The Coal Industry Nationalisation (Satisfaction of Compensation) (Amendment) Regulations, 1950

1950 No. 149

Made - - - -	27*th January*, 1950
Laid before Parliament	30*th January*, 1950
Coming into Operation	8*th February*, 1950

The Minister of Fuel and Power, in exercise of the powers conferred upon him by sections nineteen and twenty-one of the Coal Industry Nationalisation Act, 1946(a), and of all other powers him enabling, hereby makes the following regulations:—

1. The Coal Industry Nationalisation (Satisfaction of Compensation) Regulations 1947(b), as amended(c), shall have effect subject to the modifications specified in these regulations.

Partial satisfaction of compensation

2. In regulation fourteen—

(*a*) the following paragraph shall be substituted for paragraph (6):—

"(6) If the amount of the compensation as found on the completion of the determination thereof is less than an amount that has been treated as mentioned in the last preceding paragraph and has been satisfied accordingly (or than the aggregate of any two or more amounts that have been so treated and satisfied), there shall, within fourteen days of demand in that behalf being made by the Minister, be paid to him by the legal holder a sum in respect of the compensation unit equal to the aggregate of—

(*a*) the difference between the amount of the compensation as determined and the amount, or, as the case may be, the aggregate of the amounts, treated and satisfied as aforesaid;

(*b*) the amount by which any addition by way of interest under subsection (2) of section twenty-two of the Act made in respect of the last mentioned amount or amounts exceeds what would have been the addition if the satisfaction aforesaid had been limited to the amount of the compensation as determined; and

(*c*) a sum in respect of interest on the difference mentioned in subparagraph (*a*) from the date or dates of satisfaction to the date of payment to the Minister equal (where satisfaction was made by the issue of stock) to the total interest paid to the holder or holders of that stock in the period or periods between the date or dates of satisfaction and the date of payment to the Minster with an addition equivalent to the interest deemed to have accrued during the said period or periods since the last payment of interest, or (where satisfaction was made by money payment) to simple interest at the rate for the time being prescribed by order of the Treasury for the purposes of the said subsection (2) for the said period or periods or for each part thereof:

(a) 9 & 10 Geo. 6. c. 59. (b) S.R. & O. 1947 (No. 1946) I, p. 278.
(c) S.R. & O. 1947 (No. 2838) I, p. 300; S.I. 1948 (No. 1703) I, p. 514; S.I. 1948 (No. 2772) I, p. 516.

Provided that, to such extent, in a case where satisfaction was made by the issue of stock, as the debt in respect of the sum aforesaid is satisfied by a transfer in pursuance of paragraph (8) before the books of the Bank of England are closed for the purposes of the next payment of interest, no such addition as aforesaid shall be required.";

(*b*) in paragraph (8), the words "or of stock issued in exchange therefor under subsection (4) of section twenty-three of the Act" shall be deleted.

3. The following regulation shall be inserted after the said regulation fourteen:—

"14A.—(1) Partial satisfaction of the compensation to be made in respect of the transfer of transferred interests may be made as provided in this regulation before those transferred interests have been included in any compensation unit, if it appears to the Minister that, being transferred interests—

(*a*) of a company, none of them was subject to any charge or lien for securing money or money's worth from which it was freed by or by virtue of section five or six of the Act (other than a floating charge which will attach to the compensation) or to any other restriction, right or liability from which it was freed by virtue of regulations made under or by virtue of either of those sections (other than such a floating charge as aforesaid); or

(*b*) of a person other than a company, none of them was subject to any charge or lien for securing money or money's worth from which it was freed by or by virtue of the sections aforesaid or to any other restriction, right or liability from which it was freed by virtue of regulations made as aforesaid.

(2) The provisions of paragraphs (2) to (8) inclusive of the last foregoing regulation shall apply in relation to partial satisfaction under this regulation, as they apply in relation to partial satisfaction under that regulation, subject to the modification that there shall be substituted for any reference—

(*a*) to the compensation unit, a reference to the transferred interests concerned;

(*b*) to the legal holder, a reference to the company or person who owned the said interests immediately before their transfer to the Board, or to their or his successors in title;

(*c*) to the form set out in the second schedule to these regulations, a reference to a form provided for the purpose by the Minister.

(3) The Minister will, before deciding that any amount of compensation in respect of any transferred interest is to be satisfied under this regulation, cause notice of the application for partial satisfaction made in relation to that interest to be given to each person who is the owner of any floating charge which will attach to compensation in respect of the interest, or who has, in good faith in circumstances in which paragraph twenty-three of the first schedule to the Act applies, acquired rights therein by sale, exchange, surrender, creation of a lease or other inferior interest, or otherwise howsoever, being—

(*a*) if the transferred interest has been included in a draft compensation unit published as provided in paragraph (4) of regulation fourteen of

the Coal Industry Nationalisation (Options and Constitution of Compensation Units) Regulations, 1946(a), as amended by the Coal Industry Nationalisation (Options and Constitution of Compensation Units) Regulations, 1947(b), and the Coal Industry Nationalisation (Options) (Amendment) Regulations, 1949(c), an intervener for the purposes thereof ; or

(*b*) in any other case, a person on whom the Minister would in pursuance of paragraph (4) aforesaid serve a copy of any draft compensation unit in which the transferred interest was included.

(4) If, in pursuance of an application made under this regulation and for the purpose of any amount being treated as compensation in respect of the transferred interests specified in that application, and satisfied under paragraph (5) of regulation fourteen as applied by this regulation, any amount of stock is issued, or money payment made, to the company or person making the said application, that company or person not being the company or person legally entitled to compensation in respect of those transferred interests as determined in due course under subsection (1) of section twenty of the Act, there shall, within fourteen days of demand being made in that behalf by the Minister, be paid to the Minister by the company or person to whom the stock was issued or the payment made, as the case may be, a sum equal to the aggregate of—

(*a*) the amount so treated and satisfied ;

(*b*) any addition made thereto by way of interest under subsection (2) of section twenty-two of the Act ; and

(*c*) a sum in respect of interest on the said amount from the date of satisfaction to the date of payment to the Minister equal (where satisfaction was made by the issue of stock) to the total interest paid to the holder or holders of that stock during that period with an addition equivalent to the interest deemed to have accrued during the said period since the last payment of interest, or (where satisfaction was made by money payment) to simple interest at the rate for the time being prescribed by order of the Treasury for the purposes of the said subsection (2) for that period or for each part thereof :

Provided that, to such extent, in a case where satisfaction was made by the issue of stock, as the debt in respect of the sum aforesaid is satisfied by a transfer in pursuance of the next following paragraph before the books of the Bank of England are closed for the purposes of the next payment of interest, no such addition as aforesaid shall be required.

(5) Any sum due under the last foregoing paragraph shall be a debt due to the Crown recoverable (without prejudice to any other mode of recovery) by the Minister ; and, where any issue of stock has been made to the company or person from whom any such debt is due, or, in the case of a company, to a subsidiary thereof as defined in the first schedule to the Act, in connection with the satisfaction of compensation under the Act, that debt may be discharged in whole or in part by transfer to the Minister of an amount of the stock so issued equivalent (on the basis on which, and as at the date at which, the stock was issued) to the amount to be so discharged.

(6) Where any compensation unit is constituted, and any amount of compensation in respect of the transferred interests comprised therein has been satisfied by virtue of this regulation, the Minister may at, or at any

(a) S.R. & O. 1946 (No. 1574) II, p. 159.
(b) S.R. & O. 1947 (No. 103) I, p. 249. (c) S.I. 1949 (No. 900) I, p. 682.

time after, the constitution thereof determine that the amount so satisfied is an amount satisfied in respect of the unit as at the date when it was satisfied in respect of the transferred interests."

Satisfaction of compensation by a money payment

4. In paragraph (1) of regulation fifteen (as amended), the following sub-paragraphs shall be added after sub-paragraph (*e*):—

"(*f*) in the case of transferred interests being all the transferred interests in any compensation unit in respect of which the value—

(i) as estimated in the estimate of value delivered in pursuance of paragraph (1) of regulation fifteen of the Coal Industry Nationalisation (Valuation of Compensation Units) Regulations, 1947(a), or

(ii) as certified to the Minister in pursuance of paragraph (1) of regulation twenty of those regulations,

does not exceed five hundred pounds, the whole of the compensation in respect of the transfer of those interests, save in so far as any of it has been satisfied by the issue of stock before the date of the estimate or, as the case may be, of the certificate aforesaid;

(*g*) in the case of a transferred interest consisting of a right of superiority in any feudal property, the whole of the compensation in respect of the transfer of that interest."

5. These regulations shall come into operation on the eighth day of February, nineteen hundred and fifty, and may be cited as the Coal Industry Nationalisation (Satisfaction of Compensation) (Amendment) Regulations, 1950.

Dated this twenty-seventh day of January, nineteen hundred and fifty.

Hugh Gaitskell,
Minister of Fuel and Power.

EXPLANATORY NOTE

(This note is not part of these regulations, but is intended to indicate their general purport.)

1. Under reg. 14 of the Coal Industry Nationalisation (Satisfaction of Compensation) Regulations, 1947, partial satisfaction of the compensation to be made for the transfer of interests to the National Coal Board may be made before the amount due is finally determined, and there is provision in it for repayment if the amount of partial satisfaction so made exceeds the amount found due on final determination. Under the regulation, partial satisfaction cannot be made until a "compensation unit" to include the particular transferred interests has been constituted by the Minister of Fuel and Power under the Act. These regulations provide that, if a repayment falls to be made under reg. 14, interest on the amount overpaid is to be paid for the period during which the overpayment was retained by the recipient. An additional amendment is made to reg. 14 consequential on the repeal by the Coal Industry Act, 1949, of section 23 of the Coal Industry Nationalisation Act, 1946.

2. Reg. 3 of these regulations enables partial satisfaction to be applied for and made, before any compensation unit is constituted, in the case of transferred interests in respect of which, if a compensation unit had been constituted, the person legally entitled to the compensation would under section 20

(a) S.R. & O. 1947 (No. 1345) I, p. 253; *see* also S.I. 1949 (No. 901) I, p. 688.

(1) (*a*) or (*b*) of the Act be the company or other person who had owned them. The transferred interests in question are those which at 31st December, 1946, were not (with certain exceptions) subject to any charge or lien for securing money or money's worth.

3. Reg. 4 of these regulations amends reg. 15 of the 1947 regulations and provides additional cases where compensation is to be satisfied by means of money payments instead of by the issue of stock—

(*a*) where the value of a compensation unit, as estimated by the person claiming compensation, or as certified to the Minister of Fuel and Power by a valuation board, does not exceed £500; and

(*b*) where the interest transferred was a right of superiority in feudal property.

The Coal Industry Nationalisation (Valuation) (Amendment) Regulations, 1950

1950 No. 1265

Made - - - -	27*th July*, 1950
Laid before Parliament	28*th July*, 1950
Coming into Operation	8*th August*, 1950

The Minister of Fuel and Power, after consulting the Central Valuation Board, in exercise of the powers conferred upon him by sections thirteen, fourteen and seventeen of the Coal Industry Nationalisation Act, 1946(a), and of all other powers him enabling, hereby makes the following regulations:—

1. The Coal Industry Nationalisation (Valuation of Compensation Units) Regulations, 1947(b), as amended by the Coal Industry Nationalisation (Valuation) (Amendment) Regulations, 1949(c), shall have effect subject to the modifications specified in these regulations.

Provisions as to valuation of compensation units

2. In regulation fourteen (which contains provisions as to valuations), the following paragraph shall be substituted for paragraph (2):—

"(2) If the Valuation Board are satisfied that the property in which a transferred interest comprised in a compensation unit subsisted was, before transfer, used in association with other assets in which any transferred interest subsisted, and either—

(*a*) that the claimant has in his estimate of value delivered in pursuance of the next following regulation claimed that that property should be valued in association with those other assets, or

(*b*) on the application of another party to the proceedings, that it would be conducive to a fair and equitable valuation of that property so to do,

the Valuation Board shall in valuing the unit which comprises the transferred interests in that property estimate its value on the basis that the purchaser on the assumed sale of the unit would be in a position to use

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(a) 9 & 10 Geo. 6. c. 59. (b) S.R. & O. 1947 (No. 1345) I, p. 253.
(c) S.I. 1949 (No. 901) I, p. 688.