3), for giving effect to such financial arrangements between the regional development agency concerned and the statutory undertakers as they may agree, or as, in default of agreement, may be determined to be equitable in such manner and by such tribunal as may be specified in the order, and
  - (d) for such incidental and supplemental matters as appear to the Secretary of State and the appropriate Minister to be expedient for the purposes of the order.
- 13 (1) As soon as may be after making such a representation as is mentioned in sub-paragraph (1) or (3) of paragraph 12—
- (a) the statutory undertakers, in a case falling within sub-paragraph (1), or
  - (b) the regional development agency, in a case falling within sub-paragraph (3),
- shall publish, in such form and manner as may be directed by the Secretary of State and the appropriate Minister, a notice giving such particulars as may be so directed of the matters to which the representation relates, and specifying the time within which, and the manner in which, objections to the making of an order on the representation may be made, and shall also, if so directed by the Secretary of State and the appropriate Minister, serve a like notice on such persons, or persons of such classes, as may be so directed.
- (2) Orders under paragraph 12 shall be subject to special parliamentary procedure.
- 14 (1) Where, on a representation made by statutory undertakers, the appropriate Minister is satisfied that the fulfilment of any obligations incurred by those undertakers in connection with the carrying on of their undertaking has been rendered impracticable by an act or event to which this sub-paragraph applies, the appropriate Minister may, if he thinks fit, by order direct that the statutory undertakers shall be relieved of the fulfilment of that obligation, either absolutely or to such extent as may be specified in the order.
- (2) Sub-paragraph (1) applies to the following acts and events—

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- (a) the vesting in or acquisition by a regional development agency under this Act of any land in which an interest was held, or which was used, for the purpose of the carrying on of the undertaking of the statutory undertakers, and
  - (b) the extinguishment of a right or the imposition of any requirement by virtue of paragraph 9.
- (3) As soon as may be after making a representation to the appropriate Minister under sub-paragraph (1), the statutory undertakers shall, as may be directed by the appropriate Minister, do either or both of the following, that is to say—
- (a) publish (in such form and manner as may be so directed) a notice—
    - (i) giving such particulars as may be so directed of the matters to which the representation relates, and
    - (ii) specifying the time within which, and the manner in which, objections to the making of an order on the representation may be made, and
  - (b) serve a like notice on such persons, or persons of such classes, as may be so directed.
- (4) If any objection to the making of an order under this paragraph is duly made and is not withdrawn before the order is made, the order shall be subject to special parliamentary procedure.
- (5) Immediately after an order is made under this paragraph by the appropriate Minister, he shall publish a notice stating that the order has been made and naming a place where a copy of it may be seen at all reasonable hours, and shall serve a like notice—
- (a) on any person who duly made an objection to the order and has sent to the appropriate Minister a request in writing to serve him with the notice required by this sub-paragraph, specifying an address for service, and
  - (b) on such other persons (if any) as the appropriate Minister thinks fit.
- (6) Subject to the following provisions of this paragraph, an order under this paragraph shall become operative on the date on which the notice required by sub-paragraph (5) is first published.
- (7) Where in accordance with sub-paragraph (4) the order is subject to special parliamentary procedure, sub-paragraph (6) shall not apply.
- (8) If any person aggrieved by an order under this paragraph wishes to question the validity of the order on the ground—
- (a) that it is not within the powers conferred by this paragraph, or
  - (b) that any requirement of this paragraph has not been complied with in relation to the order,
- he may, within 6 weeks from the date on which the notice required by sub-paragraph (5) is first published, make an application to the High Court under this paragraph.
- (9) On any application under sub-paragraph (8) the High Court—
- (a) may by interim order wholly or in part suspend the operation of the order, either generally or in so far as it affects any property of the applicant, until the final determination of the proceedings, and
  - (b) if satisfied—
    - (i) that the order is wholly or to any extent outside the powers conferred by this paragraph, or

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- (ii) that the interests of the applicant have been substantially prejudiced by the failure to comply with any requirement of this paragraph, may wholly or in part quash the order, either generally or in so far as it affects any property of the applicant.
- (10) Subject to sub-paragraph (8), the validity of an order under this paragraph shall not be questioned in any legal proceedings whatsoever, either before or after the order has been made.
- 15 (1) For the purposes of paragraphs 12 and 14, an objection to the making of an order thereunder shall not be treated as duly made unless—
- (a) the objection is made within the time and in the manner specified in the notice required by paragraph 13 or 14 (as the case may be), and
  - (b) a statement in writing of the grounds of the objection is comprised in or submitted with the objection.
- (2) Where an objection to the making of such an order is duly made in accordance with sub-paragraph (1) and is not withdrawn, the following provisions of this paragraph shall have effect in relation thereto; but, in the application of those provisions to an order under paragraph 12, any reference to the appropriate Minister shall be construed as a reference to the Secretary of State and the appropriate Minister.
- (3) Unless the appropriate Minister decides apart from the objection not to make the order, or decides to make a modification which is agreed to by the objector as meeting the objection, the appropriate Minister, before making a final decision—
- (a) shall consider the grounds of the objection as set out in the statement, and
  - (b) may, if he thinks fit, require the objector to submit within a specified period a further statement in writing as to any of the matters to which the objection relates.
- (4) In so far as the appropriate Minister after considering the grounds of the objection as set out in the original statement and in any such further statement, is satisfied that the objection relates to a matter which can be dealt with in the assessment of compensation, the appropriate Minister may treat the objection as irrelevant for the purpose of making a final decision.
- (5) In any case where—
- (a) after considering the grounds of the objection as set out in the original statement and in any such further statement, the appropriate Minister is satisfied that, for the purpose of making a final decision, he is sufficiently informed as to the matters to which the objection relates, or
  - (b) a further statement has been required but is not submitted within the specified period,
- the appropriate Minister may make a final decision without further investigation as to the matters to which the objection relates.
- (6) Subject to sub-paragraphs (4) and (5), the appropriate Minister, before making a final decision, shall afford to the objector an opportunity of appearing before, and being heard by, a person appointed for the purpose by the appropriate Minister; and if the objector avails himself of that opportunity, the appropriate Minister shall afford an opportunity of appearing and being heard on the same occasion—
- (a) to the person on whose representation the order is proposed to be made, and

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- (b) to any other persons to whom it appears to the appropriate Minister to be expedient to afford such an opportunity.
- (7) Notwithstanding anything in the preceding provisions of this paragraph, if it appears to the appropriate Minister that the matters to which the objection relates are such as to require investigation by public local inquiry before he makes a final decision, he shall cause such an inquiry to be held; and where he determines to cause such an inquiry to be held, any of the requirements of those provisions to which effect has not been given at the time of that determination shall be dispensed with.
- (8) In this paragraph any reference to making a final decision, in relation to an order, is a reference to deciding whether to make the order or what modification (if any) ought to be made.

#### *Interpretation*

- 16 (1) Any expression used in this Schedule to which a meaning is assigned by paragraph 1 of Schedule 4 to the Telecommunications Act 1984 has that meaning in this Schedule.
- (2) In this Schedule “statutory undertakers” means persons who are or are deemed to be statutory undertakers for the purposes of any provision of Part XI of the Town and Country Planning Act 1990; and “statutory undertaking” shall be construed in accordance with section 262 of that Act (meaning of “statutory undertaker”).
- (3) In this Schedule “the appropriate Minister” shall be construed as if contained in Part XI of the Town and Country Planning Act 1990; and any reference to the Secretary of State and the appropriate Minister shall be similarly construed.

### SCHEDULE 7

Section 32.

#### MINOR AMENDMENTS

##### *Public Records Act 1958 (c. 51)*

- 1 In Schedule 1 to the Public Records Act 1958, in Part II of the Table in paragraph 3 there is inserted at the appropriate place “A development agency established under section 1 of the Regional Development Agencies Act 1998.”

##### *Parliamentary Commissioner Act 1967 (c. 13)*

- 2 In Schedule 2 to the Parliamentary Commissioner Act 1967, there is inserted at the appropriate place “Regional development agencies”.

##### *Local Authorities (Goods and Services) Act 1970 (c. 39)*

- 3 The Local Authorities (Goods and Services) Act 1970 shall have effect as if regional development agencies were both local authorities and public bodies for the purposes of that Act, other than section 2(2).

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*House of Commons Disqualification Act 1975 (c. 24)*

- 4 In Part II of Schedule 1 to the House of Commons Disqualification Act 1975, there is inserted at the appropriate place “A development agency established under section 1 of the Regional Development Agencies Act 1998”.

*Northern Ireland Assembly Disqualification Act 1975 (c. 25)*

- 5 In Part II of Schedule 1 to the Northern Ireland Assembly Disqualification Act 1975, there is inserted at the appropriate place “A development agency established under section 1 of the Regional Development Agencies Act 1998”.

SCHEDULE 8

Section 34.

THE DEVELOPMENT COMMISSION: TRANSFER SCHEMES

*Definitions*

- 1 In this Schedule—  
“the Commission” means the Development Commission, and  
“transfer scheme” means a scheme under section 34(1).

*Making and approval of transfer scheme*

- 2 (1) Where the Commission is required to make a transfer scheme, it shall submit the scheme to the Secretary of State for his approval before such date as he may direct.  
(2) A transfer scheme shall not take effect unless approved by the Secretary of State.  
(3) The Secretary of State may, after consultation with the regional development agencies, approve a transfer scheme submitted to him by the Commission either with or without modifications.
- 3 (1) The Secretary of State may, after consultation with the regional development agencies, make a transfer scheme himself if—  
(a) he decides not to approve (with or without modifications) a scheme submitted to him before the date specified in relation to it under paragraph 2(1), or  
(b) no scheme is submitted to him for approval before that date.  
(2) Nothing in sub-paragraph (1) shall prevent the Secretary of State from approving a scheme submitted to him after the date specified in relation to it under paragraph 2(1).  
(3) A scheme made by the Secretary of State under sub-paragraph (1) shall be treated for all purposes as having been made by the Commission and approved by him.

*Contents of scheme*

- 4 (1) The property, rights and liabilities which may be transferred by a transfer scheme include property, rights and liabilities that would not otherwise be capable of being transferred or assigned.

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- (2) The transfers authorised by sub-paragraph (1) include transfers which are to take effect as if there were no such contravention, liability or interference with any interest or right as there would otherwise be by reason of any provision having effect (whether under any enactment or agreement or otherwise) in relation to the terms on which the transferor is entitled to the property or right, or subject to the liability, in question.
- 5        A transfer scheme may define the property, rights and liabilities to be allocated to a regional development agency by specifying or describing them or by referring to all the property, rights and liabilities comprised in a specified part of the undertaking of the Commission (or partly in one way and partly in the other).
- 6        A transfer scheme may also contain provision—
- (a) for the creation, in relation to property which the scheme transfers, of an interest in or right over the property in favour of the Commission;
  - (b) for the creation in favour of a regional development agency of—
    - (i) an interest in or right over property retained by the Commission, or
    - (ii) an interest in or right over property which the scheme transfers to another regional development agency;
  - (c) for the creation of any rights or liabilities as between two or more of the regional development agencies, or as between one or more of them and the Commission;
  - (d) for any rights or liabilities specified or described in the scheme to be, or to be to any extent, enforceable by or against two or more of the regional development agencies, or by or against one or more of them and the Commission;
  - (e) for imposing on any two or more of the regional development agencies, or on one or more of them and the Commission, an obligation to enter into written agreements with, or execute other instruments in favour of, each other.
- 7        A transfer scheme may make such supplemental, incidental and consequential provision as the Commission considers appropriate.

#### *Effect of scheme*

- 8        On the date appointed by a transfer scheme, the property, rights and liabilities which are the subject of the scheme shall, by virtue of this paragraph, be transferred in accordance with the provisions of the scheme.

#### *Effect of transfer by scheme of contracts of employment*

- 9        (1) This paragraph applies where rights and liabilities under a contract of employment are transferred by a transfer scheme.
- (2) Anything done by or in relation to the Commission in respect of the employee before the day of the transfer shall be treated on and after that day as done by or in relation to the transferee.
- (3) For the purposes of Part XI of the Employment Rights Act 1996 (redundancy payments etc.), the employee shall not be regarded as having been dismissed by virtue of the transfer.

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- (4) For the purposes of that Act, the employee’s period of employment with the transferor shall count as a period of employment with the transferee, and the change of employment shall not break the continuity of the period of employment.

*Modification of scheme*

- 10 (1) If at any time after a transfer scheme has come into force the Secretary of State considers it appropriate to do so, having consulted any regional development agency which may be affected, he may by order provide that the scheme shall for all purposes be deemed to have come into force with such modifications, other than modifications relating to the transfer of rights and liabilities under a contract of employment, as may be specified in the order.
- (2) An order under sub-paragraph (1) may make, with effect from the coming into force of the scheme, such provision as could have been made by the scheme, and in connection with giving effect to that provision from that time may contain such supplemental, consequential and transitional provision as the Secretary of State considers appropriate.
- (3) The power to make an order under sub-paragraph (1) shall be exercisable by statutory instrument which shall be subject to annulment in pursuance of a resolution of either House of Parliament.

*Provision of information to Secretary of State*

- 11 The Commission and the regional development agencies shall provide the Secretary of State with all such information and other assistance as he may reasonably require for the purposes of or in connection with the exercise of any of the powers conferred on him by this Schedule.

SCHEDULE 9

Section 36.

THE URBAN REGENERATION AGENCY: TRANSFER SCHEMES

*Definitions*

- 1 In this Schedule—  
“the Agency” means the Urban Regeneration Agency, and  
“transfer scheme” means a scheme under section 36(1).

*Making and approval of transfer scheme*

- 2 (1) Where the Agency is required to make a transfer scheme, it shall submit the scheme to the Secretary of State for his approval before such date as he may direct.
- (2) A transfer scheme shall not take effect unless approved by the Secretary of State.
- (3) The Secretary of State may, after consultation with the regional development agencies, approve a transfer scheme submitted to him by the Agency either with or without modifications.

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- 3 (1) The Secretary of State may, after consultation with the regional development agencies, make a transfer scheme himself if—
- (a) he decides not to approve (with or without modifications) a scheme submitted to him before the date specified in relation to it under paragraph 2(1), or
  - (b) no scheme is submitted to him for approval before that date.
- (2) Nothing in sub-paragraph (1) shall prevent the Secretary of State from approving a scheme submitted to him after the date specified in relation to it under paragraph 2(1).
- (3) A scheme made by the Secretary of State under sub-paragraph (1) shall be treated for all purposes as having been made by the Agency and approved by him.

*Contents of scheme*

- 4 (1) The property, rights and liabilities which may be transferred by a transfer scheme include property, rights and liabilities that would not otherwise be capable of being transferred or assigned.
- (2) The transfers authorised by sub-paragraph (1) include transfers which are to take effect as if there were no such contravention, liability or interference with any interest or right as there would otherwise be by reason of any provision having effect (whether under any enactment or agreement or otherwise) in relation to the terms on which the transferor is entitled to the property or right, or subject to the liability, in question.
- 5 A transfer scheme may define the property, rights and liabilities to be allocated to a regional development agency by specifying or describing them or by referring to all the property, rights and liabilities comprised in a specified part of the undertaking of the Agency (or partly in one way and partly in the other).
- 6 A transfer scheme may also contain provision—
- (a) for the creation, in relation to property which the scheme transfers, of an interest in or right over the property in favour of the Agency;
  - (b) for the creation in favour of a regional development agency of—
    - (i) an interest in or right over property retained by the Agency, or
    - (ii) an interest in or right over property which the scheme transfers to another regional development agency;
  - (c) for the creation of any rights or liabilities as between two or more of the regional development agencies, or as between one or more of them and the Agency;
  - (d) for any rights or liabilities specified or described in the scheme to be, or to be to any extent, enforceable by or against two or more of the regional development agencies, or by or against one or more of them and the Agency;
  - (e) for imposing on any two or more of the regional development agencies, or on one or more of them and the Agency, an obligation to enter into written agreements with, or execute other instruments in favour of, each other.
- 7 A transfer scheme may make such supplemental, incidental and consequential provision as the Agency considers appropriate.

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*Effect of scheme*

- 8 On the date appointed by a transfer scheme, the property, rights and liabilities which are the subject of the scheme shall, by virtue of this paragraph, be transferred in accordance with the provisions of the scheme.

*Effect of transfer by scheme of contracts of employment*

- 9 (1) This paragraph applies where rights and liabilities under a contract of employment are transferred by a transfer scheme.
- (2) Anything done by or in relation to the Agency in respect of the employee before the day of the transfer shall be treated on and after that day as done by or in relation to the transferee.
- (3) For the purposes of Part XI of the Employment Rights Act 1996 (redundancy payments etc.), the employee shall not be regarded as having been dismissed by virtue of the transfer.
- (4) For the purposes of that Act, the employee's period of employment with the transferor shall count as a period of employment with the transferee, and the change of employment shall not break the continuity of the period of employment.

*Modification of scheme*

- 10 (1) If at any time after a transfer scheme has come into force the Secretary of State considers it appropriate to do so, having consulted any regional development agency which may be affected, he may by order provide that the scheme shall for all purposes be deemed to have come into force with such modifications, other than modifications relating to the transfer of rights and liabilities under a contract of employment, as may be specified in the order.
- (2) An order under sub-paragraph (1) may make, with effect from the coming into force of the scheme, such provision as could have been made by the scheme, and in connection with giving effect to that provision from that time may contain such supplemental, consequential and transitional provision as the Secretary of State considers appropriate.
- (3) The power to make an order under sub-paragraph (1) shall be exercisable by statutory instrument which shall be subject to annulment in pursuance of a resolution of either House of Parliament.

*Provision of information to Secretary of State*

- 11 The Agency and the regional development agencies shall provide the Secretary of State with all such information and other assistance as he may reasonably require for the purposes of or in connection with the exercise of any of the powers conferred on him by this Schedule.