CHAPTER clxxiii.

An Act for empowering the South Stockton Local Board to acquire a share in the waterworks undertaking of the Stockton and Middlesbrough Water Board and for other purposes. [28th July 1884.] A.D. 1884.

WHEREAS the borough of Stockton-on-Tees in the county of Durham and the borough of Middlesbrough in the North Riding of the county of York (in this Act called "the boroughs") are municipal boroughs under the government of the mayor aldermen and burgesses of the respective boroughs (in this Act called "the Corporations"):

And whereas by the Stockton and Middlesbrough Waterworks Act 1876 (in this Act called "the Act of 1876") the Company of Proprietors of the Stockton Middlesbrough and Yarm Waterworks were required to sell their waterworks undertaking to the Corporations and provision was made for its transfer to and vesting in a joint board to be called the Stockton and Middlesbrough Water Board (in this Act called "the joint board") and to consist of twelve members six being chosen by each of the Corporations from their respective councils. 39 & 40 Vict. c. 230.

And whereas the joint board were authorised by the said Act to execute works and to supply water within limits comprising besides the boroughs and other parishes and places the district of the Local Board for South Stockton (in this Act called "the Local Board"):

And whereas the undertaking of the said Company became pursuant to the said Act transferred to and vested in the joint board and the joint board are now supplying water within their authorised limits:

And whereas section ninety-two of the said Act empowered the joint board to charge for a supply of water for domestic purposes beyond the boroughs one-fourth more than the water rents for the time being charged within the boroughs:

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And whereas the Local Board petitioned Parliament against the Bill for the said Act:

And whereas by an agreement dated the twenty-first day of March one thousand eight hundred and seventy-six between the Corporations and the Local Board it was witnessed in consideration of the Local Board withdrawing their petition and opposition to the Bill for the said Act and of other agreements on the part of the Local Board;

That the joint board should consist of twelve members six to be chosen by the Corporation of Middlesbrough five to be chosen by the Corporation of Stockton and one by the Local Board out of members of their own bodies;

That the waterworks undertaking as defined in the said Bill should be vested as to one-twelfth thereof in the Local Board as to five-twelfths thereof in the Stockton Corporation and as to the remaining six-twelfths in the Middlesbrough Corporation;

That the Local Board might introduce into Parliament in the next or any subsequent session of Parliament and the two Corporations should use their best endeavours to aid the Local Board to procure to be passed into law a Bill containing all necessary powers and provisions for carrying out the arrangements aforesaid:

And whereas the Local Board estimate that they will or may require to borrow for the purposes of this Act (being permanent works within the meaning of section two hundred and thirty-four of the Public Health Act 1875) sums not exceeding one hundred and sixty thousand pounds:

And whereas at a special meeting of the Local Board held on the sixth day of November one thousand eight hundred and eighty-three after ten clear days notice by public advertisement of such meeting and its purpose in the North Eastern Daily Gazette a local newspaper circulating in the district it was resolved by an absolute majority of the whole number of the Local Board to be expedient to apply to Parliament in the ensuing session for an Act authorising the purchase by the Local Board of such one-twelfth share as aforesaid in the waterworks undertaking of the joint board and for that and other purposes to borrow money and charge the same on the said undertaking and on the general district rates of the said district and to charge the costs and expenses attending such application on the general district rates:

And whereas the propriety of the promotion of the Bill for this Act was confirmed by an absolute majority of the whole number of the Local Board at a further special meeting held in pursuance

of a similar notice on the third day of January one thousand eight hundred and eighty-four being not less than fourteen days after the deposit of the Bill in Parliament: A.D. 1884.

And whereas such resolution was published twice in the Stockton Herald a newspaper published and circulating in the district of the Local Board and has received the approval of the Local Government Board:

And whereas the owners and ratepayers of the district of the Local Board by resolution in the manner provided in the third schedule of the Public Health Act 1875 consented to the promotion of the Bill for this Act:

And whereas it is expedient that the terms of the said agreement as embodied in this Act be carried into effect and that powers to borrow money be conferred on the Local Board and that other relative provisions be made:

And whereas the objects aforesaid cannot be attained without the authority of Parliament:

May it therefore please Your Majesty that it may be enacted and be it enacted by the Queen'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 title.

1. This Act may be cited as the South Stockton Local Board (Water) Act 1884.

Interpretation.

2. In this Act the expressions "waterworks" "waterworks undertaking" and "water rents" have respectively the same meanings as they have in the Act of 1876.

Acquisition by Local Board of share in waterworks undertaking.

3. (1) The Local Board shall pay to the Corporation of Stockton as the consideration for the acquisition by the Local Board from the Corporation of Stockton of such interest in the waterworks undertaking as hereinafter mentioned seventy-eight thousand five hundred and twenty-three pounds and four pence as follows (that is to say):—

Ten thousand five hundred and twenty-three pounds and four pence within six months after the passing of this Act.

Twenty thousand pounds on the fifth day of April one thousand eight hundred and eighty-six and the balance on the first day of July one thousand eight hundred and eighty-six with interest at the rate of four pounds per centum per annum payable half yearly on the amount for the time being remaining unpaid as from the first day of December one thousand eight hundred and eighty-three.

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And the said sums shall be applied by the Corporation of Stockton as they may determine:

(*a*) In or towards discharge of moneys borrowed by them under the Act of 1876.

(*b*) In or towards meeting precepts issued by the joint board for extension of works.

Provided nevertheless that any portion of the above-mentioned sums that do not relate to capital expenditure shall be carried to the credit of the revenue account.

(2) The Local Board shall by virtue of this Act be and be deemed to have been as from the first day of December one thousand eight hundred and eighty-three jointly with the Corporations of Stockton and Middlesbrough owners of the waterworks undertaking in the following proportions that is to say the Corporation of Middlesbrough shall be and be deemed to have been as from the date aforesaid owners of six-twelfths of the undertaking the Corporation of Stockton shall be and be deemed to have been as from the date aforesaid owners of five-twelfths of the undertaking and the Local Board shall be and be deemed to have been as from the date aforesaid owners of one-twelfth of the undertaking And the last paragraph of section fifty-one of the Act of 1876 as to the application of any balance shall be varied so as to provide that one-third of the balance therein mentioned shall be paid to the borough fund of the Corporation of Middlesbrough and five-eighteenths of such balance shall be paid to the borough fund of the Corporation of Stockton and one-eighteenth of such balance shall be paid to the district fund of the Local Board.

(3) Until payment to the Corporation of Stockton of the sums payable by the Local Board under this section the Corporation of Stockton shall have a lien on the one-twelfth share in the waterworks undertaking by this Act vested in the Local Board.

Proportionate shares in benefits and liabilities.

4. The Corporations and the Local Board shall by virtue of this Act be and be deemed to have been as from the first day of December one thousand eight hundred and eighty-three entitled to share in all benefits of or arising from the waterworks undertaking and subject to all debts and liabilities affecting the same in the proportions of their respective interests aforesaid.

Provided that the sums from time to time applied by the joint board under the heads fifthly and sixthly of section fifty-one of the Act of 1876 in providing interest instalments or sinking fund for or on account of the Corporation of Stockton and the Local Board shall not in any year exceed the sums which would have been so

applicable for or on account of the Corporation of Stockton if this Act had not been passed.

Provided further that as between the Local Board and the Corporation of Stockton the Local Board shall be entitled to receive from time to time from the Corporation of Stockton one-sixth part of all sums payable to the said Corporation under the heads fifthly and sixthly of section fifty-one of the Act of 1876.

Contributions to common fund.

5. (1) As from and after the first day of December one thousand eight hundred and eighty-three all expenses incurred by the joint board in the execution of the Act of 1876 including all expenses incurred prior to that date but for which precepts had not been issued shall be defrayed out of a common fund to be contributed in proportion to the amount of their respective interests in the waterworks undertaking by the Corporations and the Local Board respectively and sections fifty-five and fifty-six of the Act of 1876 shall in relation to the Local Board apply and have effect as if the Local Board and their district fund and general district rate had been expressly mentioned therein in the same manner as the Corporations and their respective borough funds and borough rates.

(2) Precepts of the joint board under the Act of 1876 shall distinguish contributions required on capital account from all other contributions.

Water rents in district of Local Board.

6. As from and after the fourteenth day of February one thousand eight hundred and eighty-four section 92 of the Act of 1876 regulating the water rents levied or to be levied by the joint board shall be construed so that the term "the boroughs" used therein shall include the district of the Local Board and the joint board shall in levying the first water rents which they levy in the district of the Local Board after the passing of this Act give credit to all consumers within the said district for whatever sums shall have become due by them since the fourteenth day of February one thousand eight hundred and eighty-four in excess of the rents payable by consumers within the boroughs.

One member of joint board to be chosen by Local Board.

7. (1) The joint board shall continue to consist of twelve members.

(2) Six of those members shall be chosen as heretofore by the Corporation of Middlesbrough and five shall be chosen by the Corporation of Stockton and one shall be chosen by the Local Board.

(3) At the council meeting of the Corporation of Stockton held on the ninth day of November in the year one thousand eight hundred and eighty-four and in every third year subsequently one

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member of the joint board and not two shall be chosen by the said Corporation.

(4) At a meeting to be held between the ninth day of October and the ninth day of November in the year one thousand eight hundred and eighty-four and in every succeeding year the Local Board shall choose one of their body to be a member of the joint board and the person so chosen shall come into office on the ninth day of November immediately following his election and shall hold office till his successor comes into office pursuant to the above enactment if he so long continues a member of the Local Board In the event of a casual vacancy the Local Board shall as soon as may be and not later than six weeks after its occurrence choose one of their body to fill the vacancy but the person so chosen shall hold office so long only as the person in whose stead he is chosen would have held office.

(5) In section eleven of the Act of 1876 the expression "the annual meeting of the councils" shall mean the quarterly meeting in November.

(6) Save in so far as varied by this section the rules in the Act of 1876 relating to members of the joint board shall continue to be observed.

Power of Local Board to borrow.

8. For the purpose of providing the sum required to be paid by them to the Corporation of Stockton under this Act and of providing any contributions to the common fund of the joint board on capital account and of defraying their proportion of the costs charges and expenses preliminary and of and incidental to the preparation and obtaining of this Act the Local Board may from time to time borrow such sums as may be required not exceeding altogether one hundred and sixty thousand pounds.

Power to mortgage share of water revenue and rates.

9. For securing any moneys which they are authorised to borrow or re-borrow under the authority of this Act the Local Board may from time to time mortgage the revenue arising from the share of the waterworks undertaking acquired by them under this Act and their district fund and general district rate and for the purpose of such mortgages sections two hundred and thirty-six to two hundred and thirty-nine (both included) of the Public Health Act 1875 shall apply as if they were with any necessary modifications re-enacted in this Act.

Period for discharge of borrowed moneys.

10. The Local Board shall out of the revenue arising from their said share in the waterworks undertaking and out of the district fund and general district rate discharge or make provision for the discharge of all moneys secured by mortgages granted by them

under the authority of this Act by means of equal yearly or half-yearly instalments of principal or of principal and interest or by means of a sinking fund or partly in one way and partly in the other within sixty years from the time or respective times of borrowing the same (hereinafter referred to as "the prescribed period").

Power to re-borrow.

11. If the Local Board pay off any moneys borrowed by them under this Act otherwise than by means of equal yearly or half-yearly instalments appropriations or annual repayments or out of a sinking fund they may subject to the provisions of this Act re-borrow the same and so from time to time. Provided that for the purpose of reckoning the period within which and the manner in which any sum re-borrowed is to be repaid the sum re-borrowed and the original loan shall be deemed to form the same loan.

Regulations as to sinking fund.

12. If the Local Board determine to pay off by means of a sinking fund any moneys borrowed by them on mortgage under the authority of this Act the following regulations shall be observed.

(i) Such equal yearly or half-yearly sums shall be paid by the Local Board out of the revenue arising from their said share in the waterworks undertaking and out of the district fund and general district rate into the sinking fund as being accumulated at compound interest at a rate not exceeding three pounds ten shillings per centum per annum would be sufficient to pay off the moneys borrowed within such period not exceeding the prescribed period as the Local Board may in each case determine.

(ii) All sums paid into the sinking fund shall be as soon as may be invested by the Local Board in securities in which trustees are for the time being authorised to invest or in the mortgages bonds debentures debenture stock or other securities duly created and issued by any local authority as defined by the Local Loans Act 1875 and any such investments may be from time to time varied or transposed and all dividends and other sums received in respect of such investments shall as soon as may be after they are received be paid into the sinking fund and invested by the Local Board in like manner.

(iii) The Local Board may at any time apply the whole or any part of any sinking fund created under this Act in or towards the discharge of the moneys or any part of the moneys for the discharge of which the fund was created.

(iv) Whenever any of such principal moneys have been so paid off the Local Board shall thenceforward until the whole of

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such principal moneys have been paid off pay into the sinking fund every year in addition to the other sums hereinbefore required to be paid into the fund a sum equivalent to the interest which would have been produced by the sinking fund or part of the sinking fund so applied.

(v) Whenever and so long as the yearly income arising from the sinking fund shall be equal to the annual interest of the principal moneys then due and outstanding the Local Board may in lieu of investing the said yearly income apply the same in payment of such interest and may during such periods discontinue the payment to the sinking fund of the yearly sums hereinbefore required to be paid thereto.

Annual return to Local Government Board.

13. The clerk of the Local Board shall within one month after the expiration of each year during which any sum is required by this Act to be paid as an instalment or set apart for a sinking fund in respect of moneys borrowed by the Local Board under this Act transmit to the Local Government Board a return in such form as may be prescribed by that Board and verified by statutory declaration if so required by them shewing the amount which has been paid as an instalment or invested or applied for the purpose of such sinking fund during the year next preceding the making of such return and the description of the securities on which any investment has been made and the purposes to which any portion of the sinking fund or investment or of the sums accumulated by way of interest has been applied during the same period and the total amount (if any) remaining uninvested at the end of the year In the event of wilful default in making such return the said clerk shall be liable to a penalty not exceeding twenty pounds which may be recovered by the Local Government Board in any court of summary jurisdiction If it appears to the Local Government Board by that return or otherwise that the Local Board have failed to pay any instalment or set apart any sum required for any sinking fund or have applied any portion of the money so set apart or of the sums accumulated by way of interest to any purposes other than those authorised they may by order direct that a sum not exceeding double the amount in respect of which default has been made shall be set apart and invested or applied as part of the sinking fund and any such order shall be enforceable by writ of mandamus to be obtained by the Local Government Board out of Her Majesty's High Court of Justice and the provisions of this section shall mutatis mutandis apply to appropriations and annual repayments.

Power to borrow under Local Loans Act 1875.

14. (1) The Local Board if they think fit in lieu of borrowing on the security of mortgages as hereinbefore provided may borrow the moneys which they are by this Act authorised to borrow or any part thereof under the powers and subject to the provisions of the Local Loans Act 1875 by means of a loan or loans to be raised by the issue of debentures debenture stock or annuity certificates or partly in one way and partly in another.

(2) Any moneys borrowed in manner by this section authorised shall be a charge on the revenue arising from the share acquired by the Local Board in the waterworks undertaking under this Act and on the district fund and general district rate and such revenue fund and rate shall be deemed to be the local rate within the meaning and for the purposes of the Local Loans Act 1875.

(3) Every such loan shall be discharged within the prescribed period and such discharge or any part thereof may be effected by means of a sinking fund if the Local Board so think fit.

(4) For the purpose of reckoning the period within which and determining the manner in which any sum re-borrowed is to be repaid and for the purposes of sections fourteen and fifteen of the Local Loans Act 1875 the original loan and the sums re-borrowed shall be deemed to form the same loan.

Priority of existing mortgages or other securities granted by Local Board.

15. All mortgages or debentures granted by the Local Board before the passing of this Act shall during their continuance have priority of charge on the security therein comprised over all mortgages or other securities granted or issued by the Local Board in exercise of the borrowing powers conferred by this Act on the Local Board.

Saving for joint board.

16. Neither the alteration in the constitution of the joint board effected by this Act nor anything else in this Act contained shall affect the corporate character of the joint board or the vesting of the waterworks undertaking in the joint board.

Costs of Act.

17. The costs charges and expenses preliminary to and of and incidental to the preparing of and applying for and the obtaining and passing of this Act shall be paid as to one-twelfth part thereof by the Local Board as to five-twelfth parts thereof by the Corporation of Stockton and as to six-twelfth parts thereof by the Corporation of Middlesbrough pursuant to the agreement in that behalf of the said twenty-first day of March one thousand eight hundred and seventy-six and the Corporations may respectively borrow in manner provided by the Act of 1876 or by the Stockton and Middlesbrough Order confirmed by the Local Government Board's Provisional Orders Confirmation (Bethesda &c.) Act 1880 such sums as may be

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requisite for the purposes of this section and shall provide for the discharge of any moneys so borrowed within twenty years from the date of borrowing the same respectively by any one or more of the methods prescribed by the Act of 1876.

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