

---

STATUTORY INSTRUMENTS

---

1976 No. 580 (N.I. 10)

NORTHERN IRELAND

**The Industries Development (Northern Ireland) Order 1976**

*Laid before Parliament in draft*

*Made*

12th April 1976

*Coming into operation on day or days to be appointed under Article 1*

ARRANGEMENT OF ORDER

PART I

TITLE, COMMENCEMENT AND INTERPRETATION

Article

1. Title and commencement.
2. Interpretation.

PART II

THE NORTHERN IRELAND DEVELOPMENT AGENCY

3. The Northern Ireland Development Agency.
4. General purposes and functions of Agency.
5. Ancillary powers of Agency.
6. General power to give directions to Agency.
7. Exercise by Agency of power to give selective financial assistance under Industries Development Act (Northern Ireland) 1966.
8. Transfer of publicly owned property to Agency.
9. Financial duties of Agency.
10. Financial limit.
11. Contributions to Agency in respect of liabilities incurred by Northern Ireland Finance Corporation.
12. Restriction on Agency's involvement in publishing and broadcasting.
13. Vesting of property, rights and liabilities of Northern Ireland Finance Corporation in Agency.
14. Termination of functions of Northern Ireland Finance Corporation.

PART III

AMENDMENT OF INDUSTRIES DEVELOPMENT ACT (NORTHERN IRELAND) 1966  
AND INDUSTRIAL INVESTMENT (GENERAL ASSISTANCE) ACT (NORTHERN IRELAND)  
1966

15. Selective financial assistance.
16. Grants to bodies corporate who make planning agreements.
17. Loans, and grants towards interest on loans.

## PART IV

### TRANSFER OF PUBLICLY OWNED SECURITIES

18. Transfer to Department of publicly owned securities.

### SCHEDULES

Schedule 1—The Northern Ireland Development Agency.

Schedule 2—Financial and administrative provisions relating to Agency.

Schedule 3—Staff of Northern Ireland Finance Corporation.

At the Court at Windsor Castle, the 12th day of April 1976

Present,

The Queen's Most Excellent Majesty in Council

Whereas a draft of this Order has been approved by a resolution of each House of Parliament:

Now, therefore, Her Majesty, in exercise of the powers conferred by paragraph 1 of Schedule 1 to the Northern Ireland Act 1974 (a), and of all other powers enabling Her in that behalf, is pleased, by and with the advice of Her Privy Council, to order, and it is hereby ordered, as follows:—

## PART I

### TITLE, COMMENCEMENT AND INTERPRETATION

#### *Title and commencement*

1. This Order may be cited as the Industries Development (Northern Ireland) Order 1976 and shall come into operation on such day or days as the Head of the Department may by order appoint.

#### *Interpretation*

2.—(1) The Interpretation Act (Northern Ireland) 1954 (b) shall apply to Article 1 and the following provisions of this Order as it applies to a Measure of the Northern Ireland Assembly.

(2) In this Order—

“the Comptroller and Auditor General” means the Comptroller and Auditor General for Northern Ireland;

“the Department” means the Department of Commerce;

“financial year” means the period beginning with the coming into operation of Article 3 and ending with 31st March 1977, and each subsequent period of twelve months ending with 31st March;

“industry” includes any description of commercial activity and any section of an industry;

“subsidiary” means a subsidiary as defined by section 148 (1) of the Companies Act (Northern Ireland) 1960 (c);

“wholly owned subsidiary” has the meaning assigned to it by section 144 (5) of the Companies Act (Northern Ireland) 1960.

---

(a) 1974 c. 28.

(b) 1954 c. 33 (N.I.).

(c) 1960 c. 22 (N.I.).

(3) Securities and other property are publicly owned for the purposes of this Order if they are held—

- (a) by or on behalf of the Crown; or
- (b) by a company all of whose shares are held by or on behalf of the Crown or by a wholly owned subsidiary of such a company; or
- (c) by any corporation constituted by or under any enactment under which an industry or part of an industry is carried on by that corporation under national ownership or control; or
- (d) by a wholly owned subsidiary of any such corporation.

(4) It is hereby declared that any power of giving directions or making determinations conferred on the Head of the Department or the Department or the Department of Finance by any provision of this Order includes power to vary or revoke directions or determinations given or made under that provision.

## PART II

### THE NORTHERN IRELAND DEVELOPMENT AGENCY

#### *The Northern Ireland Development Agency*

3.—(1) There shall be established a body corporate with perpetual succession to be called the Northern Ireland Development Agency (in this Order referred to as “the Agency”) to which, subject to the provisions of this Order, section 19 of the Interpretation Act (Northern Ireland) 1954 shall apply.

(2) The Agency shall have the functions specified in the following provisions of this Order.

(3) The Agency shall consist of a chairman and not less than five nor more than eight other members.

(4) Subject to paragraphs (7) and (8), the chairman and other members of the Agency shall be appointed by the Head of the Department.

(5) The members of the Agency shall be appointed from among persons who appear to the Head of the Department to have wide experience of, and to have shown capacity in, industry, commerce, banking, accountancy, finance, the organisation or representation of workers, administration or local government or any other field of activity which the Head of the Department considers is relevant to the discharge of the functions of the Agency.

(6) The Head of the Department may appoint one or more of the Agency’s members to be deputy chairman or deputy chairmen.

(7) The Head of the Department after consultation with the chairman or chairman designate of the Agency, shall make the first appointment of chief executive of the Agency, and thereafter the Agency may, with the approval of the Head of the Department, make subsequent appointments to that office.

(8) The chief executive shall ex-officio be a member of the Agency.

(9) The Agency shall not be regarded as the servant or agent of the Crown or as enjoying any status, immunity or privilege of the Crown and the Agency’s property shall not be regarded as the property of, or property held on behalf of, the Crown.

(10) The Agency shall not be exempt, except as provided by paragraph 17 of Schedule 1 from any tax, duty, rate, levy or other charge whatsoever, whether general or local.

(11) The Department may pay such sums to the Agency in respect of its administrative expenses, as the Department may, with the consent of the Department of Finance, determine.

(12) Schedules 1 and 2 shall have effect.

*General purposes and functions of Agency*

4.—(1) The purposes for which the Agency may exercise its functions in relation to Northern Ireland or any part thereof are—

- (a) the development or assistance of the economy;
- (b) the promotion of industrial efficiency;
- (c) the provision, maintenance or safeguarding of employment.

(2) The functions of the Agency shall be—

- (a) carrying on, or establishing and carrying on, or developing, whether by itself or jointly with any other person, any industrial undertaking;
- (b) otherwise promoting or assisting the establishment, maintenance, or development of any industrial undertaking;
- (c) promoting or assisting the growth, modernisation, reorganisation or development of an industry;
- (d) encouraging and assisting industrial undertakings in the marketing of their products;
- (e) promoting industrial democracy in undertakings which the Agency controls;
- (f) taking over publicly owned securities and other publicly owned property, and holding and managing securities and property which are taken over.

(3) The Agency may do anything, whether in Northern Ireland or elsewhere, which is calculated to facilitate the discharge of its functions or is incidental or conducive to their discharge.

(4) In particular, but without prejudice to the generality of paragraph (3), the Agency shall have power—

- (a) to acquire, hold and dispose of securities;
- (b) to form bodies corporate;
- (c) to form partnerships with other persons;
- (d) to make loans;
- (e) to act as agent for other persons;
- (f) to guarantee obligations (arising out of loans or otherwise) incurred by other persons;
- (g) to acquire and dispose of plant, machinery and equipment and other property;
- (h) to make plant, machinery and equipment and other property available for use by other persons;
- (i) to promote or assist the promotion of publicity relating to any of the functions of the Agency;
- (j) to provide, or assist in the provision of, advisory or other services in relation to finance, management, administration, marketing or organisation of industry.

(5) For the avoidance of doubt it is hereby declared that the foregoing provisions of this Article relate only to the capacity of the Agency as a statutory

corporation, and nothing in those provisions shall be construed as authorising the disregard by the Agency of any enactment or rule of law.

*Ancillary powers of Agency*

5. The Agency shall have power—

- (a) to make such charge for any of its services as it thinks fit;
- (b) to carry out or commission the carrying out of such enquiries, investigations or researches as the Agency may deem necessary or expedient for the purposes of its functions.

*General power to give directions to Agency*

6.—(1) Subject to paragraph (2), the Head of the Department may give the Agency directions of a general or specific character as to the exercise of its functions and it shall be the duty of the Agency to give effect to any such directions.

(2) The Head of the Department shall consult the Agency about any proposed direction under paragraph (1).

(3) The Agency's report for any financial year shall set out any direction given under paragraph (1) during that year.

(4) Subject to paragraph 8 (3) of Schedule 2, when the Head of the Department gives a direction under this Article, he shall either—

- (a) lay a copy of the direction before the Northern Ireland Assembly within 28 days of giving it; or
- (b) lay a copy later but lay with it a statement of the reason why a copy was not laid within 28 days.

*Exercise by Agency of power to give selective financial assistance under Industries Development Act (Northern Ireland) 1966.*

7.—(1) In any case where it appears to the Department after consultation with the advisory committee appointed for the purposes of section 1 of the Industries Development Act (Northern Ireland) 1966 (a), that the powers conferred on it by that section are exercisable and ought to be exercised, the Department, with the consent of the Department of Finance may direct the Agency to exercise them and the Agency shall not require the consent of the Department of Finance to the exercise of any such powers in pursuance of such a direction.

(2) It shall be the Agency's duty to give effect to any such direction.

(3) The Department shall consult the Agency before giving any such direction.

(4) A direction may specify—

- (a) the purpose for which and the manner in which the Agency is to exercise the powers;
- (b) the amount of assistance it is to give; and
- (c) the terms and conditions on which the assistance is to be given.

(5) Nothing in a subsequent direction shall relieve the Agency of a contractual liability to which it is subject in consequence of an earlier direction.

---

(a) 1966 c. 36 (N.I.).

(6) The Agency's report for any financial year shall include a reference to any direction given under this Article during that year and shall give such information regarding the direction as the Department may either generally or in a particular case direct.

(7) If the Agency acquires property in pursuance of any such direction, the Department shall reimburse it the consideration given for the acquisition and the costs and expenses of and incidental to it.

(8) If the Agency makes a grant in pursuance of any such direction, the Department shall pay it a sum equal to the amount of the grant.

(9) If the Agency makes a loan in pursuance of any such direction, the Department shall make the Agency a loan of the same amount and, subject to paragraph (10), on such terms as the Department considers appropriate.

(10) The terms of a loan under paragraph (9) shall require the Agency to repay the loan only when the debtor repays the Agency the loan which it made him.

(11) If the Agency gives assistance in pursuance of any such direction by way of any form of insurance or guarantee, the Department shall assume a correlative liability towards the Agency.

(12) The Department may pay any administrative expenses of the Agency under this Article.

(13) The Department shall pay into the Consolidated Fund any sums received by it under this Article by way of interest or repayment of loans or grants.

(14) In exercising its powers under this Article the Agency shall not be regarded as the servant or agent of the Department.

#### *Transfer of publicly owned property to Agency*

8.—(1) Subject to paragraph (2), nothing in this Order or in any other enactment (including, subject to any express provision to the contrary, an enactment passed after the making of this Order) shall prevent the transfer to the Agency or the Agency's nominees of any publicly owned securities or other publicly owned property on such terms and conditions as may be agreed in relation to the transfer.

(2) Publicly owned securities and other publicly owned property may be transferred to the Agency or the Agency's nominees only with the consent of the Department and the Department of Finance or in accordance with any general authority given by the Department with the consent of the Department of Finance.

#### *Financial duties of Agency*

9.—(1) After consultation with the Agency, the Department may, with the approval of the Department of Finance, determine the financial duties of the Agency, and different determinations may be made in relation to different functions and activities of the Agency.

(2) The Department shall give the Agency notice of every determination, and a determination may—

- (a) relate to a period beginning before the date on which it is made; and
- (b) contain incidental or supplemental provisions.

*Financial limit*

10.—(1) The aggregate amount from time to time outstanding, otherwise than by way of interest, in respect of—

(a) the principal of any loans—

(i) in respect of which guarantees have been given by the Northern Ireland Finance Corporation under Article 4 (2) (c) of the Northern Ireland Finance Corporation (Northern Ireland) Order 1972 (a) or the Department of Finance under Article 6 (2) of that Order; or

(ii) advanced to the Corporation under Article 5 (1) of that Order;

(b) the general external borrowing of the Agency and its wholly-owned subsidiaries;

(c) sums issued by the Department of Finance in fulfilment of guarantees under paragraph 4 of Schedule 2 and not repaid to that Department;

(d) sums paid to the Agency under paragraph 5 (1) of Schedule 2;

(e) sums guaranteed by the Agency, otherwise than under Article 7 or by virtue of Article 13, and sums guaranteed by a wholly owned subsidiary of the Agency,

shall not exceed £50 million.

(2) In paragraph (1) (b) the expression “general external borrowing” means—

(a) in relation to the Agency, sums borrowed by it other than—

(i) sums borrowed from a body corporate which is at the time of the loan one of the Agency’s wholly-owned subsidiaries;

(ii) any sums mentioned in paragraph (1) (c); or

(iii) sums borrowed by the Agency for the purposes of giving assistance under Article 7; and

(b) in relation to a wholly-owned subsidiary of the Agency, sums borrowed by it when it was such a subsidiary other than sums borrowed from the Agency or from another wholly-owned subsidiary,

but does not include any debt assumed by the Agency under paragraph 6 (1) of Schedule 2.

*Contributions to Agency in respect of liabilities incurred by Northern Ireland Finance Corporation*

11.—(1) Subject to paragraph (2), the Department may, with the approval of the Department of Finance, make contributions to the Agency towards defraying—

(a) any losses arising as a result of stock or shares acquired, or subscribed for under Article 4 (2) (a) or any loan made under Article 4 (2) (b); or

(b) any sums being required to fulfil a guarantee given under Article 4 (2) (c); of the Northern Ireland Finance Corporation (Northern Ireland) Order 1972.

(2) No contribution shall be made under paragraph (1) after 31st March 1977 or such later date, not being later than 31st March 1980, as the Department

---

(a) S.I. 1972/731 (N.I. 4). II p. 2321.

with the approval of the Department of Finance may, by order subject to affirmative resolution, provide.

*Restriction on Agency's involvement in publishing and broadcasting*

12. Section 9 of the Industry Act 1975 (a) (the Board and the media) shall apply to the Agency as it applies to the National Enterprise Board with the substitution of a reference to Article 7 of this Order for the reference in subsection (4) of the said section 9 to section 3 of that Act and with the substitution of references to the Head of the Department of Commerce for Northern Ireland for the references to the Secretary of State in subsections (7) and (8) of the said section 9.

*Vesting of property, rights and liabilities of Northern Ireland Finance Corporation in Agency*

13.—(1) Subject to the following provisions of this Article, all property which immediately before the day appointed for the coming into operation of this Article (in this Article referred to as “the appointed day”) was the property of the Northern Ireland Finance Corporation (in this Article and Article 14 referred to as “the Corporation”) shall vest in the Agency and, as from the appointed day, the Agency shall, to the exclusion of the Corporation, have all rights and be subject to all liabilities which the Corporation had or to which the Corporation was subject immediately before the appointed day.

(2) Subject to the provisions of this Article, every agreement to which the Corporation was a party, whether in writing or not and whether or not of such nature that rights and liabilities thereunder could be assigned by the Corporation, shall, unless its terms or subject-matter make it impossible that it should have effect as modified in the manner provided by this paragraph, have effect from the appointed day as if—

- (a) the Agency had been a party to the agreement; and
- (b) for any reference (however worded and whether express or implied) to the Corporation there were substituted, as respects anything falling to be done on or after the appointed day, a reference to the Agency; and
- (c) any reference (however worded and whether express or implied) to any officer or any servant of the Corporation were, as respects anything falling to be done on or after the appointed day, a reference to such person as the Agency may appoint or, in default of appointment, to the officer or servant of the Agency who corresponds as nearly as may be to the first mentioned officer or servant;
- (d) in the case of an agreement for the rendering of personal services to the Corporation, the services to which the agreement relates were, on and after the appointed day, any reasonably comparable services under the Agency, to be selected by the Agency.

(3) The provisions of paragraph (2) (except sub-paragraphs (a) and (d) thereof) shall apply in relation to any statutory provision, any provision of an agreement to which the Corporation was not a party, and any provision of any other document not being an agreement, as they apply in relation to an agreement to which the Corporation was a party.

(4) The statutory or other provisions to which paragraph (3) applies include statutory or other provisions passed or made after the making of this Order but before the appointed day.



(5) Without prejudice to the generality of the preceding provisions of this Article, where, by the operation of the said provisions any right or liability becomes a right or liability of the Agency, the Agency and all other persons shall, as from the appointed day, have the same rights, powers and remedies (and in particular the same rights and powers as to the taking or resisting of legal proceedings or the making or resisting of applications to any authority) for ascertaining, perfecting or enforcing that right or liability as they would have had if it had at all times been a right or liability of the Agency, and any legal proceedings or applications to any authority pending on the appointed day by or against the Corporation in so far as they relate to any property, right or liability transferred to the Agency under this Article, or to any agreement, statutory provision or document which has effect in accordance with paragraph (2) or (3) shall be continued by or against the Agency to the exclusion of the Corporation.

(6) Schedule 3 shall have effect in respect of the staff of the Corporation.

(7) In this Article "statutory provision" has the meaning assigned to it by section 1 (f) of the Interpretation Act (Northern Ireland) 1954.

#### *Termination of functions of Northern Ireland Finance Corporation*

14.—(1) As from the day appointed for the coming into operation of this Article (in this Article referred to as "the appointed day"), the functions of the Corporation under Article 4 of the Northern Ireland Finance Corporation (Northern Ireland) Order 1972 shall cease.

(2) It shall be the duty of the Corporation as soon as practicable after the appointed day—

(a) to prepare accounts, in such form and containing such particulars and compiled from such records and in such manner as the Department may direct, for the period from the end of that dealt with in the last annual statement prepared under Article 9 of the said Order of 1972 down to the appointed day;

(b) to cause the accounts prepared under paragraph (a) to be audited by auditors appointed by the Corporation with the approval of the Department;

(c) to send to the Department and to the Comptroller and Auditor General a copy of the accounts prepared under paragraph (a), audited in accordance with paragraph (b) and certified by the auditors.

(3) The Comptroller and Auditor General shall examine the accounts sent to him under paragraph (2) (c) and shall make a report thereon and shall send copies of that report to the Department and to the Corporation and the Department shall lay the accounts and a copy of the report before the Northern Ireland Assembly.

(4) The Corporation shall be dissolved from such date as the Head of the Department may, by order, specify.

(5) The Department shall defray all expenses incurred by the Corporation from the appointed day until the dissolution of the Corporation.

(6) The Northern Ireland Finance Corporation (Continuation of Powers) Order (Northern Ireland) 1974 (a) is hereby revoked from the appointed day and the Northern Ireland Finance Corporation (Northern Ireland) Order 1972 shall be revoked and the entry relating to the Corporation in Part II of Schedule 1 to the Northern Ireland Assembly Disqualification Act 1975 (b) shall be

---

(a) S.R. (N.I.) 1974 No. 299.

(b) 1975 c. 25.

repealed from the day on which the Corporation is dissolved under paragraph (4).

### PART III

#### AMENDMENT OF INDUSTRIES DEVELOPMENT ACT (NORTHERN IRELAND) 1966 AND INDUSTRIAL INVESTMENT (GENERAL ASSISTANCE) ACT (NORTHERN IRELAND) 1966

##### *Selective financial assistance*

**15.—(1)** For section 1 of the Industries Development Act (Northern Ireland) 1966 there shall be substituted the following section:—

“**Selective financial assistance.**

1.—(1) For the purposes set out in the following provisions of this section, the Department of Commerce (in this Act referred to as “the Department”) may, with the consent of the Department of Finance, invest or provide financial assistance where, in its opinion—

- (a) the investment or financial assistance is likely to provide, maintain or safeguard employment in any part of Northern Ireland;
- (b) the form and amount of the investment or financial assistance is reasonable having regard to all the circumstances; and
- (c) there are good prospects that the investment or provision of such financial assistance will achieve one or more of the purposes set out below and is justified having regard to any of those purposes.

(2) The purposes mentioned in subsection (1) are—

- (a) to promote the development or modernisation of an industry or of any undertaking in an industry;
- (b) to promote the efficiency of an industry or of any undertaking in an industry;
- (c) to create, expand or sustain productive capacity in an industry or in any undertaking in an industry;
- (d) to promote the reconstruction, reorganisation or conversion of an industry or of undertakings in an industry;
- (e) to encourage arrangements for ensuring that any run down of an industry, or of any undertaking in an industry, proceeds in an orderly way.

(3) Subject to the following provisions of this section, investment or financial assistance under this section may be made or given on any terms or conditions, and by any description of investment or lending or guarantee, or by making grants, and may, in particular, be—

- (a) investment by subscription for, or acquisition of, loan or share capital in any company including an acquisition effected by the Department through that company's holding company;
- (b) investment by the acquisition of any undertaking or of any assets;

(c) a loan, whether secured or unsecured, and whether or not carrying interest or interest at a commercial rate;

(d) any form of insurance or guarantee to meet any contingency, and in particular to meet default on payment of a loan, or of interest on a loan, or non-fulfilment of a contract.

(4) The Department may, in return for any shares or stock acquired by it under subsection (3) (a), cancel any conditions attached to a grant made by the Department under any enactment.

(5) Where—

(a) a sum is outstanding in respect of a loan made under any enactment by the Department to a company; and

(b) the Department has power to give assistance to the company under the foregoing provisions of this section;

the Department may, at its discretion, subscribe for or acquire stocks or shares in that company or its holding company in satisfaction of the sum outstanding or such part of it as may be agreed between the Department and the company.

(6) Without prejudice to the foregoing provisions of this section, a grant may be made under this section in respect of expenditure incurred in connection with, or by reason of, the transfer of any undertaking within or to Northern Ireland.

(7) The Head of the Department shall appoint an advisory committee for the purposes of this section and the Department shall, except in relation to cases falling within such class or description of case as is specified by the Department with the approval of the Department of Finance, consult that committee before exercising its functions under this section and it shall be the duty of the committee to give advice to the Department on such matters relating to this section as may be referred to it by the Department.

(8) In this section—

“holding company” has the same meaning as in the Companies Act (Northern Ireland) 1960;

“industry” includes any description of commercial activity, and references to an industry include references to any section of an industry;

and any reference in this section to the acquisition of stocks or shares by the Department shall include a reference to such acquisition by a company as nominee of the Department.”.

(2) Sections 1 (1), 2 and 5 of the Industries Development Act (Northern Ireland) 1971 (a) are hereby repealed, in sections 5 (2) and 5 (4) (a) of the Industries Development Act (Northern Ireland) 1966 and in section 9 (4) of the Industrial Investment (General Assistance) Act (Northern Ireland) 1966 (b) for the words “section 1 (1)” there shall be substituted the words “section 1 (7)” and in section 9 (2) of the Industries Development Act (Northern Ireland) 1966 for the words “section 1 (1)” there shall be substituted the words “section 1 (3)”.

---

(a) 1971 c. 22 (N.I.).

(b) 1966 c. 41 (N.I.).

*Grants to bodies corporate who make planning agreements*

16. After section 8 of the Industrial Investment (General Assistance) Act (Northern Ireland) 1966 there shall be inserted the following section:—

“Grants to bodies corporate who make planning agreements.

8A. Where a body corporate has made a planning agreement within the meaning of section 21 (2) of the Industry Act 1975, the amount of grant under sections 1, 2, 4, 5 and 7 of this Act in respect of approved capital expenditure during the period of the planning agreement in respect of any project identified in the agreement may not be less than—

- (i) the percentage which is the prescribed percentage at the date of the planning agreement, or
- (ii) in the case of a project which was also identified in a previous planning agreement, the percentage which was the prescribed percentage at the date of that agreement,

without regard to any order under this Act made after the date of the planning agreement by virtue of which, the grant or, as the case may be, part of it could for any reason not have been paid.”

*Loans, and grants towards interest on loans*

17.—(1) For section 9 (1) and (2) of the Industrial Investment (General Assistance) Act (Northern Ireland) 1966 there shall be substituted the following subsections:—

“(1) The Department, after consultation with the advisory committee, may make to any person carrying on in Northern Ireland a business in the course of which a qualifying industrial process within the meaning of section 1 is carried on loans towards, or grants in respect of interest payable on loans obtained for the purposes of, capital expenditure incurred by that person—

(a) in providing for use in Northern Ireland any of the following assets—

- (i) new machinery or plant, or
- (ii) a new computer provided as described in section 2 (2) (a); or

(b) in the construction of a new, or the modernisation, extension or reconstruction of an existing, building in Northern Ireland where that construction, modernisation, extension or reconstruction is part of a substantial scheme approved by the Department for the modernisation or reorganisation of the business.

(2) Where under subsection (1) the Department may lend a sum or make a grant to a person (in this subsection referred to as “the qualifying person”) and the Department is satisfied that if it lent that sum or made that grant to some other person, he would lend or pay it to the qualifying person towards approved capital expenditure incurred by the qualifying person, the Department may, after consultation with the advisory committee lend that sum or pay that grant to that other person.”

(2) In section 9 of the said Act of 1966, in subsection (3) for the words “subsection (1)” there shall be substituted the words “subsection (1) or (2)”, after the word “security” there shall be inserted the words “, and a grant under subsection (1) or (2) shall be made on such terms and conditions,” and at the

end there shall be added the words "or grant" and in subsection (4) after the words "subsection (1)" there shall be substituted the words "subsections (1) and (2)".

(3) Section 2 of the Industrial Investment (Amendment) Act (Northern Ireland) 1970 (a) is hereby repealed.

#### PART IV

##### TRANSFER OF PUBLICLY OWNED SECURITIES

###### *Transfer to Department of publicly owned securities*

18. The Department shall have power to accept, with the consent of the Department of Finance, the transfer to the Department of any publicly owned securities on such terms and conditions as may be agreed to in relation to the transfer.

*N. E. Leigh*

## SCHEDULES

### SCHEDULE 1

Article 3 (12).

#### THE NORTHERN IRELAND DEVELOPMENT AGENCY

##### *Appointment and tenure of office*

1. It shall be the duty of the Head of the Department—

- (a) to satisfy himself, before he appoints a person to be a member of the Agency, that that person will have no such financial or other interest as is likely to affect prejudicially the performance of his functions as a member; and
- (b) to satisfy himself from time to time with respect to each member that he has no such interest;

and a person who is a member or whom the Head of the Department proposes to appoint as a member shall, whenever requested by the Head of the Department to do so, furnish the Head of the Department with such information as he may specify with a view to carrying out his duty under this paragraph.

2. Subject to the following provisions of this Schedule, every member of the Agency shall hold and vacate office in accordance with the terms of the instrument under which he is appointed, but any member of the Agency may resign his office by giving to the Head of the Department a signed notice in writing stating that he resigns his office, and a member of the Agency who ceases to hold office shall be eligible for re-appointment to the Agency.

3. Where a member becomes or ceases to be the chairman or a deputy chairman, the Head of the Department may vary the terms of the instrument appointing him a member so as to alter the date on which he is to vacate office as a member.

4. If the chairman or a deputy chairman ceases to be a member, he shall cease to be chairman or a deputy chairman, as the case may be.

5. If the Head of the Department is satisfied that a member of the Agency—

- (a) has become bankrupt or made an arrangement with his creditors; or
- (b) is incapacitated by reason of physical or mental illness; or
- (c) has been absent from a meeting of the Agency for a period longer than three consecutive months without the permission of the Agency; or
- (d) is otherwise unable or unfit to discharge the functions of a member of the Agency, or is unsuitable to continue as a member,

the Head of the Department shall have power to remove him from office as a member of the Agency.

##### *Remuneration etc. of members*

6. The Agency shall pay to each member such remuneration and such allowances as the Department may, with the approval of the Department of Finance, determine and where a member of the Agency is in the employ of any other person, the Agency may make to that other person in consideration of the services to the Agency of that member such payments as the Department may, with the approval of the Department of Finance, determine.

7. The Agency shall make such provision as may be determined by the Department, with the approval of the Department of Finance, for the payment of pensions, allowances or gratuities (including refunds of contributions to any pension fund with or without interest or other additions) to or in respect of such members or past members of the Agency as may be so determined.

8. Where a person ceases to be a member otherwise than on the expiry of his term of office, and it appears to the Department that there are special circumstances which make it right for that person to receive compensation, the Department, with the approval of the Department of Finance, may direct the Agency to make to that person

a payment of such amount as the Department may, with the approval of the Department of Finance, determine.

#### *Investigation of Complaints*

9. In Part II of Schedule 1 to the Commissioner of Complaints Act (Northern Ireland) 1969 (a) (public bodies subject to investigation) the following entry shall be inserted at the appropriate point in alphabetical order:—

“The Northern Ireland Development Agency”.

#### *Disqualification of members of the Agency for Northern Ireland Assembly*

10. In Part II of Schedule 1 to the Northern Ireland Assembly Disqualification Act 1975 (bodies of which all members are disqualified) there shall be inserted, at the appropriate place in alphabetical order:—

“The Northern Ireland Development Agency”.

#### *Staff*

11.—(1) Without prejudice to Article 3 (7), the Agency may employ such officers and servants as appear to the Agency necessary for the exercise of its functions.

(2) The Agency may pay to persons employed by it such remuneration as the Agency may determine but the remuneration payable to such of those persons as the Department may from time to time determine shall be subject to the approval of the Department and the Department of Finance.

(3) The Agency may pay to persons employed by it such reasonable allowances in respect of expenses as the Department may, with the approval of the Department of Finance, determine.

(4) The Agency may—

(a) pay such pensions, allowances or gratuities to or in respect of such persons employed by it;

(b) make such payments towards the provision of such pensions, allowances or gratuities (including refunds of contributions to any pensions fund with or without interest or other additions); and

(c) provide and maintain such schemes (whether contributory or not) for the payment of such pensions, allowances or gratuities;

as may be determined by the Department with the consent of the Department of Finance.

(5) Where a person employed by the Agency and participating in a scheme for the payment of pensions, allowances or gratuities which is applicable to such persons becomes a member of the Agency, his service as a member may be treated for the purposes of the scheme as service as a person employed by the Agency, whether or not provision for or in respect of him is made under paragraph 7.

(6) Except so far as the Agency is satisfied that adequate machinery exists for the purpose, it shall be the duty of the Agency to seek consultation with any organisation appearing to it to be appropriate with a view to the conclusion between the Agency and that organisation of such agreements as appear to the parties to be desirable with respect to the establishment and maintenance of machinery for the settlement by negotiation of terms and conditions of employment of persons employed by the Agency, with provision for reference to arbitration in default of such agreement in such cases as may be determined by or under the agreements.

#### *Proceedings*

12. The quorum of the Agency and the arrangements relating to meetings of the Agency shall be such as the Agency may determine.

---

(a) 1969 c. 25 (N.I.).

13.—(1) A member who is in any way directly or indirectly interested in a contract made or proposed to be made by the Agency, or in any other matter whatsoever which falls to be considered by the Agency, shall disclose the nature of his interest at a meeting of the Agency, and the disclosure shall be recorded in the minutes of the meeting.

(2) Such a member shall not—

(a) in the case of any such contract, take part in any deliberation or decision of the Agency with respect to the contract; and

(b) in the case of any other matter, take part in any deliberation or decision of the Agency with respect to the matter if the Agency decides that the interest in question might prejudicially affect the member's consideration of the matter.

(3) For the purposes of this paragraph, a notice given by a member at a meeting of the Agency to the effect that he is a member of a specified body corporate or firm and is to be regarded as interested in any contract which is made with the company or firm after the date of the notice, and in any other matter whatsoever concerning the company or firm which falls to be considered by the Agency after that date, shall be a sufficient disclosure of his interest.

(4) A member need not attend in person at a meeting of the Agency in order to make a disclosure which he is required to make under this paragraph, if he takes reasonable steps to secure that the disclosure is made by a notice which is taken into consideration and read at such a meeting.

14. The validity of any proceedings of the Agency shall not be affected by any vacancy among the members or by any defect in the appointment of a member or by any failure to comply with the requirements of paragraph 13.

#### *Committees*

15.—(1) In connection with the exercise of its functions, the Agency may establish such committees as appear to it to be appropriate, and the composition and remit of such a committee and the terms on which its members hold office shall be determined by the Agency.

(2) The Agency shall pay to members of any committee established under sub-paragraph (1), who are not members of the Agency, travelling and other allowances, including compensation for loss of remunerative time, in accordance with arrangements to be determined by the Department with the approval of the Department of Finance.

#### *Attestation of documents*

16. The application of the seal of the Agency to any document shall be attested by the signature of the chairman of the Agency or some other person authorised by the Agency for that purpose.

#### *Stamp Duty*

17.—(1) Stamp duty shall not be chargeable on any instrument which is certified to the Commissioners of Inland Revenue by the Agency as having been made or executed, for the purposes of the transfer to the Agency of securities or other property held—

(a) by or on behalf of the Crown; or

(b) by a company all of whose shares are held by or on behalf of the Crown or by a wholly owned subsidiary of such a company.

(2) No such instrument as is mentioned in sub-paragraph (1) shall be deemed to be duly stamped unless it is stamped with the duty for which it would, but for this paragraph, be liable, or it has, in accordance with the provisions of the Stamp Act 1891 (a) been stamped with a particular stamp denoting that it is not chargeable with any duty or that it is duly stamped.



(3) Property vested in the Agency by virtue of Article 13 shall not be treated as so vested by way of sale for the purposes of section 12 of the Finance Act 1895 (a) (which requires enactments to be stamped as conveyances on sale in certain cases).

*Acquisition of holdings of minority shareholders*

18. Section 200 of the Companies Act (Northern Ireland) 1960 (power to acquire shares of share-holders dissenting from scheme or contract approved by majority) shall have effect in relation to the transfer of shares or any class of shares in a company to the Agency and references to a transferee company in that section shall be construed accordingly.

*Circulars*

19. Section 13 (1) of the Prevention of Fraud (Investments) Act (Northern Ireland) 1940 (b) shall not apply to documents which the Agency distributes in the discharge of its functions or causes to be so distributed or has in its possession for the purposes of such distribution and the distribution of such documents is, for the purposes of section 14 (2) (c) of the Prevention of Fraud (Investments) Act 1958 (c), hereby authorised by this Order.

SCHEDULE 2

Article 3 (12).

FINANCIAL AND ADMINISTRATIVE PROVISIONS RELATING TO AGENCY

*Borrowing Powers*

1.—(1) The Agency may borrow money only—

- (a) in accordance with sub-paragraphs (2) and (3), or
- (b) from its wholly-owned subsidiaries.

(2) The Agency may borrow temporarily, by way of overdraft or otherwise, such sums as it may require for meeting its obligations and discharging its functions—

- (a) in sterling from the Department; or
- (b) with the consent of the Department and the approval of the Department of Finance, or in accordance with any general authority given by the Department with the approval of the Department of Finance, either in sterling or in a currency other than sterling from a person other than the Department.

(3) The Agency may borrow otherwise than by way of temporary loan such sums as it may require for capital purposes or for fulfilling guarantees entered into by it—

- (a) in sterling from the Department; or
- (b) with the consent of the Department and the approval of the Department of Finance, in sterling from the Commission of the European Communities or the European Investment Bank, or
- (c) with the like consent and approval in any currency other than sterling from a person other than the Department.

(4) References to borrowing in this paragraph do not include borrowing under Article 7.

*Loans to Agency by Department*

2.—(1) The Department may lend to the Agency any sums which the Agency has power to borrow from it under paragraph 1, and the Department of Finance may issue to the Department out of the Consolidated Fund any sums necessary to enable the Department to make loans in pursuance of this sub-paragraph.

(2) The Department of Finance may borrow money for the purpose of providing for issues out of the Consolidated Fund under sub-paragraph (1).

(3) Any loans made in pursuance of sub-paragraph (1) shall be repaid to the Department at such times and by such methods, and interest on the loan shall be paid to it at such times and at such rates, as it may from time to time direct.

---

(a) 1895 c. 16.

(b) 1940 c. 9 (N.I.).

(c) 1958 c. 45.

(4) All sums received from the Agency by the Department as interest on loans or repayment of loans shall be paid into the Consolidated Fund.

(5) The Department shall prepare in respect of each financial year an account, in such form as the Department of Finance may direct, of the sums issued by it in pursuance of sub-paragraph (1) and the sums received by it from the Agency as interest on loans or repayment of loans and of the disposal by it of those sums and shall send the account to the Comptroller and Auditor General before the end of the month of November next following the end of that year; and the Comptroller and Auditor General shall examine, certify and report on the account and lay copies of it and of his report before the Northern Ireland Assembly.

#### *Borrowing by wholly owned subsidiaries*

3. It shall be the duty of the Agency to secure that no wholly owned subsidiary of its borrows money otherwise than from the Agency or from another wholly owned subsidiary of its except with the consent of the Department and the approval of the Department of Finance.

#### *Guarantees*

4.—(1) The Department of Finance may guarantee, in such manner and on such conditions as it thinks fit, the repayment of the principal of, and the payment of interest on, any sums which the Agency borrows from a person other than the Department.

(2) Any sums required by the Department of Finance for fulfilling a guarantee under this paragraph shall be charged on and issued out of the Consolidated Fund and that Department may borrow money for the purpose of providing for such issues.

(3) If any sums are issued in fulfilment of a guarantee given under this paragraph, the Agency shall make to the Department of Finance, at such time and in such manner as the Department of Finance from time to time directs, payments of such amounts as the Department of Finance so directs in or towards repayment of the sums so issued and payments of interest, at such rate as the Department of Finance so directs, on what is outstanding for the time being in respect of sums so issued.

(4) Any sums received by the Department of Finance in pursuance of sub-paragraph (3) shall be paid into the Consolidated Fund.

(5) The Department of Finance shall include with the Finance Accounts presented to the Northern Ireland Assembly under section 10 (2) of the Exchequer and Financial Provisions Act (Northern Ireland) 1950 (a)—

- (a) a statement of the total amount of the guarantees, if any, given under this paragraph during the then last preceding financial year; and
- (b) an account up to the end of that financial year of the total sums, if any, which have been issued under sub-paragraph (2) out of the Consolidated Fund or paid to the Department of Finance under sub-paragraph (3).

#### *Other Government investment in Agency*

5.—(1) The Department may pay to the Agency such sums (in this Schedule referred to as "public dividend capital") as the Department thinks fit.

(2) The Department may direct that so much of the debt assumed by the Agency under paragraph 6 as it may, with the approval of the Department of Finance, determine shall be treated as an addition to that capital.

(3) Public dividend capital may, in such cases as the Department may determine, be used to repay the principal of loans referred to in Article 10 (1) (a) and the Department may make contributions towards any interest due and outstanding on such loans at the time when they are so repaid.

---

(a) 1950 c. 3 (N.I.).

(4) In consideration of receiving public dividend capital the Agency shall make to the Department, as respects each financial year (except such a year as respects which the Agency satisfies the Department that it is inappropriate to make a payment in pursuance of this sub-paragraph), payments of such amounts as may be proposed by the Agency and agreed by the Department or such other amounts as the Department may determine, after consultation with the Agency; and any sums received by the Department in pursuance of this sub-paragraph shall be paid into the Consolidated Fund.

(5) The account prepared in respect of any financial year in pursuance of paragraph 2 (5) shall include particulars of the sums which in that year are paid to the Agency or are paid into the Consolidated Fund in pursuance of this paragraph.

(6) The Department shall not make a payment, signify agreement, or make a determination in pursuance of this paragraph except with the approval of the Department of Finance.

#### *The Agency's Capital Debt*

6.—(1) Upon any acquisition to which this paragraph applies, the Agency shall assume a debt to the Department of such amount as may be notified to the Agency in writing by the Department, with the approval of the Department of Finance.

(2) This paragraph applies to any acquisition by the Agency—

(a) of securities or other property held—

(i) by or on behalf of the Crown; or

(ii) by a company all of whose shares are held by or on behalf of the Crown or by a wholly owned subsidiary of such a company; or

(b) under Article 7.

(3) Subject to sub-paragraph (4), in a case to which sub-paragraph (2) (a) applies, the amount to be notified is the aggregate of the following, namely—

(a) the consideration given when the property was first brought into public ownership, and

(b) the costs and expenses of and incidental to it being brought into public ownership.

(4) If it appears to the Department in any such case that there has been such a change in circumstances since the property was first brought into public ownership that its true value would not be reflected by reference to the consideration mentioned in sub-paragraph (3), the Department, with the approval of the Department of Finance, shall determine the amount to be notified.

(5) In a case to which sub-paragraph (2) (b) applies, the amount to be notified is the aggregate of the consideration for the acquisition and the costs and expenses of and incidental to it.

(6) The rate of interest payable on so much of the Agency's capital debt as the Department does not direct to be treated as an addition to the Agency's public dividend capital, and the date from which interest is to begin to accrue, the arrangements for paying off the principal, and the other terms of the debt shall be such as the Department, with the approval of the Department of Finance, may from time to time determine; and different rates and dates may be determined under this sub-paragraph with respect to different portions of the debt.

(7) Any sums received by the Department under sub-paragraph (6) shall be paid into the Consolidated Fund.

### *Accounts and audit*

7.—(1) The Agency shall keep proper accounts and other records in relation to the accounts and shall prepare in respect of each financial year a statement of accounts in such form and containing such information as the Department, with the approval of the Department of Finance, may determine, the form being such as shall conform to the best commercial standards.

(2) The accounts of the Agency shall be audited by auditors appointed by the Agency with the approval of the Department and shall be vouched to the satisfaction of such auditors.

(3) The Agency shall, at such time in each year as the Department may direct, transmit copies of the statement of accounts for the financial year last ended, certified by the auditors, to the Department and to the Comptroller and Auditor General.

(4) The Comptroller and Auditor General shall examine a copy of each annual statement of accounts and shall make a report thereon and shall send copies of that report to the Department and to the Agency and the Department shall lay a copy of the report before the Northern Ireland Assembly.

(5) The Agency shall provide the Department with such information relating to its activities or proposed activities as the Department may from time to time require and for that purpose shall permit any person authorised in that behalf by the Department or the Comptroller and Auditor General to inspect and make copies of the Agency's accounts, books, documents or papers, and the Agency shall afford to that person such explanation thereof as he may reasonably require.

### *Annual Report*

8.—(1) It shall be the duty of the Agency to make to the Department, as soon as possible after the end of each financial year, a report dealing with the operations of the Agency during that year and such report shall be in such form and contain such information as the Department may direct.

(2) The Department shall lay before the Northern Ireland Assembly a copy of each report made to it under this paragraph together with a copy of each annual statement of accounts transmitted to it under paragraph 7 (3).

(3) If a report laid under sub-paragraph (2) sets out a direction under Article 6, a copy of which has not been laid in accordance with paragraph (4) of that Article, a statement of the reason why the copy was not so laid shall be annexed to the Agency's report by the Head of the Department and the said paragraph (4) shall not apply to the direction.

Article 13 (6).

### SCHEDULE 3

#### STAFF OF NORTHERN IRELAND FINANCE CORPORATION

#### *Transfer of Staff*

1. In the case of a person to be employed by the Agency on or after the day appointed for the coming into operation of Article 13, who immediately before that day was employed by the Northern Ireland Finance Corporation, the Agency shall ensure that—

- (a) so long as he continues in the employment of the Agency and until he is served with a statement in writing specifying new terms and conditions of employment, each such person enjoys terms and conditions of employment not less favourable, taken as a whole, than those he enjoyed as a member of the Corporation's staff immediately before joining the Agency's staff;
- (b) the new terms and conditions are such that, so long as he is engaged in duties reasonably comparable to those in which he was engaged immediately before

he joined the Agency's staff, the terms and conditions of his employment, taken as a whole, are not less favourable than those which he then enjoyed.

2. The Department shall by regulations made with the consent of the Department of Finance require the Agency to pay, in such cases and to such extent as may be determined by or under the regulations, compensation to or in respect of persons hitherto employed by the Corporation who suffer loss of employment or loss or diminution of emoluments or pension rights in consequence of the provisions of this Order.

3. Regulations under paragraph 2 may be so framed as to have effect as from a date prior to the making thereof, so, however, that so much of any regulations as provides that any provision thereof is to have effect from a date earlier than the making thereof shall not place any person other than the Agency in a worse position than he would have been in if the regulations had been made to have effect only from the date of the making thereof.

4. Regulations under paragraph 2—

- (a) may prescribe the procedure to be followed in making claims for compensation, and the manner in which, and the person by whom, the question whether any or what compensation is payable is to be determined; and
- (b) may apply, with or without modifications, the provisions of any other rules or regulations relating to similar matters.

#### *Continuity of Employment*

5. For the purposes of the Contracts of Employment and Redundancy Payments Act (Northern Ireland) 1965 (a) there shall be deemed to have been no break in the employment of any person who is transferred from the employment of the Northern Ireland Finance Corporation to that of the Agency.

---

(a) 1965 c. 19 (N.I.).

## EXPLANATORY NOTE

*(This Note is not part of the Order.)*

This Order provides for the establishment of a Northern Ireland Development Agency, transfers to it the assets and liabilities of the Northern Ireland Finance Corporation and provides for the dissolution of that Corporation. The Order also extends the powers of giving assistance to industry under the Industries Development Act (Northern Ireland) 1966 and the Industrial Investment (General Assistance) Act (Northern Ireland) 1966 and authorises the Department to accept the transfer to it of publicly owned securities.