



Transport Act 1962

1962 CHAPTER 46

PART I

THE BOARDS AND THE HOLDING COMPANY

Supplemental provisions relating to the Boards

25 The Boards' subsidiaries

- (1) It shall be the duty of a Board which has a subsidiary to exercise its control over the subsidiary so as to ensure that the subsidiary—
 - (a) does not engage in activities in which the Board has no power to engage (including activities in which the Board has no power to engage because the consent of the Minister has not been obtained), and
 - (b) does not do anything which the Minister has directed the Board not to do, and
 - (c) does not, except with the consent of the Minister, borrow money from any person other than the Board, and
 - (d) does not, except with the consent of the Minister, raise money by the issue of shares or stock to any person other than the Board.
- (2) The Minister may give to a Board such directions as appear to him appropriate for ensuring that the Board carry out the duty imposed on them by the foregoing subsection.
- (3) Paragraph (a) of subsection (1) of this section shall not apply to the power of managing hotels exercisable by the Hotel Company, but, without prejudice to that paragraph as it applies in relation to any subsidiary of the Railways Board, the Railways Board shall in exercise of their control of their subsidiaries take such steps as are open to them to ensure that nothing is done which will result in the Board having a subsidiary, other than the Hotel Company, which owns or manages a hotel.
- (4) Paragraph (a) of subsection (1) of this section shall not apply to the provision of any shipping service by the Caledonian Steam Packet Company Limited in the River or Firth of Clyde or in the lochs, bays, channels or inlets connecting therewith.

Status: This is the original version (as it was originally enacted).

26 Stamp duty on transfers between Boards and their subsidiaries

For the purpose of section forty-two of the Finance Act, 1930 (which relates to stamp duty on transfers between associated companies), each of the Boards shall be deemed to be a company with limited liability.

27 Powers of Minister in relation to Boards

- (1) The Minister may, after consultation with any Board, give to that Board directions of a general character as to the exercise and performance by the Board of their functions in relation to matters which appear to him to affect the national interest.
- (2) A Board, in framing and carrying out proposals involving substantial outlay on capital account by the Board or by a subsidiary of the Board, shall act on lines settled from time to time with the approval of the Minister.
- (3) In the exercise and performance of their functions as to training, education and research, each Board shall act on lines settled as aforesaid.
- (4) Without prejudice to the foregoing provisions of this section, the Minister may, after consultation with any Board, direct the Board to discontinue any of their activities, dispose of any part of their undertaking, dispose of any assets held by them, call in any loan made by them or exercise any power they may possess to revoke any guarantees given by them:

Provided that the Minister shall not give any such directions unless he is satisfied that the carrying on of the activities or the retention of the part of the undertaking or the assets or the continuance of the loan or guarantee, as the case may be, is unnecessary for the proper discharge of the duties of the Board under this Act.

- (5) The Minister may, after consultation with any Board, direct the Board to exercise their control over a subsidiary of the Board so as to require the subsidiary to discontinue any of their activities, dispose of any part of their undertaking, dispose of any assets held by them, call in any loan made by them or exercise any power they may possess to revoke any guarantees given by them.
- (6) If it appears to the Minister that there is anything which a Board ought in the interests of national defence to have power to do, or which a Board ought in the interests of national defence to be required to do, and that it would be consistent with the duties imposed on that Board by this Act, he may authorise or direct the Board to do that thing; and no limitation on the powers of the Board contained in this Act or in any local enactment shall prevent the Board from acting in accordance with the authorisation or direction.
- (7) Each Board shall furnish the Minister with such returns, accounts and other information with respect to their property and activities, and the property and activities of any company which is their subsidiary, as he may from time to time require.
- (8) Without prejudice to the provisions of the last foregoing subsection, each Board shall, as soon as possible after the end of each accounting year of the Board, make to the Minister a report on the exercise and performance by them of their functions during that year and on their policy and programme, and the Minister shall lay a copy of every such report before each House of Parliament.

The report for any year shall set out any direction given by the Minister under this Act to the Board during that year, unless the Minister has notified to the Board his

opinion that it is against the interests of national security to do so, and shall include a statement of the salaries or fees and of the emoluments of each of the members of the Board during that year.

28 Powers exercisable subject to Minister's consent

- (1) Any consent which the Minister is authorised to give under the foregoing provisions of this Act may be given for any case or description of cases specified in the consent, or may be general, and may be given subject to conditions.
- (2) Nothing done by a Board shall be unlawful on the ground that it was done without the consent of the Minister and that under the foregoing provisions of this Act it required the consent of the Minister.
- (3) If it appears to the Minister that a Board propose to do anything, or have done anything, without the consent of the Minister which in his opinion requires his consent under this Act, he shall, after consultation with the Board, give to the Board such directions as appear to the Minister to be appropriate.
- (4) The directions which the Minister may give under the last foregoing subsection in a case where a Board have already done anything without the Minister's consent may in particular require the Board to discontinue any activity or to dispose of any assets, and directions may be so given notwithstanding that they make it necessary for the Board to dispose of assets at a loss.