



Transport Act 1962

1962 CHAPTER 46 10 and 11 Eliz 2

PART II

DIVISION OF COMMISSION'S UNDERTAKING

Modifications etc. (not altering text)

C1 Pt. II extended by [Mines \(Working Facilities and Support\) Act 1966 \(c. 4\), s. 12\(2\)](#)

Property and functions

31 Distribution of Commission's assets.

- (1) Subject to this Act, on such date as the Minister may by order contained in a statutory instrument appoint (in this Act referred to as "the vesting date") all the property, rights and liabilities of the Commission shall by virtue of this Act be transferred to and vest in the Boards and the Holding Company in accordance with this Part of this Act; and the property, rights and liabilities so transferred shall by virtue of this Act vest in those bodies respectively.
- (2) There shall be transferred to the Railways Board the property, rights and liabilities comprised in the part of the Commission's undertaking which constitutes—
 - (a) the Commission's railway system, except for so much of it as is carried on through or managed by the London Transport Executive or is within any of the harbours listed in Part II or Part III of the Third Schedule to this Act,
 - (b) the shipping services provided by the Commission in exercise of the powers conferred on them by the Railway Shipping Acts as defined in paragraph 2 of Part II of the Second Schedule to this Act,
 - (c) the harbours listed or described in Part I of the Third Schedule to this Act,
 - (d) the road passenger services provided by the Commission, except those carried on through or managed by the London Transport Executive,
 - (e) the British Transport Commission Police Force, and

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 for the Transport Act 1962, Part II. (See end of Document for details)*

- (f) the Commission's Historical Records Department, the department for which their Curator of Historical Relics is responsible and their Films Service, and any property, rights and liabilities not falling to be transferred under any other provision in this Act.
- (3) There shall be transferred to the London Board the property, rights and liabilities comprised in the part of the Commission's undertaking which is carried on through, or managed by, the London Transport Executive.
- (4) There shall be transferred to the Docks Board the property, rights and liabilities comprised in the part of the Commission's undertaking constituted by the harbours listed in Part II of the Third Schedule to this Act.
- (5) There shall be transferred to the British Waterways Board the property, rights and liabilities comprised in the part of the Commission's undertaking constituted by—
- (a) their invalid waterways (other than the Lower Ouse Improvement, which under the last foregoing subsection vests in the Docks Board), and
 - (b) the harbours listed in Part III of the Third Schedule to this Act.
- (6) Notwithstanding anything in the foregoing provisions of this section, there shall be transferred to—
- the Railways Board,
 - the Docks Board,
 - the British Waterways Board, and
 - the Holding Company,
- the securities of the bodies listed in Parts I, II, III, and IV of the Fourth Schedule to this Act respectively (so far as beneficially owned by the Commission), and the rights and liabilities specified in Part V of that Schedule so, however, that where such securities are beneficially owned by the Commission, but held by a nominee, this subsection shall operate only to transfer the beneficial interest in the securities.
- The references in this subsection to Parts I, II, III and IV of the Fourth Schedule to this Act shall have effect subject to Part VI of that Schedule.
- (7) Notwithstanding anything in the foregoing provisions of this section, there shall be transferred to the Boards and the Holding Company the property, rights and liabilities of the Commission specified for them respectively in the Fifth Schedule to this Act.
- (8) Any property, rights or liabilities held or subsisting partly for the purpose of a part of the Commission's undertaking which is under this Part of this Act transferred to one Board, and partly for the purpose of a part which is transferred to another Board, shall—
- (a) where the nature of the property, right or liability permits, be divided or apportioned between those Boards in such proportions as may be just, and
 - (b) in any other case, be transferred to those Boards jointly,
- and, where any estate or interest in land falls to be so divided, any rent payable under a lease in respect of that estate or interest, and any rent charged on that estate or interest, shall be correspondingly apportioned or divided so that the one part is payable in respect of, or charged on, only the one part of the estate or interest and the other part is payable in respect of, or charged on, only the other part of the estate or interest.

Changes to legislation: There are currently no known outstanding effects for the Transport Act 1962, Part II. (See end of Document for details)

- (9) The last foregoing subsection shall apply, with any necessary modifications, in relation to any feu duty payable in respect of an estate or interest in land in Scotland, as it applies in relation to any rent charged on an estate or interest in land.

Modifications etc. (not altering text)

C2 S. 31(2)(f) amended by [Transport Act 1968 \(c. 73\)](#), s. 144(1)

32 Distribution of Commission's statutory functions.

- (1) The provisions of the Second Schedule to this Act shall as from the vesting date have effect with respect to the distribution among the Boards of the Commission's functions under the enactments there mentioned.
- (2) Subject to that Schedule, and to any other provision in this Act, the functions of the Commission under any statutory provision, other than the ^{M1}Transport Act 1947, the ^{M2}Transport Act 1953, and this Act, shall be transferred to the Board or Boards specified in the following provisions of this section.
- (3) If and so far as the statutory provision relates to an undertaking, or a part of an undertaking, or property transferred to a Board by this Part of this Act, the functions of the Commission under that statutory provision shall be transferred to that Board.
- (4) If and so far as the statutory provision authorises the carrying out of works designed to be used in connection with an undertaking or part of an undertaking transferred to a Board, or the acquisition of land for the purpose of carrying out such works, the functions of the Commission under that statutory provision shall be transferred to that Board.
- (5) If the statutory provision authorises the Commission to appoint, nominate, or concur in or approve the appointment or nomination of, a member of some body or the holder of some other office—
- (a) this Act shall not affect the tenure of office of any person appointed or nominated under the statutory provision before the vesting date, and
 - (b) subject to that, the functions of the Commission under the statutory provision shall be transferred to such Board as the Minister may direct by order contained in a statutory instrument.

An order under this subsection may provide for the function so transferred being exercised jointly by two or more Boards or separately by two or more Boards.

- (6) Subject to the foregoing provisions of this section, the functions of the Commission under any statutory provision, other than the ^{M3}Transport Act 1947, the ^{M4}Transport Act 1953, and this Act, shall be transferred to the Railways Board.
- (7) In this section references to the Commission include references to any Executive of the Commission, and references to statutory provisions include those passed or made between the passing of this Act and the vesting date.

Marginal Citations

M1 1947 c. 49.

M2 1953 c. 13.

*Changes to legislation: There are currently no known outstanding effects
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M3 1947 c. 49.

M4 1953 c. 13.

33 **F1**

Textual Amendments

F1 Ss. 33, 34(1)–(7) repealed by Statute Law (Repeals) Act 1974 (c. 22), **Sch. Pt. VI**

34 Transfer of staff.

(1) **F2**

- (8) Any right to services transferred by this section shall have effect on and after the vesting date as a right not only to the service to which the agreement relates but also to any reasonably comparable service under the Board or company, to be selected by that body.

Any dispute between a Board or company and the other party to a service agreement as to what are reasonably comparable services for the purposes of this subsection may be reported to [^{F3}the Secretary of State] by the Board or company or the other party to the agreement and, if a dispute so reported is not otherwise disposed of, [^{F3}the Secretary of State] shall refer it for determination by [^{F4}the Central Arbitration Committee].

- (9) Any of the Boards and the said companies, and any person who is a party to any agreement which is modified by this section, may apply to the Minister to determine to which of the Boards or companies the rights and liabilities under any such agreement are transferred and the Minister's decision on the application shall be final.

Textual Amendments

F2 Ss. 33, 34(1)–(7) repealed by Statute Law (Repeals) Act 1974 (c. 22), **Sch. Pt. VI**

F3 Words substituted by virtue of S. I. 1968/729, **arts. 2(1), 3(2)**

F4 Words substituted by virtue of Industrial Relations Act 1971 (c. 72), **s. 124** and Employment Protection Act 1975 (c. 71), **s. 10(2)**

35 Supplementary provisions relating to distribution of Commission's undertaking.

- (1) The Sixth Schedule to this Act (which contains further provisions regarding the distribution of the Commission's undertaking) shall have effect for the purposes of this Act.
- (2) In the said Schedule the expression "the principal sections" means the foregoing sections of this Part of this Act, and references to those sections include references to any Schedule to this Act referred to in those sections.

Changes to legislation: There are currently no known outstanding effects
for the Transport Act 1962, Part II. (See end of Document for details)

Capital debts and other financial provisions

36 Treasury to take over liability for Transport Stock.

- (1) Subject to this section, all the rights and liabilities which, under the terms of issue of the stock created and issued under section eighty-nine of the ^{M5}Transport Act 1947, were immediately before the vesting date rights and liabilities of the Commission shall, as from the vesting date, be rights and liabilities of the Treasury and as from the vesting date the said stock (which consists of the issues set out in the first column of the following Table and which is in this and the next following section referred to as “the Stock”) shall be renamed as shown in the second column of that Table.

TABLE

Old n ame	Ne w name
British Transport 3% Guaranteed Stock, 1967—72.	British Transport 3% Stock, 1967—72.
British Transport 3% Guaranteed Stock, 1968—73.	British Transport 3% Stock, 1968—73.
British Transport 4% Guaranteed Stock, 1972—77.	British Transport 4% Stock, 1972—77.
British Transport 3% Guaranteed Stock, 1978—88.	British Transport 3% Stock, 1978—88.

- (2) Notwithstanding anything in this section, the Stock shall be regarded on and after the vesting date as the same stock and held in the same right and on the same trusts and subject to the same powers, privileges, charges, restraints and liabilities as before, and any provision of any deed, will, disposition or other instrument which immediately before the vesting date was applicable to any such Stock shall continue to be applicable to the same Stock as re-named under this section.
- (3) As from the vesting date the Stock shall, subject to this section, be deemed for all purposes to have been created and issued under the ^{M6}National Loans Act 1939, and that Act and any other enactment, regulation or rule relating to securities issued under that Act shall apply accordingly to the Stock.

[^{F5}(4) Not later than the vesting date the Commission shall pay to the Treasury an amount equal to the interest (without any deduction for income tax) which has accrued on the Stock in the period from the date when the last instalment of interest became payable on the Stock down to the vesting date (making separate calculations for any issues of the Stock with different interest dates), and that maount shall be paid into the Exchequer and shall be issued out of the Consolidated Fund at such times as the Treasury may direct and shall be applied towards meeting such part of the annual charges for the National Debt as represents interest.

Any question arising between the Commission and the Treasury as to the manner in which interest accrued on the Stock is to be calculated shall be determined by the Treasury.]

(5)^{F6}

*Changes to legislation: There are currently no known outstanding effects
for the Transport Act 1962, Part II. (See end of Document for details)*

The Bank of England shall deal with the money so paid to them, and with the money already in their hands which represents such unclaimed interest, as money entrusted to them for payment to holders of the Stock and section five of the ^{M7}Miscellaneous Financial Provisions Act 1955 (which relates to unclaimed dividends on Government Stock), shall apply accordingly.

- (6) Any unclaimed Stock which is held by the Commission immediately before the vesting date on behalf of persons who became entitled thereto in substitution for securities of the bodies whose undertakings were transferred to the Commission by the ^{M8}Transport Act 1947, shall be held on and after that date on behalf of those persons by the National Debt Commissioners; and each of the Boards shall give to the Commissioners such information and such assistance as the Commissioners may reasonably require in connection with any claim to that Stock.
- (7) The transitional provisions set out in Part I of the Seventh Schedule to this Act shall apply in relation to the Stock.
- (8) ^{F7}

Textual Amendments

- F5** S. 36(4) repealed by [National Loans Act 1968 \(c. 13\)](#), [Sch. 6 Pt. I](#) but not so as to affect any money borrowed before 1.4.1968 or any requirement as respects any account or statement for the year ending on 31.3.1968 or any earlier year
- F6** Words repealed by [Statute Law \(Repeals\) Act 1974 \(c. 22\)](#), [Sch. Pt. VI](#)
- F7** S. 36(8) repealed by [Statute Law \(Repeals\) Act 1974 \(c. 22\)](#), [Sch. Pt. VI](#)

Modifications etc. (not altering text)

- C3** The text of ss. 13(4), 20(4), 36(4), 37, 61(2), 68(1), 84(2)(4), the reference in Sch. 2 to London Passenger Transport Act 1933 and Sch. 11 Pt. II para 8, (which para. is now spent), is in the form in which it was originally enacted: it was not reproduced in Statutes in Force and does not reflect any amendments or repeals which may have been made prior to 1.2.1991.

Marginal Citations

- M5** 1947 c. 49.
- M6** 1939 c. 117.
- M7** 1955 c. 6 (4 & 5 Eliz. 2).
- M8** 1947 c. 49.

[^{F8}37] **Transfer of redemption funds.**

- (1) Subsection (1) of the last foregoing section shall not impose on the Treasury any liability to establish or maintain any redemption fund, and—
- (a) the cash and investments which immediately before the vesting date represent the Redemption Fund established under the British Transport Stock Regulations, 1947, and
 - (b) the right to receive any interest or dividends which are payable in respect of any such investments but which have not been received by the Commission before the vesting date,
- shall vest by virtue of this subsection in the Treasury or in such nominees as the Treasury may appoint.

Changes to legislation: There are currently no known outstanding effects for the Transport Act 1962, Part II. (See end of Document for details)

- (2) Not later than the vesting date the Treasury shall pay to the Commission out of the Consolidated Fund an amount equal to the interest or dividends (without any deduction of income tax) which have accrued on the investments transferred under the foregoing subsection in the period from the date when the last instalment of interest became payable on those investments respectively down to the vesting date (making separate calculations for different investments).

Any question arising between the Commission and the Treasury as to the manner in which accrued interest or dividends are to be calculated shall be determined by the Treasury.

- (3) Such of the investments transferred from the Commission under subsection (1) of this section as are securities the principal of and interest on which are charged on the Consolidated Fund shall be cancelled, and the remainder of those investments shall be sold.
- (4) The net proceeds of the sale, and all other sums received by the Treasury or their nominees by virtue of this section shall be paid into the Exchequer and shall be issued out of the Consolidated Fund at such times as the Treasury may direct and applied by the Treasury in redeeming or paying off debt of such description as the Treasury see fit.]

Textual Amendments

- F8** S. 37 repealed by [National Loans Act 1968 \(c. 13\)](#), [Sch. 6 Pt. I](#) but not so as to affect any money borrowed before 1.4.1968 or any requirement as respects any account or statement for the year ending on 31.3.1968 or any earlier year

Modifications etc. (not altering text)

- C4** The text of ss. 13(4), 20(4), 36(4), 37, 61(2), 68(1), 84(2)(4), the reference in Sch. 2 to London Passenger Transport Act 1933 and Sch. 11 Pt. II para 8, (which para. is now spent), is in the form in which it was originally enacted: it was not reproduced in Statutes in Force and does not reflect any amendments or repeals which may have been made prior to 1.2.1991.

38 ^{F9}

Textual Amendments

- F9** S. 38 repealed by [Statute Law \(Repeals\) Act 1974 \(c. 22\)](#), [Sch. Pt. VI](#)

39 Commencing capital debts of the new bodies.

- (1) Each of the Boards, . . . ^{F10} shall severally assume, on the transfer to them by this Act of their part of the property, rights and liabilities of the Commission, a debt due to the Minister on such terms as may be imposed under this section.

The said debts are in this Act referred to as the “commencing capital debts”.

- (2) The amount of the commencing capital debts taken together shall be equal to—
- (a) the nominal value of all the stock to which subsection (1) of section thirty-six of this Act applies, and

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 for the Transport Act 1962, Part II. (See end of Document for details)*

- (b) the amount of the liability extinguished by the last foregoing section, and
- (c) the amount of the Capital Redemption Accounts as shown in the final accounts of the Commission,

with the deduction to be made under the next following subsection.

- (3) The amount to be deducted under the last foregoing subsection shall be—
- (a) the total shown in the special account under section three of the ^{M9}Transport (Railway Finances) Act 1957, as included in the final accounts of the Commission, and
 - (b) the amount shown in the final accounts of the Commission in respect of the total discounts on the issue of British Transport Guaranteed Stock, less premiums on issue and less amounts written off, and
 - (c) the amount shown in the final accounts of the Commission in respect of the book value of the cash and investments which are under paragraph (a) of subsection (1) of section thirty-seven of this Act to be transferred to the Treasury,

after deducting from the total of the amounts under paragraph (a), paragraph (b) and paragraph (c) of this subsection—

- (i) the amount shown in the final accounts of the Commission in respect of the net surplus on revenue account for the Commission's activities, excluding British Railways, for the period from the beginning of the year nineteen hundred and fifty-six to the end of the period for which the final accounts of the Commission are made up, and
 - (ii) the sums paid by the Minister to the Commission by way of grant to meet deficits on revenue account, being sums paid out of money provided by Parliament since the beginning of April, nineteen hundred and sixty (and including sums so paid under Part IV of this Act).
- (4) The commencing capital debt of each of the said bodies shall be such part of the total ascertained under subsection (2) of this section as the Minister may prescribe having regard to the manner in which the Commission's property, rights and liabilities are by this Act divided among those bodies.
- (5) The Minister's power of prescribing the amount mentioned in the last foregoing subsection shall be exercisable by order, and he shall make such an order as soon as may be after the vesting date but may from time to time, but not more than five years after the vesting date, vary an order under this subsection by a further order, where that appears to him expedient to take account of some change in the manner in which the Commission's property, rights and liabilities are so divided (whether in consequence of an order under the Sixth Schedule to this Act or otherwise), and any such order may contain such transitional provisions as appear to him expedient to take account of any interest underpaid or overpaid on the commencing capital debt of any of the said bodies.

The Minister's power of making orders under this section shall be subject to the approval of the Treasury and shall be exercisable by statutory instrument subject to annulment in pursuance of a resolution of the Commons House of Parliament.

- (6) . . . ^{F11}, the rate of interest payable on the commencing capital debt of each of the said bodies, the time when the principal is to be paid off and the other terms of the debt shall be such as the Minister may with the approval of the Treasury from time to time direct.

*Changes to legislation: There are currently no known outstanding effects
for the Transport Act 1962, Part II. (See end of Document for details)*

- (7) The Minister may, in the period before the first order is made under subsection (5) of this section, estimate what the commencing capital debt of the Boards . . . ^{F10} will be, and require those bodies to make to him provisional payments by way of interest on those estimated amounts; and those provisional payments shall be on account of the payments of interest becoming due under subsection (6) of this section.
- (8) Any sums received by the Minister by way of interest on, or repayment of, the commencing capital debt of any of the Boards . . . ^{F10} shall be paid into the [^{F12}National Loans Fund] . . . ^{F13}

Textual Amendments

- F10** Words repealed by [S.I. 1973/338](#), **Sch. 2**
- F11** Words repealed by [Transport Act 1968 \(c. 73\)](#), **Sch. 18 Pt. I**
- F12** Words substituted by [National Loans Act 1968 \(c. 13\)](#), **Sch. 1**
- F13** Words repealed by [National Loans Act 1968 \(c. 13\)](#), **Sch. 6 Pt. I** but not so as to affect any money borrowed before 1.4.1968 or any requirement as respects any account or statement for the year ending on 31.3.1968 or any earlier year

Modifications etc. (not altering text)

- C5** Power to amend s. 39 conferred by [Transport Act 1968 \(c. 73\)](#), **s. 53(5)**
- C6** [S. 39](#) amended by [Transport Act 1968 \(c. 73\)](#), **ss. 42, 43** and [Railways Act 1974 \(c. 48\)](#), **s. 1**

Marginal Citations

- M9** [1957 c. 9](#).

40 ^{F14}

Textual Amendments

- F14** [S. 40](#) repealed by [Transport Act 1968 \(c. 73\)](#), **Sch. 18 Pt. I**

Miscellaneous

41 Exemptions from stamp duty.

- (1) Nothing in section twelve of the ^{M10}Finance Act 1895 (which requires Acts to be stamped as conveyances on sale in certain cases) ^{F15}... shall be taken as applying to this Act.
- (2) ^{F16}
- (3) Stamp duty shall not be chargeable on any instrument which is certified to the Commissioners of Inland Revenue by the Commission or any of the Boards as having been made or executed in pursuance of section thirty-three of this Act or paragraph 1 of the Sixth Schedule to this Act:

Provided that no such instrument shall be deemed to be duly stamped unless either it is stamped with the duty to which it would but for this subsection be liable or it has, in accordance with the provisions of section twelve of the ^{M11}Stamp Act 1891, been

Changes to legislation: There are currently no known outstanding effects for the Transport Act 1962, Part II. (See end of Document for details)

stamped with a particular stamp denoting that it is not chargeable with any duty or that it is duly stamped.

- (4) If before the vesting date the Commission cause any company limited by shares to be formed under the ^{M12}Companies Act 1948, and any assets to be transferred to that company, for the purpose of facilitating the transfers to be effected by this Part of this Act—

- (a) F17
- (b) stamp duty shall not be chargeable on any instrument which is certified to the Commissioners of Inland Revenue by the Commission as having been made for effecting any transfer of assets for the purpose mentioned in this subsection:

Provided that no such instrument as is mentioned in paragraph (b) of this subsection shall be deemed to be duly stamped unless it is stamped with the duty to which it would but for this subsection be liable or it has in accordance with the provisions of section twelve 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.

Textual Amendments
F15 Words in s. 41(1) omitted (with effect in accordance with Sch. 39 para. 10(1) of the amending Act) by virtue of Finance Act 2012 (c. 14), Sch. 39 para. 1(2)(b) (with Sch. 39 paras. 11-13)
F16 S. 41(2) repealed by Finance Act 1973 (c. 51), s. 59(7), Sch. 22 Pt. V
F17 S. 41(4)(a) repealed by Finance Act 1973 (c. 51), s. 59(7), Sch. 22 Pt. V

Marginal Citations
M10 1895 c. 16.
M11 1891 c. 39.
M12 1948 c. 38.

42 F18

Textual Amendments
F18 S. 42 repealed by Capital Allowances Act 1968 (c. 3), s. 97(1), Sch. 11

Changes to legislation:

There are currently no known outstanding effects for the Transport Act 1962, Part II.