



Atomic Energy Authority Act 1971

1971 CHAPTER 11

An Act to provide for the transfer to British Nuclear Fuels Limited and The Radiochemical Centre Limited of parts of the undertaking of the United Kingdom Atomic Energy Authority and of property, rights, liabilities and obligations appertaining to those parts of the Authority's undertaking; to make provision with respect to persons employed by the Authority and engaged in those parts of the Authority's undertaking, with respect to the control and finances of the said companies, and with respect to the application of pension schemes maintained by the Authority; to amend the provisions of the Nuclear Installations Act 1965 relating to permits under section 2 of that Act; to make provision relating to factories, offices, building operations and other works on sites in respect of which such permits are in force; to provide for the application of security provisions where such permits are in force and also where companies are designated by the Secretary of State in connection with an agreement relating to the gas centrifuge process for producing enriched uranium; and for purposes connected with those matters. [16th March 1971]

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:—

Transfer of parts of Authority's undertaking

1 Transfer of part of Authority's undertaking to Nuclear Fuels Company

- (1) On the appointed day there shall, by virtue of this Act and without further assurance, be transferred to British Nuclear Fuels Limited (in this Act referred to as " the Nuclear Fuels Company ")—
 - (a) so much of the undertaking of the United Kingdom' Atomic Energy Authority (in this Act referred to as " the Authority ") as, immediately before that day, is financed out of the Authority's trading fund and is not excepted from this paragraph by subsection (2) of this section;

- (b) all such property, rights, liabilities and obligations as, immediately before the appointed day, are property, rights, liabilities and obligations of the Authority appertaining to that part of the Authority's undertaking which falls within paragraph (a) of this subsection and are not excepted from this paragraph by or under subsection (2) of this section or section 3, section 5 or section 6 of this Act; and
 - (c) all such lands and premises as immediately before the appointed day are the property of the Authority at Springfields in the county of Lancaster or at Windscale in the county of Cumberland and do not fall within paragraph (b) of this subsection.
- (2) There are excepted—
- (a) from paragraph (a) of the preceding subsection, so much of the undertaking of the Authority as immediately before the appointed day is carried on at the Authority's Radiochemical Centre at Amersham in the county of Buckingham (in this Act referred to as " the Radiochemical Centre "), or is carried on at the Authority's establishment at Harwell in the county of Berkshire, and
 - (b) from paragraph (b) of that subsection, all such lands and premises as immediately before that day are occupied for the purposes of the Authority's establishment at Risley in the county of Lancaster (whether any such lands or premises are situated in that county or in the county of Chester).
- (3) For the purposes of this and the next following section any part of the Authority's undertaking shall be taken to be financed out of the Authority's trading fund at any time if the expenses of the Authority in carrying on that part of the undertaking are at that time treated in the accounts of the Authority as payable out of that fund.

2 Transfer of part of Authority's undertaking to Radiochemical Company

- (1) On the appointed day there shall, by virtue of this Act and without further assurance, be transferred to The Radiochemical Centre Limited (in this Act referred to as " the Radiochemical Company ")—
- (a) so much of the undertaking of the Authority as immediately before that day is financed out of the Authority's trading fund and is carried on at the Radiochemical Centre or at the Authority's establishment at Harwell; and
 - (b) all such property, rights, liabilities and obligations as, immediately before that day, are property, rights, liabilities and obligations of the Authority appertaining to that part of the Authority's undertaking which falls within paragraph (a) of this subsection and are not excepted from this paragraph by or under subsection (2) of this section or section 3, section 5 or section 6 of this Act.
- (2) There are excepted from paragraph (b) of the preceding subsection all lands and premises forming part of the Authority's establishment at Harwell.

3 Exclusions from transfers in respect of patents and other industrial property

- (1) There is excepted from paragraph (b) of section 1(1) and from paragraph (b) of section 2(1) of this Act any interest of the Authority in—
- (a) any patent, registered design or registered trade mark, or
 - (b) any application for the grant of a patent, or for the registration of a design or of a trade mark, which is pending immediately before the day which is the

- appointed day for the purposes of section 1 or section 2 of this Act, as the case may be, or
- (c) any invention in respect of which an application for a patent is pending as mentioned in paragraph (b) of this subsection or which, in pursuance of arrangements made in that behalf by the Authority, is recorded as having been made before the day mentioned in that paragraph.
- (2) There are also excepted from paragraph (b) of section 1(1) and from paragraph (b) of section 2(1) of this Act—
- (a) any rights, liabilities or obligations of the Authority in respect of any licence to use a patented invention, registered design or registered trade mark, or to use an invention, design or trade mark in respect of which an application for a patent, or for registration of the design or trade mark, is pending, whether any such licence was granted by or to the Authority, including any rights to grant sub-licences under any such licence ;
 - (b) any rights, liabilities or obligations of the Authority arising under any assignment (whether by or to the Authority) of a patent, registered design or registered trade mark, or of the right to apply for or to obtain any patent or to apply for or to obtain registration of a design or trade mark ; and
 - (c) any rights, liabilities or obligations of the Authority under any agreement in so far as it provides (whether conditionally or otherwise) for any such licence or such licence as is mentioned in paragraph (a) or any such assignment as is mentioned in paragraph (b) of this subsection to be granted or made in the future or for the furnishing of information or technical assistance relating to any invention, design or trade mark, whether actual or prospective.
- (3) Where by virtue of subsection (1) or subsection (2) of this section any interest, rights, liabilities or obligations are excepted as therein mentioned, the exception shall include the copyright in—
- (a) any literary work consisting of a document by which the interest, rights, liabilities or obligations were conferred or imposed or in which the subject-matter to which they relate is embodied, or
 - (b) any artistic work on which that subject-matter was based or from which it was wholly or partly derived.
- (4) The Authority shall make available to each of the companies such facilities for, and information relating to, the use of any invention, design or trade mark in respect of which an exception is made by the preceding provisions of this section as may be agreed between the Authority and the company to be requisite for the purposes of the part of the Authority's undertaking transferred to that company by virtue of this Act, or as, in default of such agreement, the Secretary of State may direct as being requisite for those purposes; and any such facilities or information shall be so made available in such manner, and on such terms as to payment or otherwise, as may be agreed between the Authority and the company or as, in default of such agreement, the Secretary of State may direct.
- (5) In this section any reference to a patent, or to a registered design or registered trade mark, or to copyright, shall be construed as referring to a patent granted, or a design or trade mark registered, or to copyright subsisting, under the laws of any country or territory outside the United Kingdom as well as to a patent granted, design or trade mark registered, or copyright subsisting, under the laws of the United Kingdom.

4 Use of certain lands, premises, apparatus, facilities and services

- (1) The Nuclear Fuels Company—
 - (a) shall secure to the Authority the exclusive occupation and use of the lands and premises transferred by subsection (1) of section 1 of this Act as being lands or premises falling within paragraph (c) of that subsection, and
 - (b) shall make available to the Authority the use of such means of access and other facilities and services as may be agreed between them to be requisite in connection with the occupation and use of those lands and premises or as, in default of such agreement, the Secretary of State may direct as being in his opinion requisite in connection therewith.
- (2) The Authority shall secure to the Radiochemical Company the exclusive occupation and use of the lands and premises at Harwell which, immediately before the day which is the appointed day for the purposes of section 2 of this Act, are occupied and used exclusively for the purposes of that part of the Authority's undertaking which is transferred by that section, and shall make available to that company the use of—
 - (a) such means of access and other facilities and services as may be agreed between them to be requisite in connection with the occupation and use of those lands and premises or as, in default of such agreement, the Secretary of State may direct as being in his opinion requisite in connection therewith, and
 - (b) all such additional apparatus, facilities and services as may be agreed between them to be additional apparatus, facilities and services which, immediately before that day, were used or enjoyed in connection with that part of the Authority's undertaking carried on at Harwell which is transferred by section 2 of this Act or as, in default of such agreement, the Secretary of State may direct as being in his opinion additional apparatus, facilities and services which were so used or enjoyed.
- (3) The terms on which anything is secured or made available to the Authority in accordance with subsection (1) of this section shall not include any rent or payment in the nature of rent (as distinct from any payment in respect of rates, maintenance or other outgoings).
- (4) Subject to subsection (3) of this section, anything which, in accordance with subsection (1) or subsection (2) of this section, is required to be secured or made available shall be so secured or made available on such terms, as to payment or otherwise, as may be agreed between the Authority and the Nuclear Fuels Company, or between the Authority and the Radiochemical Company, as the case may be, or as, in default of such agreement, the Secretary of State may direct.
- (5) In this section any reference to additional apparatus, facilities and services is a reference to apparatus, facilities and services which—
 - (a) do not form part of the property and rights transferred by section 2 of this Act, and
 - (b) do not fall within subsection (2)(a) of this section.

5 Powers of Secretary of State in relation to transfers under ss. 1 and 2

- (1) The Secretary of State may give such directions extending or restricting the operation of any of the provisions of sections 1 and 2 of this Act as he may consider expedient for the purpose of making minor adjustments of the property, rights, liabilities and obligations transferred by virtue of either of those sections, in order to facilitate

the carrying on of any part of the Authority's undertaking thereby transferred or to facilitate the carrying on of so much of that undertaking as is not so transferred.

- (2) Any directions under subsection (1) of this section may in particular provide for dividing and apportioning any property, rights, liabilities or obligations between the Authority and the companies or any two of them.
- (3) For the purposes of section 1 or section 2 of this Act the Secretary of State may give a direction with respect to any sum which, immediately before the day which is the appointed day for the purposes of that section, is treated in the accounts of the Authority as loan capital advanced from the Consolidated Fund, that is to say, the Secretary of State may direct—
 - (a) that the sum in question shall for those purposes be taken to be a debt incurred by the Authority to the Secretary of State and repayable with interest on the terms provided by such arrangements relating to it as are for the time being in force as between the Authority and the Secretary of State, and
 - (b) that the liability of the Authority for repayment of the principal of, and payment of interest on, so much of that debt as is apportioned by the direction to the Nuclear Fuels Company or to the Radiochemical Company shall for those purposes be taken to be a liability appertaining to the part of the Authority's undertaking transferred to that company by section 1 or section 2 of this Act, as the case may be.
- (4) The Secretary of State may give directions—
 - (a) excepting from the operation of section 1 or section 2 of this Act any books or other documents which in his opinion are not required for use in connection with the part of the Authority's undertaking thereby transferred, or
 - (b) extending the operation of either of those sections to any books or other documents which in his opinion are required for such use.
- (5) Subject to the next following subsection, a certificate issued by the Secretary of State to the effect that any part of the Authority's undertaking or any property of the Authority which is specified in the certificate was, or was not, transferred to the Nuclear Fuels Company or to the Radiochemical Company by virtue of this Act, or that any rights, liabilities or obligations of the Authority specified in the certificate were, or were not, so transferred, shall be conclusive evidence of the matters stated in the certificate.
- (6) The issue of a certificate under subsection (5) of this section shall not prevent a subsequent direction being given under any of the preceding provisions of this section in relation to any property, rights, liabilities or obligations to which the certificate relates.
- (7) Before giving any direction or issuing any certificate under this section in relation to any matter the Secretary of State shall consult the Authority and the companies, if all three of them are affected by that matter, or, if only two of them are affected by it, shall consult those two; and on giving any direction or issuing any certificate under this section the Secretary of State shall send a copy of it to each of those bodies which is affected by it.
- (8) No directions shall be given under subsection (1), subsection (3) or subsection (4) of this section after the end of the period of two years beginning with the day which is the appointed day for the purposes of sections 1 and 2 of this Act (or, if different days are appointed for the purposes of those sections respectively, the period of two years beginning with the later of those days).

6 Supplementary provisions relating to transfers

- (1) In addition to any matter which by or under any of the preceding provisions of this Act is excepted from paragraph (b) of section 1(1) or from paragraph (b) of section 2(1) of this Act, there are excepted from those paragraphs any rights, liabilities or obligations of the Authority under—
- (a) any contract of employment;
 - (b) any agreement for the rendering by a person of services to the Authority in his capacity as a member of the Authority; or
 - (c) any pension scheme or agreement relating to a pension scheme.
- (2) Where immediately before the day which is the appointed day for the purposes of section 1 or section 2 of this Act there is in force an agreement which—
- (a) confers or imposes on the Authority any rights, liabilities or obligations which are transferred to one of the companies by virtue of that section, and
 - (b) refers (in whatever terms and whether expressly or by implication) to a member or officer of the Authority,
- the agreement shall have effect, in relation to anything falling to be done on or after that day, as if for that reference there were substituted a reference to such person as that company may appoint or, in default of such appointment, to the officer of that company who corresponds as nearly as may be to the member or officer of the Authority in question.
- (3) Where any right, liability or obligation is transferred to one of the companies by virtue of this Act, that company and all other persons shall, on and after the day on which it is so transferred, have the same rights, powers and remedies (and, in particular, the same rights as to the taking or resisting of legal proceedings) for ascertaining, perfecting or enforcing that right, liability or obligation as they would have had if it had at all times been a right, liability or obligation of the company; and any legal proceedings by or against the Authority which relate to any property, right, liability or obligation transferred to one of the companies by virtue of this Act, and are pending on the day when the transfer takes effect, may be continued on and after that day by or against the company.
- (4) In subsection (3) of this section any reference to legal proceedings shall be construed as including a reference to any application to an authority, and any reference to the taking or resisting of legal proceedings shall be construed accordingly.

7 Issue of shares in consideration of transfers

Each of the companies shall, in consideration of the property, rights, liabilities and obligations transferred to it by virtue of this Act, issue to the Authority, credited as fully paid up, such shares in the company as may be agreed between the company and the Authority with the approval of the Secretary of State and of the Treasury.

Provisions as to employees

8 Employees in transferred parts of undertaking

- (1) Subject to the following provisions of this section—
- (a) every person who, immediately before the day which is the appointed day for the purposes of section 1 of this Act, is an employee of the Authority engaged

in that part of the Authority's undertaking which is transferred by virtue of that section shall on that day by virtue of this subsection cease to be employed by the Authority and become an employee of the Nuclear Fuels Company, and

- (b) every person who, immediately before the day which is the appointed day for the purposes of section 2 of this Act, is an employee of the Authority engaged in that part of the Authority's undertaking which is transferred by virtue of that section shall on that day by virtue of this subsection cease to be employed by the Authority and become an employee of the Radiochemical Company;

and in the following provisions of this section and in sections 9, 10 and 20 of this Act " the date of transfer ", in relation to any such person, means the day on which, by virtue of paragraph (a) or paragraph (b) of this subsection, he becomes an employee of the Nuclear Fuels Company or of the Radiochemical Company, as the case may be.

- (2) Paragraph (a) of subsection (1) of this section shall not have effect in relation to any person who, immediately before the day referred to in that paragraph, is employed as a member of the Authority's constabulary.
- (3) Where by virtue of subsection (1) of this section a person becomes an employee of one of the companies, then, subject to the following provisions of this section, he shall be deemed to be employed by that company on the terms and conditions appropriate to him immediately after the transfer, and a contract consisting of those terms and conditions shall be deemed to be in force between him and that company accordingly until it is duly terminated by notice or otherwise.
- (4) For the purposes of this section, in relation to a person who by virtue of subsection (1) of this section becomes an employee of one of the companies, the terms and conditions appropriate to him immediately after the transfer shall be taken to be such terms and conditions as correspond, as nearly as the circumstances permit, to those which immediately before the date of transfer applied to him under his contract of employment with the Authority.
- (5) Where any notice given by or to any such employee in pursuance of his contract of employment with the Authority is due to expire after the date of transfer, or any procedure or other matter is pending between any such employee and the Authority immediately before that date, the notice shall continue to have effect or, as the case may be, the procedure or other matter may be continued after that date as between him and the company of which he becomes an employee on that date as if it had been given or initiated in accordance with the terms and conditions appropriate to him immediately after the transfer, subject to such modifications as may be requisite—
 - (a) for bringing it into conformity with those terms and conditions, and
 - (b) in particular, in so far as anything relating to the matter in question would have fallen to be done by or in relation to a specified member or officer of the Authority, for substituting for that member or officer such officer of the company as may be designated by or on behalf of the company as the officer who corresponds as nearly as may be to the specified member or officer of the Authority.
- (6) Nothing in subsection (3) or subsection (5) of this section shall have effect in relation to an employee in respect of any time after the contract deemed to be in force between him and one of the companies by virtue of subsection (3) of this section has been superseded by a new contract of employment made between him and the company; and nothing in those subsections shall be construed as preventing a contract so deemed to be in force from being varied by agreement between the employer and the employee.

9 Machinery for settling terms and conditions of employment

- (1) It shall be the duty of each of the companies to seek consultation with any organisation appearing to them to be appropriate, with a view to the conclusion between the company and that organisation of such agreements as appear to the parties to be desirable with respect to the establishment and maintenance of machinery for—
 - (a) the settlement by negotiation of terms and conditions of employment of persons employed by the company, with provision for reference to arbitration, in default of such settlement, of such cases as may be determined by or under the agreements, and
 - (b) the promotion and encouragement of measures affecting the safety, health and welfare of persons employed by the company and (so far as in the opinion of the company considerations of national security permit) the discussion of other matters of mutual interest to the company and their employees, including efficiency in the work of the company.
- (2) In concluding any such agreement as is mentioned in subsection (1) of this section, in so far as the agreement relates to persons who by virtue of subsection (1) of section 8 of this Act become employees of one of the companies.—
 - (a) the company and the organisation with which the agreement is made shall have regard to the principle that any terms and conditions of employment which, in the case of any such person, are to take effect in substitution for the contract deemed to be in force by virtue of subsection (3) of that section ought, taken as a whole, to be no less favourable to him than the terms and conditions which immediately before the date of transfer applied to him under his contract of employment with the Authority, and
 - (b) the company and the organisation shall secure that (without prejudice to any other provision for arbitration which may be contained in the agreement) the agreement shall provide for arbitration in any case of dispute on the question whether any particular terms and conditions proposed to be so substituted would conform to that principle.
- (3) In subsection (2) of this section references to terms and conditions of employment shall be construed as not including any terms or conditions relating to pensions or to inclusion in a pension scheme.
- (4) Nothing in subsection (2) of this section shall have effect in relation to any terms or conditions proposed by way of variation of, or in substitution for, terms and conditions of employment which (whether settled by negotiation or by arbitration) have been substituted for the contracts deemed to be in force by virtue of section 8(3) of this Act.

10 Supplementary provisions relating to contracts of employment

- (1) Notwithstanding anything in section 22 of the Redundancy Payments Act 1965 (implied or constructive termination of contract), the operation of section 8(1) of this Act in relation to any person shall not be treated for the purposes of that Act as a termination by the Authority of his contract of employment.
- (2) Where section 8(1) of this Act has effect in relation to an employee of the Authority, and immediately before the date of transfer section 4 of the Contracts of Employment Act 1963 (written particulars of terms of employment) does not apply to him by virtue of subsection (8) of that section (which relates to employees whose contracts have been reduced to writing)—

- (a) the said section 4 shall not apply to him as an employee of the Nuclear Fuels Company or of the Radiochemical Company, as the case may be, until such time as the contract deemed to be in force between him and that company by virtue of section 8(3) of this Act is superseded by a new contract of employment made between him and the company, but
 - (b) when the contract so deemed to be in force is superseded by a new contract as mentioned in the preceding paragraph, the company (unless exempted by subsection (8) of that section apart from this subsection) shall give to him a written statement under subsection (1) of that section not more than one month after the making of that new contract.
- (3) Section 4A(1) of the Contracts of Employment Act 1963 (references to tribunal as to particulars of terms of employment) shall have effect in relation to any requirement imposed by subsection (2)(b) of this section as if it had been a requirement imposed by section 4 of that Act.
- (4) For the purposes of Schedule 1 to the Contracts of Employment Act 1963 (computation of period of employment), and of that Schedule as applied by any provisions of the Redundancy Payments Act 1965, the transfer effected by virtue of section 1 or section 2 of this Act shall, without prejudice to the generality of sub-paragraph (2) of paragraph 10 of that Schedule, be taken to be such a transfer of an undertaking as is mentioned in that sub-paragraph, and accordingly the continuity of the period of employment of employees of the Authority engaged in that part of the Authority's undertaking which is so transferred shall be treated as not having been broken by the transfer of those employees to either of the companies under section 8(1) of this Act.

Control and finances of the companies

11 Provisions as to shares in the companies

- (1) The Secretary of State may at any time by order made by statutory instrument transfer to himself all or any of the shares in either of the companies which are for the time being held by the Authority ; and any shares transferred by such an order shall vest in the Secretary of State by virtue of the order and without further assurance or other formality.
- (2) Any statutory instrument containing an order under subsection (1) of this section shall be subject to annulment in pursuance of a resolution of either House of Parliament.
- (3) In the case of each of the companies the Authority, at any time when any shares in the company are held by them, and the Secretary of State, at any time when any shares in the company are held by him shall so exercise—
- (a) all such rights and powers as may be exercisable by the Authority or the Secretary of State, as the case may be, as a member of the company, and
 - (b) any power to dispose of any shares in the company,
- as to secure that the Authority or the Secretary of State will continue to hold shares in the company which in the aggregate (taking any shares held by the Authority together with any shares held by the Secretary of State) will carry more than half of the voting rights exercisable at general meetings of the company.
- (4) Subject to section 13 of this Act, where any shares are issued by either of the companies, otherwise than in pursuance of section 7 of this Act, the Secretary of State,

with the consent of the Treasury, may subscribe for any such shares and pay for them out of moneys provided by Parliament.

- (5) Any dividends or other sums received by the Secretary of State in right of any shares held by him in either of the companies shall be paid into the Consolidated Fund.

12 Loans by Secretary of State to the companies

- (1) Subject to the next following section, the Secretary of State may with the approval of the Treasury make loans to either of the companies on such terms as may with the approval of the Treasury be agreed between the Secretary of State and the company to which the loan is made.
- (2) The Treasury may issue out of the National Loans Fund to the Secretary of State such sums as are necessary to enable him to make loans under this section.
- (3) Any sums received by the Secretary of State by way of repayment of, or interest on, a loan made by him under this section shall be paid into the National Loans Fund.
- (4) The Secretary of State shall, in respect of each financial year, prepare in such form and manner as the Treasury may direct an account of sums issued to him under subsection (2) of this section and of any sums to be paid into the National Loans Fund under subsection (3) of this section, and of the disposal by him of those sums respectively, and send it to the Comptroller and Auditor General not later than the end of November in the following financial year; and the Comptroller and Auditor General shall examine, certify and report on the account and lay copies of it, together with his report, before each House of Parliament.

13 Limits on payments under ss. 11 and 12

- (1) The aggregate of—
- (a) the total amount paid by the Secretary of State or by the Authority, or by both collectively, for shares issued by either of the companies, otherwise than in pursuance of section 7 of this Act, and
 - (b) the total amount outstanding in respect of the principal of the loans made by the Secretary of State to either of the companies under section 12 of this Act,
- shall not, in the case of either of the companies, at any time exceed the limit for the time being applicable to that company in accordance with the following provisions of this section.
- (2) For the purposes of this section—
- (a) the limit applicable to the Nuclear Fuels Company is £50 million or such greater sum (not exceeding £75 million) as may be specified by an order made for the purposes of this paragraph which is for the time being in force;
 - (b) the limit applicable to the Radiochemical Company is £5 million or such greater sum (not exceeding £7 million) as may be specified by an order made for the purposes of this paragraph which is for the time being in force.
- (3) The power to make orders for the purposes of paragraph (a) or paragraph (b) of subsection (2) of this section shall be exercisable by the Secretary of State with the approval of the Treasury, and shall be so exercisable by statutory instrument; but no such order shall be made unless a draft of the order has been laid before the Commons House of Parliament and approved by a resolution of that House.

14 Accounts of companies to be laid before Parliament

As soon as practicable after the holding of any general meeting of either of the companies, the Secretary of State shall lay before each House of Parliament a copy of any accounts which, in accordance with any requirement of the Companies Acts 1948 to 1967, are laid before the company at that meeting, and of any documents which are annexed or attached to any such accounts.

15 Powers for Authority to provide services and facilities for the companies

- (1) The Authority shall have power, at the request of either of the companies, to provide for that company any service or facility which the Authority would have power to provide for the purposes of the Authority's own undertaking.
- (2) Without prejudice to the generality of subsection (1) of this section, the Authority, with the consent of the Secretary of State and of the Treasury, may enter into an agreement with either of the companies whereby the Authority undertake that, if the company incurs any liability of a description specified in the agreement, the Authority will indemnify the company in respect of that liability.
- (3) The terms of any agreement made with either of the companies under subsection (2) of this section shall be such as may, with the consent of the Secretary of State and of the Treasury, be agreed between the Authority and that company.

16 Treatment of transferred assets for purposes of investment grants

- (1) Where an asset, or the right to receive an asset, is transferred to one of the companies by virtue of this Act, then for the purposes of Part I of the Industrial Development Act 1966—
 - (a) so much of any expenditure incurred by the Authority in providing that asset as is approved capital expenditure in respect of which no payment of investment grant has been made to the Authority shall be treated as having been incurred by the company and not by the Authority;
 - (b) the asset, if provided for the purposes of the business of the Authority, shall be treated as having been provided for the purposes of the business of the company ; and
 - (c) where the asset itself is transferred to the company by virtue of this Act, it shall be treated as a new asset if it would have fallen to be so treated if it had remained vested in the Authority.
- (2) In this section " investment grant" means a grant under Part I of the Industrial Development Act 1966 and " approved capital expenditure" has the same meaning as in that Part of that Act.

Miscellaneous and supplementary provisions

17 Permits under Nuclear Installations Act 1965, s. 2

- (1) In section 2 of the Nuclear Installations Act 1965 (prohibition of certain operations except under permit), in subsection (1), the words " for such a use of the site for purposes of research or development " shall be omitted and after the words " government department " there shall be inserted the words " and for the time being in force " ; and after that subsection there shall be inserted the following subsections:—

- “(1A) A permit granted under this section, unless it is granted by title Minister, shall not authorise the use of a site as mentioned in paragraph (a) or paragraph (b) of the foregoing subsection otherwise than for purposes of research and development.
- (1B) Where a permit granted under this section by the Minister to a body corporate authorises such a use of a site for purposes other than, or not limited to, research and development, the Minister may by order direct that the provisions set out in Schedule 1 to this Act shall have effect in relation to that body corporate.
- (1C) Any power conferred by this section to make an order shall include power to vary or revoke the order by a subsequent order; and any such power shall be exercisable by statutory instrument, which shall be subject to annulment in pursuance of a resolution of either House of Parliament.
- (1D) Any permit granted under this section by the Authority or by the Minister or any other government department may at any time be revoked by the Authority or by the Minister or that department, as the case may be, or may be surrendered by the person to whom it was granted.”
- (2) In subsection (2) of that section, for the words "the foregoing subsection", there shall be substituted the words " subsection (1) of this section ".
- (3) In section 22(5) of that Act, for the words " the Schedule " there shall be substituted the words " Schedule 2 ".
- (4) In section 27(1) of that Act (Northern Ireland)—
- (a) for the words " the Schedule ", where those words first occur, there shall be substituted the words " Schedules 1 and 2 " ;
 - (b) the following paragraph shall be inserted after paragraph (d)—
 - “(dd) in section 2(1) and in section 2(1D) any reference to a government department shall be construed as including a reference to a department of the Government of Northern Ireland; and in section 2(1C), for the words from 'and any such power' onwards there shall be substituted the words ' and any order under this section shall be subject to negative resolution within the meaning of section 41(6) of the Interpretation Act (Northern Ireland) 1954';”;
 - (c) in paragraph (h) for the words " the Schedule " there shall be substituted the words " Schedule 2 ".
- (5) In section 27(7) of that Act after the words " the designated provisions" there shall be inserted the words " other than Schedule 1 to this Act ".
- (6) There shall be inserted, as Schedule 1 to that Act, the provisions set out in the Schedule to this Act; and the Schedule to that Act, as originally enacted, shall become Schedule 2.
- (7) For the purposes of section 6 of the Government of Ireland Act 1920, this section (but not the Schedule to this Act) shall be deemed to have been passed before the appointed day within the meaning of that section.

18 Inspection of factories, works and offices on sites for which permits are in force

- (1) Where an order is made under section 2 of the Nuclear Installations Act 1965 in relation to a body corporate to which a permit has been granted under that section, then—
 - (a) in relation to premises on a site in respect of which the permit is for the time being in force and in relation to any building operations or works of engineering construction undertaken by or on behalf of that body corporate on such a site, the Factories Act 1961 shall apply as it applies, by virtue of Schedule 3 to the Atomic Energy Authority Act 1954, in the case of the Authority, that is to say, as if the premises belonged to or were in the occupation of the Crown or, as the case may be, as if the operations or works were undertaken by or on behalf of the Crown; and
 - (b) in relation to premises on such a site, the Offices, Shops and Railway Premises Act 1963 shall apply as it applies, by virtue of section 52(3)(h) of that Act, in relation to premises occupied by the Authority.
- (2) In the application of subsection (1) above to Northern Ireland, for the reference in paragraph (a) to the Factories Act 1961 there shall be substituted a reference to the Factories Act (Northern Ireland) 1965 and for paragraph (b) there shall be substituted the following paragraph:—
 - “(b) in relation to premises on such a site, the Office and Shop Premises Act (Northern Ireland) 1966 shall apply as it applies, by virtue of section 51(3)(a) of that Act, in relation to premises occupied by a local authority.”
- (3) For the purposes of section 6 of the Government of Ireland Act 1920, this section shall be deemed to have been passed before the appointed day within the meaning of that section.

19 Application of security provisions to companies established in connection with agreement on gas centrifuge process

- (1) Paragraphs 2 and 4 to 6 of Schedule 1 to the Nuclear Installations Act 1965, as set out in the Schedule to this Act, shall apply in relation to a company designated by the Secretary of State under subsection (2) of this section as they apply in relation to the specified body corporate, as defined in that Schedule.
- (2) For the purposes of this section the Secretary of State may by order made by statutory instrument designate any company registered (whether before or after the passing of this Act) in some part of the United Kingdom and appearing to him to have been formed pursuant to an agreement dated 4th March 1970 providing for collaboration in the development and exploitation of the gas centrifuge process for producing enriched uranium and made between Her Majesty's Government in the United Kingdom and the Governments of the Federal Republic of Germany and the Kingdom of the Netherlands.

20 Pension schemes

- (1) Subject to the following provisions of this section—
 - (a) no person who by virtue of section 8(1) of this Act becomes an employee of one of the companies (in this section referred to as a "transferred employee"), and who immediately before the date of transfer is included in a pension

Status: This is the original version (as it was originally enacted).

scheme maintained by the Authority, shall cease to be included in that scheme by reason only that he has ceased to be employed by the Authority; and

- (b) no transferred employee who immediately before the date of transfer is not included in such a pension scheme, but would have become eligible for inclusion in such a scheme on attaining an age or fulfilling a condition specified in the scheme, shall be precluded from becoming eligible for inclusion in that scheme by reason only that he has ceased to be so employed.
- (2) Notwithstanding anything in the preceding subsection, a transferred employee shall not by virtue of that subsection be included in such a pension scheme at any time after he has with his agreement been included in a pension scheme maintained by the company of which he became an employee on the date of transfer.
 - (3) Subject to the next following subsection, a pension scheme maintained by the Authority may apply to persons, other than transferred employees, who are employed by either of the companies, as well as to—
 - (a) transferred employees to whom the scheme is applicable by virtue of subsection (1) of this section, and
 - (b) persons to whom the scheme is applicable apart from the provisions of this section.
 - (4) Where at any time the Secretary of State is satisfied with respect to either of the companies—
 - (a) that all persons then employed by the company who are for the time being included in a pension scheme maintained by the Authority would, if they agreed to it, be included in a pension scheme maintained by the company, and
 - (b) that, in the case of every such person, the provisions of the scheme maintained by the company which are applicable to him, taken as a whole, are no less favourable (both as to treating previous service as reckon-able service and otherwise) than the provisions, as then in force, of the pension scheme maintained by the Authority in which he is then included,the Secretary of State may by order made by statutory instrument direct that (without prejudice to the validity of any pension scheme maintained by the Authority in its application to persons not employed by the company) no pension scheme maintained by the Authority shall, on and after such date as may be specified in the order, apply to any person employed by the company.
 - (5) In respect of—
 - (a) any payments falling to be made by the Authority in consequence of the application by virtue of this section of a pension scheme maintained by the Authority to persons employed by either of the companies, or
 - (b) the accruing liability of the Authority for any such payments,that company shall pay to the Authority such sums as may be agreed between the company and the Authority or as, in default of such agreement, the Secretary of State may direct.
 - (6) In addition to any person to whom any pension scheme maintained by the Authority is applicable apart from this subsection, any such scheme may also apply to any person employed by the Science Research Council who—
 - (a) immediately before 1st April 1969 was an employee of the Authority engaged in research in astrophysics at the Authority's laboratory at Culham in the county of Oxford and on that date became an employee of the Council; or

- (b) at any time after 31st March 1969 (whether before or after the commencement of this Act) was or is taken into the employment of the Council to undertake research in astrophysics at that laboratory.
- (7) In this section any reference to a pension scheme maintained by the Authority is a reference to a scheme maintained under paragraph 7(2)(b) of Schedule 1 to the Atomic Energy Authority Act 1954.

21 Savings and transitional provisions

- (1) Nothing in section 1 of this Act shall affect the office of special constable held by any person who, immediately before the day which is the appointed day for the purposes of that section, is a special constable by virtue of section 3 of the Special Constables Act 1923 as applied by Schedule 3 to the Atomic Energy Authority Act 1954, or shall affect any duty, power or privilege of any such person in his capacity as such a special constable in relation to any premises transferred by virtue of the said section 1.
- (2) Where immediately before the day which is the appointed day for the purposes of section 1 of this Act any place which is transferred to the Nuclear Fuels Company by virtue of that section is a prohibited place for the purposes of the Official Secrets Act 1911, having been declared to be such a prohibited place by an order made under section 3(c) of that Act, then, while that order remains in force.—
- (a) that place shall continue to be a prohibited place for the purposes of that Act so long as it continues to belong to, or to be used for the purposes of, that company, as if it belonged to, or were used for the purposes of, Her Majesty; and
 - (b) sub-paragraph (2) of paragraph 3 of Schedule 1 to the Nuclear Installations Act 1965, as set out in the Schedule to this Act, shall have effect in relation to any such place as if any reference therein to the specified body corporate were a reference to that company and as if the order in question had been made under the said section 3(c) as extended by sub-paragraph (1) of that paragraph.

22 Stamp duty

- (1) Property vested in either of the companies by virtue of section 1 or section 2 of this Act shall not be treated as so vested by way of sale for the purposes of section 12 of the Finance Act 1895 (which requires Acts to be stamped as conveyances on sale in certain cases).
- (2) Stamp duty shall not be chargeable under section 112 of the Stamp Act 1891 in respect of any increase in the nominal share capital of either of the companies which is certified by the Treasury as having been effected for the purpose of complying with the requirements of section 7 of this Act.

23 Financial provisions

There shall be paid out of moneys provided by Parliament any increase attributable to this Act in the sums payable out of moneys so provided—

- (a) under section 4(1) of the Atomic Energy Authority Act 1954; and
- (b) under, or in respect of expenses incurred under, section 24 of the Nuclear Installations Act 1965.

24 Interpretation and supplementary provisions

- (1) In this Act " the companies " means the Nuclear Fuels Company and the Radiochemical Company, " share" includes stock, and " pension " has the meaning assigned to it by section 8(2) of the Atomic Energy Authority Act 1954.
- (2) In this Act " the appointed day " means such day as the Secretary of State may appoint by order made by statutory instrument; and different days may be so appointed for the purposes of section 1 and section 2 of this Act respectively.
- (3) For the purposes of this Act—
 - (a) property, rights, liabilities and obligations of the Authority shall be taken at any time to be property, rights, liabilities and obligations appertaining to a part of the Authority's undertaking transferred by virtue of section 1 or section 2 of this Act, and
 - (b) persons shall be taken at any time to be employees of the Authority engaged in such a part of the Authority's undertaking,

if at that time they are property held, rights acquired, liabilities or obligations incurred or persons employed by the Authority (as the case may be) wholly or mainly for the purposes of, or in the course of carrying on, that part of the Authority's undertaking (as distinct from the Authority's undertaking in general or any other part of that undertaking in particular).
- (4) For the avoidance of doubt it is hereby declared that—
 - (a) any reference in this Act to property of the Authority is a reference to property of the Authority whether situated in the United Kingdom or elsewhere, and
 - (b) any reference in this Act to rights, liabilities or obligations of the Authority is a reference to rights to which the Authority is entitled, or (as the case may be) liabilities or obligations to which the Authority is subject, whether under the laws of the United Kingdom or of a part of the United Kingdom or under the laws of any country or territory outside the United Kingdom;

and it shall be the duty of the Authority and of each of the companies to whom any property situated in a country or territory outside the United Kingdom is transferred by virtue of this Act, or to whom any rights, liabilities or obligations of the Authority under the laws of any such country or territory are so transferred, to take all such steps as may be requisite for perfecting the transfer.
- (5) Any power conferred by any provision of this Act, except subsection (2) of this section, to make an order shall include power to revoke or vary the order by a subsequent order made under that provision.
- (6) Nothing in this Act shall be construed as transferring to either of the companies any right, liability or obligation expressly conferred or imposed on the Authority by name by any enactment (other than section 2(1) of, and Schedule 2 to, the Atomic Energy Authority Act 1954) or by statutory instrument.

25 Short title and extent

- (1) This Act may be cited as the Atomic Energy Authority Act 1971.
- (2) Sections 1 to 7, 17 to 20, 21(2) and 24 of this Act and the Schedule to this Act extend to Northern Ireland; but, with the exception of those provisions, this Act does not extend to Northern Ireland.

SCHEDULE

Sections 17 and 19.

SCHEDULE TO BE INSERTED AS SCHEDULE
1 TO NUCLEAR INSTALLATIONS ACT 1965*“SECURITY PROVISIONS APPLICABLE BY ORDER UNDER S.2*

- 1 In this Schedule "the specified body corporate", in relation to an order made under section 2 of this Act, means the body corporate specified in that order, as being a body to whom the Minister has granted a permit as mentioned in subsection (1B) of that section, and " site to which a permit applies " means a site in respect of which a permit so granted to the specified body corporate is for the time being in force.
- 2 For the purposes of section 2 of the Official Secrets Act 1911, any office or employment under the specified body corporate shall be deemed to be an office under Her Majesty and any contract with the specified body corporate shall be deemed to be a contract made on behalf of Her Majesty.
- 3 (1) Every site to which a permit applies shall, for the purposes of section 3(c) of the Official Secrets Act 1911 (which provides that places belonging to or used for the purposes of Her Majesty may be declared by order of the Secretary of State to be prohibited places for the purposes of that Act), be deemed to be a place belonging to or used for the purposes of Her Majesty.
- (2) No person other than—
- (a) a constable acting in the execution of his duty as such, or
 - (b) an officer of customs and excise or inland revenue, acting in the execution of his duty as such, or
 - (c) an inspector appointed under section 24 of this Act, or
 - (d) an officer of any government department specially authorised in that behalf by or on behalf of a Minister of the Crown,
- shall, except with the consent of the specified body corporate and in accordance with any conditions imposed by them, be entitled to exercise any right of entry (whether arising by virtue of any statutory provision or otherwise) upon any site which is for the time being declared to be a prohibited place by virtue of an order made under the said section 3(c) as extended by the preceding sub-paragraph :
- Provided that any person aggrieved by a refusal of the specified body corporate to consent to, or by conditions imposed by that body on, the exercise of any such right of entry may apply to the Minister who may, if he thinks fit, himself authorise the exercise of the right subject to such conditions, if any, as he may think fit to impose.
- 4 (1) Section 3 of the Special Constables Act 1923 (which, as subsequently amended and extended, provides for the appointment of persons nominated by the Defence Council to be special constables within certain places and limits, and, in particular, in and within fifteen miles of premises in the possession or under the control of the Defence Council) shall have effect as if all premises in the occupation or under the control of the specified body corporate were premises under the control of the Defence Council.
- (2) In relation to any premises in the occupation or under the control of the specified body corporate, the powers of nomination conferred on the Defence Council by that section as applied by sub-paragraph (1) of this paragraph shall be exercisable also by the Authority.

- 5 (1) The specified body corporate shall comply with any directions which the Minister may give to them for the purpose of safeguarding information in the interests of national security; and a direction under this sub-paragraph may in particular require the specified body corporate to terminate the employment of any person specified in the direction who is an officer of, or employed by, that body or may require that body not to appoint a person so specified to be an officer of, or to any employment under, that body.
- (2) The specified body corporate shall also comply with any directions given to them by the Minister with respect to the safekeeping of material of any description specified in the directions, whether in the interests of national security or of safety.
- (3) The Minister may with the approval of the Treasury make grants out of moneys provided by Parliament for reimbursing to the specified body corporate, in whole or in part, any expenses incurred by that body in complying with any directions given under sub-paragraph (1) of this paragraph and any directions given under sub-paragraph (2) of this paragraph with respect to the safe-keeping of material in the interests of national security.
- 6 (1) Except with the consent of the Minister the specified body corporate shall not terminate on security grounds the employment of any person employed by them.
- (2) In this paragraph " security grounds " means grounds which are grounds for dismissal from the civil service of Her Majesty, in accordance with any arrangements for the time being in force relating to dismissals from that service for reasons of national security.
- 7 In the application of this Schedule to Northern Ireland—
- (a) in paragraph 3(2)(d) the reference to a government department shall be construed as including a reference to a department of the Government of Northern Ireland; and
- (b) in paragraph 4(1), for the reference to section 3 of the Special Constables Act 1923 there shall be substituted a reference to paragraph 1(2) of Schedule 2 to the Emergency Laws (Miscellaneous Provisions) Act 1947.”