CHAPTER lxii.

An Act to make further provision as to the supply of water in bulk by the Chichester Corporation to the Selsey Water Company to confer further powers on the Company and for other purposes. [4th June 1930.]

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WHEREAS the Selsey Water Company (hereinafter referred to as "the Company") were incorporated by the Selsey Water Act 1907 (hereinafter referred to as "the Act of 1907") and authorised to supply water in the parishes of Selsey Sidlesham North Mundham and Hunston in the rural district of Westhampnett in the county of Sussex:

And whereas by an agreement made between the mayor aldermen and citizens of the city of Chichester (hereinafter referred to as "the corporation") and certain persons who were the promoters of the Bill for the Act of 1907 which agreement was scheduled to and confirmed by the Act of 1907 and made binding on the corporation and the Company and is hereinafter referred to as "the scheduled agreement" the Company were required to take from the corporation and the corporation were required to supply (subject to certain reservations) to the Company in bulk all such quantity of water as the Company might from time to time be required to supply in fulfilment of their statutory obligations and such reasonable quantity of water as the Company might from time to time require for

A.D. 1930. domestic trade public and all other purposes within the Company's limits of supply and the Company were prohibited without the consent of the corporation from taking a supply of water from any company body or person other than the corporation or from constructing any works for securing a supply of water other than distribution works:

And whereas the point at which water is so required to be delivered to the Company under the scheduled agreement is situate on the boundary of the city of Chichester and the Company were by the scheduled agreement required to lay a line of pipes from a water tower or reservoir to be provided by the Company in the parish of Selsey to the said point of delivery and it was provided that in the first instance the said line of pipes should be five inches in internal diameter:

And whereas part of the said line of pipes had to be laid through the parish of Donnington and as that parish was beyond the Company's limits of supply but within the limits of the corporation for the supply of water it was agreed by two further agreements made between the corporation and the Company and both dated the fifteenth day of May one thousand nine hundred and eight that the Company should lay the said part of the line of pipes as agents for and on behalf of the corporation and that part of the said line of pipes (except a small portion thereof laid under a canal belonging to the corporation) is the property of the corporation but was laid and is maintained at the expense of the Company:

And whereas the price which the Company were by the scheduled agreement required to pay to the corporation for water supplied in bulk under the agreement was increased by fifty per centum by the Chichester Corporation (Modification of Charges) Order 1926 (S.R. & O. 1926 No. 174):

And whereas the demand for water in the Company's limits of supply has increased and is increasing and the said line of pipes of five inches diameter will be insufficient for conveying the water required to meet those demands and it is expedient to empower the Company to lay additional lines of pipes and other works in the said parish of Donnington for the purpose of obtaining

an increased supply of water from the corporation and to repair and maintain the said existing line of pipes : A.D. 1930.

And whereas the corporation and the Company have agreed that the scheduled agreement be varied as by this Act provided and it is expedient that it be varied accordingly :

And whereas by the Act of 1907 and the Selsey Water (Capital Issues) Consent 1925 (S.R. & O. 1925 No. 333) the Company are authorised to raise by the issue of ordinary shares the total sum of fifteen thousand pounds of which the sum of twelve thousand two hundred and ninety pounds has been raised and to borrow on mortgage or raise by the creation and issue of debenture stock the total sum of six thousand six hundred and thirty pounds of which five thousand six hundred and thirty pounds has been so borrowed or raised and it is expedient to authorise the Company to raise additional share and loan capital :

And whereas it is expedient that further powers be conferred on the Company as by this Act provided and that the other provisions of this Act be enacted :

And whereas the purposes of this Act cannot be effected without the authority of Parliament :

May it therefore please Your Majesty that it may be enacted and be it enacted by the King'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 :—

Short and collective titles.

1.—(1) This Act may be cited as the Selsey Water Act 1930.

(2) The Selsey Water Act 1907 the Selsey Water (Modification of Charges) Order 1926 (S.R. & O. 1926 No. 847) and this Act may together be cited as the Selsey Water Acts and Order 1907 to 1930.

Incorporation of Acts.

2.—(1) The following Acts (so far as applicable for the purposes of this Act and not inconsistent with the provisions of the Act of 1907 or this Act) are hereby incorporated with this Act (namely) :—

The Companies Clauses Consolidation Act 1845 except the provisions thereof with respect to the conversion of borrowed money into capital;

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The Companies Clauses Act 1863 as amended by subsequent Acts except Part IV (Change of name);

The Lands Clauses Acts except the provisions of the Lands Clauses Consolidation Act 1845 with respect to the purchase and taking of lands otherwise than by agreement;

The Waterworks Clauses Act 1847; and

The Waterworks Clauses Act 1863.

(2) The Waterworks Clauses Act 1847 as incorporated with the Act of 1907 and this Act shall have effect as though—

(*a*) In section 35 the words "one eighth part" were substituted for the words "one tenth part"; and

(*b*) In section 44 the words "with the consent in "writing of the owner or reputed owner of "any such house or of the agent of such "owner" were omitted therefrom.

Interpretation.

3. In this Act the several words and expressions to which meanings are assigned by the Acts wholly or partly incorporated herewith have the same respective meanings unless there be something in the subject or context repugnant to such construction And unless the context otherwise requires—

"The Company" means the Selsey Water Company;

"The corporation" means the mayor aldermen and citizens of the city of Chichester;

"The Act of 1907" means the Selsey Water Act 1907;

"The scheduled agreement" means the agreement between the corporation and certain persons therein named and set forth in the schedule to the Act of 1907;

"The limits of supply" means the limits of the Company for the supply of water as defined in section 19 of the Act of 1907;

"The undertaking" means the undertaking of the Company as from time to time authorised.

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Variation of Chichester agreement.

4. The scheduled agreement shall on the expiration of six months from the passing of this Act be amended as follows :—

(1) In clause 1 of the scheduled agreement the words "require in order to fulfil" shall be substituted for the words "be required to supply in fulfilment of" and the word "domestic" shall be deleted :

(2) The following clauses shall be substituted for clauses 4 and 5 of the scheduled agreement :—

"4. The Company shall at all times main-
" tain within their limits of supply for
" holding the water supplied by the cor-
" poration under this agreement a reservoir
" or reservoirs of such total capacity as
" will hold an aggregate quantity of water
" equal to the average quantity of water
" supplied by the corporation per day during
" the year ended on the last preceding
" thirty-first day of December and shall
" also from time to time lay and when
" necessary enlarge and at all times maintain
" a line or lines of pipes of such capacity
" as to permit of the maximum quantity
" of water which the corporation may for
" the time being be required to supply to
" the Company under this agreement passing
" into the Company's reservoirs in any one
" day from midnight to midnight when
" delivered by the corporation in the manner
" and at the pressure prescribed in clause 5
" hereof.

" In this clause the term 'reservoir'
" includes a 'water tower.'

" 5. The corporation shall deliver such
" supply of water as aforesaid to the Com-
" pany at the point aforesaid in Stockbridge
" Road at an average pressure during each
" day of twenty-four hours reckoned from
" midnight to midnight of not less than one
" hundred and forty feet head of water above

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" the main of the corporation at the point " of supply For the purposes of this clause " 'average pressure' shall be deemed to be " one-twenty-fourth part of the sum of " the mean pressures recorded during each " hour of that day."

(3) In clause 6 of the scheduled agreement the words " any line or lines of pipes for the time being provided by the Company as aforesaid " shall be substituted for the words " the said line of pipes of the Company."

Provisions as to revisions of price of water under Chichester agreement.

5. If any application be made after the expiration of six months from the passing of this Act under the provisions of the Water Undertakings (Modification of Charges) Act 1921 for the reduction of the charge authorised by the Chichester Water (Modification of Charges) Order 1926 or under any other order made under the said Act of 1921 for water supplied by the corporation to the Company in bulk under the scheduled agreement the cost of pumping the water so supplied to the Company in order to provide the pressure at which the corporation shall be required to deliver water to the Company under the provisions of the scheduled agreement as amended by the immediately preceding section of this Act in excess of the pressure of one hundred and thirty feet head of water above the main of the corporation at the point at which the supply is delivered shall be taken into account and be deemed to be an increase in the cost and charges of and incidental to the carrying on of the water undertaking of the corporation attributable to circumstances beyond the control of and could not have been reasonably avoided by the corporation over and above the costs and charges existing at the expiration of six months from the passing of this Act.

Agreements between corporation and Company.

6. Notwithstanding anything in the Act of 1907 or this Act it shall be lawful for the corporation and the Company to enter into and carry into effect agreements and arrangements with respect to the supply of water in bulk by the corporation to the Company and the laying construction maintenance repair alteration and user of lines of pipes and other works and apparatus in the parish of Donnington for the purposes of or in

connection with any supply of water to be delivered by the corporation to the Company and whether as supplemental to or in variation of or in substitution for the scheduled agreement as amended by this Act or any other agreement between the corporation and the Company. A.D. 1930.

Power to lay mains in Donnington.

7. For the purpose of obtaining a supply of water from the corporation whether under the scheduled agreement as amended by this Act or under any agreement entered into between the Company and the Corporation under the powers of this Act and of conveying water so supplied to the limits of supply the company may within the parish of Donnington exercise all or any of the powers of the Waterworks Clauses Act 1847 with respect to the breaking up of streets for the purpose of laying pipes as if that parish were included within the limits of supply and those powers may also be exercised for the purpose of maintaining repairing enlarging and renewing the line of pipes laid by the Company in that parish in pursuance of the scheduled agreement but nothing in this section shall authorise the Company to supply water in any part of that parish.

Distribution of Water &c.

Maintenance of common pipe.

8. When several houses or parts of houses in the occupation of several persons are supplied with water by one common pipe belonging to the several owners or occupiers of such houses or parts of houses the said several owners or occupiers shall be liable to contribute the amount of any expenses from time to time incurred by the Company in the maintenance and repair of such pipe and their respective proportions of contributions shall be settled by the engineer of the Company.

Company may repair communication pipes.

9. If by reason of any injury to or defect in any communication pipe which the Company are not under obligation to maintain any waste of water or injury or risk of injury to person or property is caused or likely to be caused it shall be lawful for the Company to execute such repairs as they may think necessary or expedient in the circumstances without being requested so to do and the expense incurred by the Company in executing such

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repairs shall be recoverable by the Company from the owner of the premises supplied or if the communication pipe has been laid by and belongs to the occupier of such premises from the occupier :

Provided that except in emergency the Company shall not under the powers of this section enter into any house or private premises unless they shall have given to the occupier of such house or premises and if the communication pipe is repairable by the owner of such house or premises to such owner not less than twenty-four hours' previous notice of their intention so to enter.

Stop-cocks to be fitted in communication pipes.

10. In the case of all new buildings erected after the passing of this Act within the limits of supply and connected with the mains of the Company the Company may if the communication pipes are laid by the owner or by the Company at his request require the owner at the time when the pipes are laid to insert or to have inserted a stop-cock in the communication or service pipe from the said premises in some position as near as is reasonably practicable to the main of the Company from which the supply is given to those premises If the owner make default the Company may insert a stop-cock in such communication or service pipe and recover the expense from the owner summarily as a civil debt.

Company to connect communication pipes with mains.

11. Notwithstanding anything in any Act relating to the Company the Company shall have the exclusive right of executing any works on any of the mains of the Company for connecting any communication or service pipe therewith and the Company shall on the request of the owner or occupier of any premises who is entitled to be supplied with water by the Company execute on any such main any work which shall be necessary to connect the communication or service pipe of such owner or occupier therewith but subject to any obligations of such owner or occupier in relation to the execution of such work and any expenses incurred by the Company in so doing shall be repaid by the owner or occupier so requesting and shall be recoverable summarily as a civil debt.

As to pressure.

12. The Company shall provide a constant supply of water in accordance with the provisions of the Waterworks Clauses Act 1847 but they shall not be required to supply water in any case at a pressure greater than that to be

afforded by gravitation from the reservoir from which the water is supplied. A.D. 1930.

Cisterns to be provided for high level supplies.

13. The Company may require that any dwelling-house erected after the passing of this Act and situate on land at a higher level than fifty feet below the service reservoir from which a supply of water is furnished by them to such dwelling-house shall be provided with a cistern or cisterns capable of containing a total quantity of water sufficient to provide an adequate supply for such dwelling-house for a period of twenty-four hours and the Company shall not be required to supply any such dwelling-house until it is provided with a cistern in conformity with the requirements of this section.

Extension of power to inspect premises.

14. In addition to the powers conferred by section 57 of the Waterworks Clauses Act 1847 any duly authorised officer of the Company may at all reasonable times between the hour of four o'clock in the afternoon and one hour after sunset enter into any house or premises supplied with water by the Company in order to examine if there be any waste or misuse of such water If any person hinder any such officer from entering or making such examination as aforesaid he shall for every such offence be liable to a penalty not exceeding five pounds.

Power to sell meters.

15. The Company may sell meters and fittings connected therewith upon and subject to such terms (pecuniary or otherwise) and conditions as they think fit.

Correction of errors in defective meters.

16. If any meter used by a consumer of water supplied by the Company be proved to register erroneously the erroneous registration shall be deemed to have first arisen during the then last preceding quarter of the year unless it be proved to have first arisen during the then current quarter The amount of the allowance to be made to or of the surcharge to be made upon the consumer by the Company shall be paid by or to the Company to or by the consumer (as the case may be) and shall be recoverable in the like manner as rates for water supplied by the Company are recoverable.

Charges for refrigerating apparatus.

17. Where a person who takes a supply of water from the Company for any purpose desires to use for or in connection with a refrigerating apparatus any of the water so supplied the Company may if they think fit

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require that all water used for or in connection with the said apparatus shall—

(i) be taken by meter on the conditions and at the rates for the time being in force for the supply of water by meter; or

(ii) be paid for on such other terms as may be agreed between such person and the Company:

Provided that if the person is only taking a supply of water from the Company for domestic purposes the minimum sum per quarter which may be demanded by the Company for the water used for or in connection with the refrigerating apparatus if taken by meter shall not exceed ten shillings.

Special terms for supplies to caravans &c.

18.—(1) Notwithstanding anything in any Act relating to the Company a person shall not be entitled to demand or continue to receive from the Company a supply of water to any caravan shack hut tent or other like structure unless he has agreed with the Company to take a supply of water by meter and to pay to the Company such minimum annual sum as will give them a reasonable return on the capital expenditure incurred by them in providing the supply or supplies required by him and will cover other standing charges incurred by them in order to meet the possible maximum demand for his caravan shack hut tent or structure and will yield a reasonable return on the cost of the water consumed or used by him and unless he has secured to the reasonable satisfaction of the Company by way of deposit or otherwise payment of such a sum as may be reasonable having regard to the possible maximum demand of such person for his caravan shack hut tent or structure.

(2) The sum to be so paid and the security to be so given shall be determined in default of agreement by a court of summary jurisdiction who may also order by which of the parties the costs of the proceedings before them shall be paid and the decision of the justices shall be final and binding on all parties.

(3) Notwithstanding anything in this section or any other provisions of or incorporated with the Act of 1907 or this Act the Company shall not (unless required so to do by the Minister of Health) supply water to any caravan shack hut tent or other like structure if the local

authority for the district in which the structure is situate objects to the supply being given.

Supply to institutions &c.

19.—(1) The Company shall not be bound to supply with water otherwise than by measure—

(*a*) any workhouse hospital nursing home asylum (whether public or private) sanatorium school club hotel restaurant public-house or inn; or

(*b*) any boarding house or common lodging house capable of accommodating at least twelve persons; or

(*c*) any public institution which is habitually occupied by at least twelve persons.

(2) The minimum quarterly charge (exclusive of meter rent) for a supply of water by measure to any of the premises in this section mentioned shall be one-fourth of the annual amount which would be payable according to the scale for the time being in force for a supply of water for domestic purposes to a dwelling-house of the same net annual value.

Guarantees by district councils.

20.—(1) Any urban or rural district council the district under whose jurisdiction is wholly or partly within the limits of supply may give and enter into any guarantee or contract for securing payment to the Company of such periodical or other sum or sums of money at such time or times in such manner and subject to such stipulations as may be agreed by and between such council and the Company for the purpose of or with respect to the providing or laying down by the Company of any main or pipe or works for the supply of water within any part of such district which is within the limits of supply.

(2) The giving of such guarantee and the performance of any contract in relation thereto shall be deemed to be a purpose for which under the provisions of any general Act relating to the powers of such council they may incur expenditure and any such council may raise any money which may become payable to the Company under this section in like manner as money may be raised under the provisions of any such general Act.

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Financial Provisions.

Additional capital.

21. The Company may from time to time raise additional capital to such an amount as shall be sufficient to produce after taking into account premiums or discounts (if any) which may be obtained or allowed respectively on the issue thereof the sum of thirty thousand pounds by the creation and issue of ordinary and preference shares and stock or wholly or partially by one or more of those modes Provided that the Company shall not under the powers of this section issue any share of less nominal value than one pound Provided also that the nominal amount of any preference shares and stock to be created and issued under this section shall not exceed twenty thousand pounds.

Dividends.

22. The profits of the Company to be divided in respect of any year among the holders of ordinary shares and stock and preference shares and stock forming part of the additional capital authorised by this Act shall not exceed the following rates (namely) :—

On any such preference shares and stock such rate (not exceeding the rate of seven per centum per annum) as shall be specified in the resolution creating the shares or stock;

On any such ordinary shares and stock the rate of eight per centum per annum;

unless with respect to any ordinary shares or stock a larger dividend be at any time necessary to make up the deficiency of any previous dividend in respect of any year or half-year which shall have fallen short of the said rate of eight per centum per annum.

Dividends on different classes of ordinary capital.

23. If in any year the net revenues of the Company applicable to dividend shall be insufficient to pay the full amount of the prescribed maximum rate of dividend on each class of ordinary shares or stock in the capital of the Company those revenues shall be applied first in payment of dividend on all ordinary capital of the Company at an equal rate up to eight per centum on the nominal value of that capital and the balance (if any) in payment of dividend on the ordinary shares issued or to be issued under the powers of the Act of 1907 up to the authorised maximum rate of dividend on that capital.

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New shares and stock to be sold by auction or tender.

24.—(1) All shares or stock created under the powers of this Act shall be issued in accordance with the provisions of this section.

(2) All shares and stock so to be issued shall be offered for sale by public auction or tender in such manner at such times and subject to such conditions of sale as the directors shall from time to time determine Provided as follows :—

(*a*) Notice of the intended sale shall be given in writing to the clerk to the council of every district wholly or partly within the limits of supply and to the Secretary of the London Stock Exchange at least seven days before the day of auction or the last day for the reception of tenders as the case may be and shall also be duly advertised once in each of two consecutive weeks in one or more local newspapers circulating within the limits of supply;

(*b*) A reserve price shall be fixed and notice thereof shall be sent by the Company in a sealed letter to be received by the Ministry of Health not less than twenty-four hours before but not to be opened till after the day of auction or the last day for the receipt of tenders as the case may be;

(*c*) No lot offered for sale shall comprise shares or stock of greater nominal value than one hundred pounds;

(*d*) In the case of a sale by tender no preference shall be given to one of two or more persons tendering the same sum In the case of a sale by auction a bid shall not be recognised unless it is in advance of the last preceding bid;

(*e*) It shall be one of the conditions of sale that the total sum payable by the purchaser shall be paid to the Company within three months after the date of the auction or of the acceptance of the tender as the case may be.

(3) Any shares or stock which have been so offered for sale and are not sold may be offered at the reserve price to the holders of ordinary shares and stock and preference shares and stock of the Company in accordance

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with the provisions of sections 18 19 and 20 of the Companies Clauses Act 1863 and to the employees of the Company and to the consumers of water supplied by the Company in such proportions as the directors may think fit or to one or more of these classes of persons only Provided in the case of an offer to holders of shares or stock that if the aggregate amount of shares or stock applied for shall exceed the aggregate amount so offered as aforesaid the same shall be allotted to and distributed amongst the applicants as nearly as may be in proportion to the amounts applied for by them respectively.

(4) Any shares and stock which have been offered for sale in accordance with subsection (2) or with subsections (2) and (3) and are not sold may be otherwise disposed of at such price and in such manner as the directors may determine for the purpose of realising the best price obtainable.

(5) As soon as possible after the conclusion of the sale or sales the Company shall send a report thereof to the Ministry of Health stating the total amount of the shares or stock sold the total amount obtained as premium (if any) and the highest and lowest prices obtained for the shares or stock.

Power to borrow.

25.—(1) Subject to the provisions of this Act the Company may at any time and from time to time and without obtaining any certificate of a justice under the Companies Clauses Consolidation Act 1845 raise by borrowing on mortgage of the undertaking in respect of the share capital authorised by the Act of 1907 any sum or sums not exceeding in the aggregate (including any sums borrowed by them before the passing of this Act in respect of that capital and for the time being outstanding) the sum of seven thousand five hundred pounds.

(2) The Company may also at any time and from time to time raise by borrowing on mortgage of the undertaking any sum or sums not exceeding in the whole one-half of the amount which at the time of borrowing has been actually paid up (including premiums) on any ordinary and preference shares and stock forming part of the additional capital authorised by this Act and for the time being issued but no sum shall be borrowed in respect of any capital so issued until the Company have

proved to a justice of the peace before he gives his certificate under the fortieth section of the Companies Clauses Consolidation Act 1845 that the whole amount payable on the issue of the shares and stock with respect to which the borrowing powers are exercised and of the premium (if any) realised on the sale thereof have been fully paid. A.D. 1930.

Debenture stock.

26. The Company may create and issue debenture stock subject to the provisions of Part III of the Companies Clauses Act 1863 and section 12 of the Act of 1907.

Appointment of receiver.

27. The mortgagees of the undertaking may enforce payment of arrears of interest or principal or principal and interest due on their mortgages by the appointment of a receiver In order to authorise the appointment of a receiver in respect of arrears of principal the amount owing to the mortgagees by whom the application for a receiver is made shall not be less than two thousand pounds in the whole.

Existing mortgages to have priority.

28. All mortgages granted by the Company under the authority of the Act of 1907 before the passing of this Act and subsisting at the passing hereof shall during the continuance of those mortgages and subject to the provisions of the Act of 1907 have priority over any mortgages granted by virtue of this Act but nothing in this section shall affect any priority of the interest of any debenture stock at any time created and issued by the Company.

Priority of mortgages and debenture stock over other debts.

29. All money to be raised by the Company under the provisions of this Act on mortgage or by the issue of debenture stock shall have priority against the Company and the property from time to time of the Company over all other claims on account of any debts incurred or engagements entered into by them after the passing of this Act Provided always that this priority shall not affect any claim against the Company or their property in respect of any rentcharge granted or to be granted by them in pursuance of the Lands Clauses Acts or in respect of any rent or sum reserved by or payable under any lease granted or made to the Company in pursuance of any Act relating to the Company which is entitled to rank in priority to or pari passu with the interest on their mortgages or debenture stock.

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Redeemable preference capital and debenture stock.

30.—(1) The directors may from time to time by virtue of this Act and without further or other sanction or authority issue so as to be redeemable at such times and in such manner and on and subject to such terms and conditions and to bear dividends or interest at such rate or rates as the directors at the time of the issue thereof determine any preference shares or stock or debenture stock (all of which are in this section referred to as and included in the expression "stock") created or hereafter to be created by the Company under the powers conferred by the Act of 1907 or this Act.

(2) There shall be stated on each certificate of any such stock the time or times at which and the manner in which and the terms and conditions on and subject to which such stock is to be redeemed.

(3) If it is so provided in the said terms and conditions the Company may—

(*a*) call in and pay off the stock or any part thereof at any time before the date fixed for redemption; and

(*b*) redeem the stock or any part thereof either by paying off the stock or by issuing to the holder of any stock subject to his consent other stock in substitution therefor.

(4) For the purpose of providing money for paying off the stock or for the purpose of providing substituted stock the Company may create and the directors may issue other stock (either redeemable or irredeemable) or the directors may re-issue any stock originally created and issued as aforesaid provided that the creation and issue under the powers of this subsection of stock or of any particular class of stock does not make the total nominal amount of such stock or of stock of that class exceed the amount of such stock or of stock of that class which the Company are for the time being authorised to create and issue except during the necessary interval between the creation and issue of the new stock and the redemption of the old stock.

(5) The Company shall not redeem out of revenue any redeemable stock issued under the powers of this section except to the extent of any discount allowed on the issue or any premium payable on the redemption of any such stock.

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(6) For the purpose of determining the amount which may from time to time be raised by the Company by the creation and issue of ordinary or preference shares or stock or debenture stock or by mortgage of the undertaking any stock created and issued in pursuance of this section shall after the redemption thereof be deemed not to have been created and issued.

As to sale of shares and stock &c. and payment of commissions.

31.—(1) Notwithstanding anything in the section of this Act of which the marginal note is "New shares and stock to be sold by auction or tender" the Company (with the approval of the Ministry of Health to be signified in writing under the hand of an assistant secretary of that Ministry) may—

(*a*) when ordinary or preference shares or stock of the Company forming part of the additional capital authorised by this Act is to be issued (and whether the then existing ordinary or preference shares or stock is at a premium or not) before offering the shares or stock so to be issued for sale by auction or tender offer the shares or stock to the consumers of water supplied by the Company and persons in the employ of the Company at the then value thereof;

(*b*) offer for subscription by the public free from the provisions of the said section of this Act (but subject to such conditions as the said Ministry may think fit to impose) any shares or stock to be so issued as aforesaid; and

(*c*) on the offer for subscription by the public of any shares or stock to be so issued as aforesaid or any debenture stock to be issued under the powers of this Act pay a commission not exceeding five per centum Provided that the payment of the commission and the amount or rate per centum of the commission paid or agreed to be paid shall be disclosed in every prospectus advertisement or other document of the Company inviting subscriptions for such shares or stock or debenture stock.

(2) For the purposes of paragraph (*a*) of subsection (1) of this section the value of any shares or stock at the

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date of the offer thereof to any consumer or employee shall be deemed to be the average price at which according to the Company's books sales of shares or stock of the same class were effected within the period of six months immediately preceding the date on which the value of the shares or stock is required to be determined or if there has been only one sale or no sale of such shares or stock during such period then the price at which the last sale of such shares or stock was effected making due allowance for any probable change in value since such date due to the accrual or payment of dividend or any other cause.

(3) Nothing in this section shall affect any power of the Company to pay brokerage.

Receipt in case of persons not sui juris.

32. If any money is payable by the Company to a shareholder stockholder mortgagee or debenture stockholder being a minor idiot or lunatic the receipt of the guardian or committee of his estate shall be a sufficient discharge to the Company.

Application of funds.

33.—(1) The Company may apply to any of the purposes of this Act to which capital is properly applicable any moneys which they have raised or are authorised to raise by the Act of 1907.

(2) All moneys raised under this Act whether by shares stock debenture stock or borrowing shall be applied only for the purposes of the Act of 1907 and this Act to which capital is properly applicable.

Administrative Provisions.

Ordinary meetings and accounts.

34. Notwithstanding anything in the Act of 1907 or in the Companies Clauses Consolidation Act 1845 the ordinary meetings of the Company shall in each year be held in the month of February or March or at such other time as the directors may from time to time determine and it shall not be obligatory on the Company to hold half-yearly general meetings or to balance their accounts or to make up a balance sheet half-yearly and the balance sheet and accounts to be made up in accordance with section 116 of the said Act of 1845 shall relate to the transactions of the Company in the course of the preceding year.

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Interim dividends.

35. It shall be lawful for the directors to declare and pay in any year an interim half-yearly dividend out of the profits of the Company without the sanction or direction of a general meeting Provided that the amount of any such interim half-yearly dividend shall not exceed one-half of the authorised yearly amount of dividend at the prescribed maximum rate on the ordinary capital or the preference capital in respect of which such interim dividend is declared.

Voting rights on preference capital.

36. Except as otherwise expressly provided by the resolution creating the same no person shall be entitled to vote in respect of any preference shares or stock in the capital of the Company.

As to shareholders' register.

37. Notwithstanding anything in the Companies Clauses Consolidation Act 1845 it shall not be necessary after the passing of this Act to authenticate the register of the shareholders of the Company by affixing the common seal of the Company to the register.

As to directors.

38.—(1) Except in the case of a director retiring by rotation and offering himself or being proposed for re-election no person shall be capable of being elected at a general meeting a director of the Company unless notice in writing that such person intends to offer himself or will be proposed for the office of director shall have been given to the secretary or left at the office of the Company seven days at least before the day of election.

(2) The continuing directors may act notwithstanding any vacancy in their body but so that if at any time the number of directors of the Company holding office shall be less than the minimum number prescribed by section 15 (Number of directors) of the Act of 1907 the directors shall not except for the purpose of filling vacancies and allotting shares or stock to any proposed director or directors act so long as the number is below such minimum.

(3) Notwithstanding anything in the Companies Clauses Consolidation Act 1845 no person shall be disqualified from being a director of the Company by reason of his holding any office or place of trust or profit under the Company or by reason of his being interested in any contract with the Company nor shall any director

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be required to cease from voting or acting as a director by reason of his accepting any such office or place of trust or profit or becoming interested in any such contract Provided that if he is or becomes interested in any contract with the Company (whether such interest shall arise before or after his appointment as a director) the nature of his interest in the contract shall be disclosed by him at the meeting of the directors at which the contract is determined on if his interest then exists or in any other case at the first meeting of the directors after the acquisition of his interest or after his appointment and that no director shall as a director vote in respect of any such contract and if he does so vote his vote shall not be counted but this prohibition shall not apply to any contract by or on behalf of the Company to give to the directors or any of them any security by way of indemnity.

Managing director.

39.—(1) The directors of the Company may appoint one of their body to be managing director of the Company either for a fixed term or without any limitation as to time and may remove or dismiss him from office and appoint another in his place.

(2) A managing director shall not while holding that office be subject to retirement by rotation and shall not be taken into account in determining the rotation of retirement of directors but if he ceases to hold the office of director from any other cause he shall ipso facto immediately cease to be a managing director.

(3) The remuneration of a managing director shall from time to time be fixed by the directors and may be by way of salary or commission or participation in profits or by any or all of those modes.

(4) The directors may entrust to and confer upon any managing director such of the powers exerciseable by the directors and subject to such conditions as they may think fit and may from time to time revoke withdraw alter or vary all or some of such powers.

Auditors.

40.—(1) It shall not be necessary for any auditor of the Company to hold any shares or stock in the Company.

(2) No person not being a retiring auditor of the Company shall be eligible to be elected at any general meeting an auditor of the Company unless notice be

given to the secretary or left at the principal office of the Company seven days at least before the date of the meeting that such person will be proposed for election as an auditor of the Company The secretary shall on receipt of any such notice send a copy thereof to the retiring auditor and during such seven days and the day of election keep a copy of the notice fixed in some conspicuous place in the said office.

(3) If any auditor of the Company dies or resigns the directors may appoint another auditor in his place and any auditor so appointed shall hold office until the next ordinary meeting.

Determination of remuneration of secretary.

41. In addition to the powers which the directors may exercise under the Companies Clauses Acts 1845 to 1889 they may determine the remuneration of the secretary.

Miscellaneous.

Discharge of water into streams &c.

42.—(1) For the purposes of executing constructing laying down enlarging extending repairing cleansing emptying or examining any reservoir water tower aqueduct pipe or other work of the Company the Company may cause the water in any such work to be discharged into any available stream ditch or watercourse Provided that water so discharged shall be as free as may be reasonably practicable from mud or soil or offensive matter.

(2) In the exercise of the power conferred by this section the Company shall do as little damage as may be and shall make full compensation to all persons for all damage sustained by them by reason or in consequence of the exercise of such power the amount of compensation to be settled in case of difference by arbitration under and pursuant to the provisions of the Arbitration Act 1889.

Dwelling-houses for employees offices &c.

43. The Company may purchase or take on lease houses cottages and other buildings for any of their employees and offices and other buildings for the purposes of the undertaking and may erect fit up maintain and let any such buildings upon any lands for the time being belonging or leased to the Company.

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For protection of West Sussex County Council.

44. For the protection of the county council of the administrative county of West Sussex (in this section referred to as "the council") the following provisions unless otherwise agreed in writing between the council and the Company shall have effect with respect to the exercise in or affecting any highway or bridge of any of the Company's powers of breaking up streets and shall be in lieu of the provisions of sections 28 to 34 (inclusive) of the Waterworks Clauses Act 1847 as incorporated with the Act of 1907 and this Act so far as those provisions would apply to the council with respect to the exercise of those powers and to the highway in or affecting which the powers are exercised:—

(1) In this section—

The words "bridge" and "highway" respectively mean a bridge or a highway (other than a bridge) vested in or repairable by the council and the word "bridge" includes the approaches to the bridge and the roadway and footways (if any) over such bridge and approaches;

The word "apparatus" includes any main line of pipes or work;

The word "along" includes in on under over across at the side of and attached to;

The word "surveyor" means the surveyor to the council;

The word "plan" where relating to a bridge includes such section or sections as the surveyor may reasonably require:

(2) (*a*) Before the Company commence to lay place repair or renew any apparatus along or remove any apparatus from any highway or bridge they shall (except in the case of repairing renewing or removing consumers' service pipes or of emergency when notice shall be given as soon as possible) give to the council notice of their intention so to do not less than in the case of a bridge twenty-eight clear days and in all other cases fourteen clear days;

(*b*) The Company shall not (except in the case of consumers' service pipes or of emergency)

exercise their powers of laying placing or renewing any apparatus along or from any highway or bridge otherwise than according to a plan approved by the council or (failing such approval) determined by arbitration which plan shall be upon such scale and contain such details as the council may reasonably require and shall be delivered to the council by the Company Provided that unless within the period of twenty-eight clear days from such delivery of a plan relating to a bridge or fourteen clear days from such delivery of a plan relating to a highway the council intimate to the Company any objection to the plan they shall be deemed to have approved thereof Provided also that if as respects any highway or bridge the Company desire to avail themselves of the provisions as to payments to be made to them by the council contained in subsection (4) of this section they shall at the same time as they deliver to the council such plan give to the council notice of such their desire and if such last mentioned notice be given all apparatus to be laid or placed along any highway or bridge shall be laid or placed in such position as the council may reasonably direct within the said period of twenty-eight clear days or fourteen clear days (as the case may be) and the surveyor shall be entitled to superintend the execution of the works for the purpose of ensuring compliance by the Company with such directions:

(3) Nothing in this Act shall authorise the Company to interfere with the structure of any bridge without the consent of the council which consent shall not be unreasonably withheld and may be given upon such conditions as the council may reasonably determine:

(4) Nothing in the Act of 1907 or this Act shall interfere with the right of the council to alter the level of deviate widen reconstruct or improve any highway (each of which works is in this section referred to as a "highway alteration") or to remove alter rebuild widen or repair any bridge (each of which works is in

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this section referred to as a "bridge alteration") along which highway or bridge any apparatus has or shall have been laid or placed in the same manner as if the Act of 1907 and this Act had not been passed If for the purposes of or in connection with any such highway alteration or bridge alteration it shall be reasonably necessary to take up or alter the level or position of or divert any apparatus laid or placed along the highway or bridge the Company may and (if reasonably required by the council) shall either take up and relay or replace in the same or some other position or alter the level or position of or divert such apparatus in such manner and to such extent as may be agreed between the council and the Company or (failing such agreement) determined by arbitration or (where reasonably expedient) lay or place as may be agreed or determined as aforesaid new apparatus in lieu of the existing apparatus and the cost of such taking up relaying replacement alteration or diversion or of the provision and laying or placing of such new apparatus—

(*a*) If the existing apparatus was laid or placed after the passing of this Act but not in pursuance of or in compliance with any directions given by the council under subsection (2) (*b*) of this section shall be borne and paid by the Company; and

(*b*) If the existing apparatus was laid or placed after the passing of this Act and also in pursuance of or in compliance with such directions as aforesaid or if the council shall have failed to give directions with respect to such apparatus pursuant to the said subsection (2) (*b*) or if the existing apparatus was laid or placed before the passing of this Act shall be borne by the council and be paid by them to the Company:

Provided that in all such cases as are mentioned in paragraph (*b*) of this subsection the council shall afford to the Company free of charge all reasonable facilities for temporarily carrying

or accommodating the existing apparatus so as not to interrupt the continuous supply of water through the same and if in lieu of altering the level or position of or diverting the existing apparatus the Company shall lay or place in an altered or new position or at an altered level apparatus of greater dimensions than the existing apparatus or (on account of the worn or defective condition of the existing apparatus) substituted apparatus of not greater dimensions than but in lieu of the existing apparatus the amount (hereinafter referred to as "the gross amount") which would but for this proviso be payable by the council under the said paragraph (*b*) shall be reduced to an amount to be agreed between the council and the Company or (failing such agreement) determined by arbitration such amount being (i) in the case of apparatus of such greater dimensions as aforesaid a sum bearing to the gross amount the proportion which the dimensions of the existing apparatus bear to such greater dimensions or (ii) in the case of substituted apparatus a sum bearing to the gross amount the proportion which the effective life of the existing apparatus bears to that of the substituted apparatus:

Provided also that if on the completion of any highway alteration or bridge alteration it shall be agreed between the council and the Company or (failing such agreement) determined by arbitration that any apparatus originally laid or placed along the highway or bridge in pursuance of or on compliance with any directions given by the council under subsection (2) (*b*) of this section was so laid or placed at a depth below the surface of the highway or bridge greater than was reasonably sufficient in order to adapt the same to such highway alteration or bridge alteration the Company shall be entitled to raise or lower the level of the apparatus to such extent as may be agreed or determined as aforesaid and the council shall repay to the Company the cost reasonably incurred by them in so doing:

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(5) When any highway alteration or bridge alteration shall have been completed the Company shall have the same rights and powers with respect to the highway or bridge as they had with respect thereto before such alteration was carried out:

(6) All works of the Company shall be so executed that so far as reasonably practicable the traffic on any highway or over any bridge shall not be impeded or interfered with and the Company shall not break up at any one time an unreasonable length or width of such highway or bridge:

(7) If at any time when the Company are about to lay any apparatus along any highway or bridge the council shall give notice to the Company requiring the Company so to do the Company shall in accordance with the reasonable directions and to the reasonable satisfaction of the surveyor after the apparatus has been laid restore so much of the highway or bridge as shall be broken up or damaged by the Company to the condition and strength in which it was immediately before such breaking up:

(8) (*a*) Notwithstanding anything in this Act the council may by notice to the Company before the Company shall have completed laying any apparatus along any highway or bridge elect themselves to restore such portion of the highway or bridge as has been broken up or damaged by the Company and if the council give such notice they shall as soon as the apparatus shall have been laid along the highway or bridge by the Company restore the said portion of the highway or bridge to the condition and strength in which it was immediately before such breaking up and the Company shall repay to the council all expenses reasonably incurred by the council in making such restoration and shall not be under any obligation with regard to the restoration reinstatement or making good of the said portion of the highway or bridge:

(*b*) If the council give to the Company any such notice as is referred to in paragraph (*a*) of this subsection the Company shall give to the council notice in writing of the completion of the laying of the apparatus for which the highway or bridge was broken up or damaged and the council shall indemnify the Company from and against all claims demands damages costs charges and expenses which may be made against or incurred by the Company in respect of any accident or occurrence happening after the expiration of forty-eight hours (excluding from the computation of that period any part of a Sunday Christmas Day Good Friday or any bank or public holiday) from the receipt by the council of any notice so given by the Company and by reason or in consequence of the highway or bridge not having been so restored as aforesaid: A.D. 1930.

(9) The Company shall make good or bear the cost of making good any subsidence of any highway or of the roadway or footway on any bridge which may arise at any time within three months from the completion of any restoration by the Company or the council of such highway or bridge under subsections (7) and (8) of this section except when the restoration shall have been made by the council and the subsidence shall result from or be contributed to by any negligence on the part of the council or their contractors servants workmen or agents in connection with the restoration (in which excepted case the subsidence shall be made good by the council at their own expense) but the Company shall not be under any liability to make good or bear the cost of making good any such subsidence which may arise after the expiration of such period of three months:

(10) The Company shall pay to the council the reasonable expenses incurred by them in relation to the reasonable inspection by the surveyor of the restoration by the Company of any highway or bridge to which this section relates:

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(11) Any consent approval notice intimation requirement or direction to be given by the council under this section shall be given in writing under the hand of the clerk to the council or the surveyor:

(12) Any matter required by this section to be determined by arbitration and any difference which may arise between the council and the Company under this section shall be referred to and determined by an arbitrator or other tribunal to be agreed upon between them or failing agreement to be appointed or nominated on the application of either party by the President of the Institution of Civil Engineers and subject as aforesaid the provisions of the Arbitration Act 1889 shall apply to any such reference.

Penalty for closing valves &c.

45. Every person who shall wilfully (without the consent of the Company) or negligently close or shut off any valve cock or other work or apparatus belonging to the Company whereby the supply of water shall be interfered with shall (without prejudice to any other right or remedy of the Company) be liable on conviction to a penalty not exceeding five pounds and the Company may in addition thereto recover the amount of any damage by them sustained Provided that this section shall not apply to a consumer closing the valve fixed on his communication pipe.

Penalty for opening valves &c.

46. Any person being the owner or occupier of any house or building or part of a house or building or premises to or in respect of which he is not for the time being entitled to a supply or the continuance of a supply of water by the Company who shall without the authority of the Company turn on any valve cock or other work or apparatus attached to any service main or pipe connected with any main of the Company and provided or available for the purposes of affording such supply shall be deemed to commit an offence under section 60 of the Waterworks Clauses Act 1847 and the said section shall extend and apply accordingly.

Contents of summons &c.

47. Where the payment of more than one sum by any person is due under the Act of 1907 or this Act or any other Act relating to the Company any summons

or warrant issued for the purposes of those Acts or any of them in respect of that person may contain in the body thereof or in a schedule thereto all the sums payable by him.

Recovery of penalties &c.

48. Save as otherwise by the Act of 1907 or this Act expressly provided all offences against the Act of 1907 or this Act and all penalties forfeitures costs and expenses imposed or recoverable under the Act of 1907 or this Act or any byelaw made in pursuance thereof may be prosecuted and recovered in a summary manner Provided that costs or expenses except such as are recoverable along with a penalty shall not be recovered as penalties but may be recovered summarily as civil debts.

Recovery of demands.

49. Proceedings for the recovery of any demand made under the authority of the Act of 1907 or this Act or any incorporated enactment whether provision is or is not made for the recovery in any specified court or manner may be taken in any county court having otherwise jurisdiction in the matter provided that the demand does not exceed the amount recoverable in that court in a personal action.

Repeal.

50. The following sections of the Act of 1907 are hereby repealed:—

Section 7 (Issue of shares);
Section 8 (Calls):
Section 10 (For appointment of a receiver);
Section 11 (Receipt in case of persons not sui juris).

Costs of Act.

51. All costs charges and expenses of and incident to the preparing for obtaining and passing of this Act or otherwise in relation thereto shall be paid by the Company and may in whole or in part be charged against revenue to the extent of not exceeding one-third part of such charges and expenses in any one year.

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