SCHEDULES

SCHEDULE 2

SCHEMES PROVIDING FOR THE INITIAL TRANSFERS

Modifications etc. (not altering text)

C1 Sch. 2 applied (Isles of Scilly) (with modifications) (1.11.2019) by The Isles of Scilly (Application of Water Legislation) Order 2019 (S.I. 2019/1259), arts. 2(1), **3(1)(e)**(4)-(8)

Making and modification of schemes

1 (1) Each of the water authorities shall make a scheme under this Schedule for the division of all their property, rights and liabilities between their successor company and the Authority.

(2) Where a scheme under this Schedule is made by a water authority it shall not take effect unless it is approved by the Secretary of State.

(3) Where a scheme under this Schedule is submitted to the Secretary of State for his approval, he may modify the scheme before approving it.

(4) If—

(a) a water authority fail, before such time as may be notified by the Secretary of State to that water authority as the latest time for the submission of a scheme under this Schedule, to submit such a scheme for the approval of the Secretary of State; or

(b) the Secretary of State decides not to approve a scheme that has been submitted to him by a water authority (either with or without modifications),

the Secretary of State may himself make a scheme under this Schedule for the division of that water authority's property, rights and liabilities between the water authority's successor company and the Authority.

(5) If at any time after a scheme under this Schedule has come into force in relation to the property, rights and liabilities of any water authority the Secretary of State considers it appropriate to do so and either—

(a) the water authority's successor company has consented to the making of the order; or

(b) that company is for the time being wholly owned by the Crown and has been consulted by the Secretary of State,

the Secretary of State may by order provide that that scheme shall for all purposes be deemed to have come into force with such modifications as may be specified in the order.

(6) An order under sub-paragraph (5) above may make, with effect from the coming into force of the scheme to which it relates, any 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.

(7) In determining whether and in what manner to exercise any power conferred on him by this paragraph the Secretary of State shall have regard to the need to ensure—

(a) that any division of property, rights and liabilities between a successor company and the Authority which is effected under this Schedule allocates property, rights and liabilities to them in such proportions as appear to him to be appropriate in the context of the different functions which will, by virtue of this Act, be carried out by the company and the Authority; and

(b) that the scheme contains all such provision as he considers should take effect on the transfer date in relation to the property, rights or liabilities allocated by the scheme as provision contained in arrangements under section 126 of this Act.

(8) It shall be the duty of a water authority to 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 power conferred on him by this paragraph.

Changes to legislation:
There are currently no known outstanding effects for the Water Act 1989, Paragraph 1.