

*Draft Order laid before Parliament under section 11 of the Public Bodies Act 2011, for approval by a resolution of each House of Parliament after the expiry of the 40-day period referred to in section 11(4) of that Act.*

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DRAFT STATUTORY INSTRUMENTS

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**2013 No. XXXX**

**PUBLIC BODIES**

**The Public Bodies (Abolition of British Shipbuilders) Order  
2013**

*Made* - - - - *[2013]*

*Coming into force in accordance with article 1(2) and (3)*

The Secretary of State makes the following Order in exercise of the powers conferred by sections 1(1), 6(1) and (5), 23(1), (2), (5) and (6), 24(1) and 35(2) of the Public Bodies Act 2011(a) (“the Act”).

In accordance with section 8 of the Act, the Secretary of State considers that this Order—

- (a) serves the purpose of improving the exercise of public functions, having had regard to the factors set out in section 8(1); and
- (b) does not remove any necessary protection or prevent any person from continuing to exercise any right or freedom which that person might reasonably expect to continue to exercise.

The consent of the Scottish Parliament, Northern Ireland Assembly and Welsh Ministers has, so far as required, been obtained in accordance with section 9(1), 9(3) and 9(7) of the Act.

The Secretary of State has consulted in accordance with section 10 of the Act.

A draft of this Order, and an explanatory document containing the information required by section 11(2) of the Act, have been laid before Parliament in accordance with section 11(1) after the end of the period of twelve weeks mentioned in section 11(3). In accordance with section 11(4) of the Act, the draft of this Order has been approved by a resolution of each House of Parliament after the expiry of the 40-day period referred to in that provision.

**Citation, commencement and interpretation**

**1.**—(1) This Order may be cited as the Public Bodies (Abolition of British Shipbuilders) Order 2013.

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(a) 2011 c.24.

(2) Subject to paragraph (3), this Order comes into force on the day after the day on which it is made.

(3) Paragraph 15 of Schedule 1 comes into force on the day after that on which the other provisions of this Order come into force.

(4) In this Order—

“Secretary of State” means the Secretary of State for Business, Innovation and Skills;

“subsidiary” has the meaning given by section 1159 of the Companies Act 2006(a).

### **Transfer of certain property, rights and liabilities to the Secretary of State**

2.—(1) The property, rights and liabilities of British Shipbuilders are transferred to the Secretary of State.

(2) The property and rights of the subsidiaries of British Shipbuilders are transferred to the Secretary of State.

(3) The liabilities of the subsidiaries of British Shipbuilders are transferred to the Secretary of State.

(4) For the purposes of paragraph (3) any subsidiary of British Shipbuilders that was dissolved before this article comes into force is to be treated as if it had not been so dissolved.

### **Transfer of property, rights and liabilities: supplemental**

3.—(1) Paragraph (2) applies to anything (including legal proceedings) that—

(a) relates to property, rights or liabilities vested in the Secretary of State by virtue of article 2, and

(b) on the coming into force of this article, is in the process of being done by or in relation to British Shipbuilders or a subsidiary of British Shipbuilders.

(2) The thing may continue to be done by, or in relation to, the Secretary of State.

(3) Paragraph (4) applies to anything done by, or in relation to, British Shipbuilders or a subsidiary of British Shipbuilders that relates to property, rights or liabilities vested in the Secretary of State by virtue of article 2.

(4) The thing is to be treated as having been done by, or in relation to, the Secretary of State (so far as is necessary for continuing its effect after this article comes into force).

(5) Paragraph (6) applies to any document that—

(a) relates to property, rights or liabilities vested in the Secretary of State by virtue of article 2, and

(b) has effect immediately before this article comes into force.

(6) Any reference in the document to British Shipbuilders or to a subsidiary of British Shipbuilders is to be read as a reference to the Secretary of State.

(7) In this article any reference to a subsidiary of British Shipbuilders includes a reference to a subsidiary that was dissolved before this article comes into force.

### **Abolition of British Shipbuilders**

4.—(1) British Shipbuilders is abolished immediately after the transfer of its property, rights and liabilities to the Secretary of State under article 2(1).

(2) The subsidiaries of British Shipbuilders are abolished immediately after the transfer of their property, rights and liabilities to the Secretary of State under article 2(2) and (3).

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(a) 2006 c.46.

(3) The reporting duties of British Shipbuilders in respect of its final accounting year must, after its abolition, be discharged by the Secretary of State.

(4) The reporting duties of British Shipbuilders are—

- (a) its duties under section 17(1)(b) and (c) of the Aircraft and Shipbuilding Industries Act 1977(a) (statements of accounts), and
- (b) its duties under section 18 of that Act (annual report).

(5) The final accounting year of British Shipbuilders is the period which begins on 1st April 2012 and ends on the abolition of British Shipbuilders.

#### **Amendments consequential etc**

5. Schedules 1 and 2 (which make consequential etc provision on the abolition of British Shipbuilders and the associated transfer scheme) shall have effect.

Date

*Name*  
Minister of State for Business and Enterprise  
Department for Business, Innovation and Skills

## SCHEDULE 1

Article 5

### CONSEQUENTIAL ETC AMENDMENTS TO PRIMARY LEGISLATION

#### **House of Commons Disqualification Act 1975 (c.24)**

1. In Schedule 1 to the House of Commons Disqualification Act 1975, in Part II (bodies of which all members are disqualified), omit the entry for British Shipbuilders.

#### **Northern Ireland Assembly Disqualification Act 1975 (c.25)**

2. In Schedule 1 to the Northern Ireland Assembly Disqualification Act 1975, in Part II (bodies of which all members are disqualified), omit the entry for British Shipbuilders.

#### **Aircraft and Shipbuilding Industries Act 1977 (c.3)**

3.—(1) The Aircraft and Shipbuilding Industries Act 1977 is amended as follows.

(2) Part I is repealed.

(3) In Part II—

- (a) sections 19(2), 20(4) and 40(4) and Schedule 2 are omitted; and
- (b) sections 19(3) to (5), 20(1) to (3) and (5) to (7) and 40(1) to (3), (5) and (6) and Schedule 3 cease to have effect in relation to British Shipbuilders.

(4) In Part III—

- (a) sections 47, 48, 49 and 53 are omitted; and
- (b) in section 56(1) (interpretation)—

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(a) 1977 c.3.

- (i) the definitions of “accounting year”, “associated person”, “equity share capital”, “group of companies”, “pension”, “pension rights”, “pension scheme”, “public dividend capital” and “public dividends”, “the relevant days”, “relevant trade union”, “shipbuilding industry vesting date” and “voting power” are omitted; and
- (ii) in the definition of “the relevant vesting date”, paragraph (b) and the word “and” immediately preceding it are omitted.

(5) The repeal of sections 17 and 18 is subject to the transitional provision made by article 4(3) to (5).

#### **British Aerospace Act 1980 (c.26)**

4. In the British Aerospace Act 1980, omit section 10 (which makes provision for certain provisions of the Aircraft and Shipbuilding Industries Act 1977 to cease to have effect in relation to British Aerospace etc.).

#### **Local Government, Planning and Land Act 1980 (c.65)**

5.—(1) The Local Government, Planning and Land Act 1980 is amended as follows.

(2) In section 170 (interpretation: meaning of statutory undertakers), omit subsection (2).

(3) In Schedule 16 (bodies to whom Part 10 applies), omit paragraph 12.

#### **British Shipbuilders Act 1983 (c.15)**

6. The British Shipbuilders Act 1983 is repealed.

#### **Miscellaneous Financial Provisions Act 1983 (c.29)**

7. In Schedule 2 to the Miscellaneous Financial Provisions Act 1983 (treasury guarantees), omit the entry for the Aircraft and Shipbuilding Industries Act 1977.

#### **National Audit Act 1983 (c.44)**

8. In Schedule 4 to the National Audit Act 1983 (nationalised industries and other public authorities), in Part 1, omit the entry for British Shipbuilders.

#### **British Shipbuilders (Borrowing Powers) Act 1983 (c.58)**

9. The British Shipbuilders (Borrowing Powers) Act 1983 is repealed.

#### **British Shipbuilders (Borrowing Powers) Act 1987 (c.52)**

10. The British Shipbuilders (Borrowing Powers) Act 1987 is repealed.

#### **Housing Act 1988 (c.50)**

11. In Schedule 9 to the Housing Act 1988, in paragraph 4(b) of Part 1 (meaning of statutory undertakers for certain purposes), omit the words “British Shipbuilders,”.

#### **Companies Act 1989 (c.40)**

12. In Schedule 10 to the Companies Act 1989, in Part II, omit paragraph 28 (which amends section 17 of the Aircraft and Shipbuilding Industries Act 1977 in relation to British Shipbuilders: accounts and audit).

### **Trade Union and Labour Relations (Consolidation) Act 1992 (c.52)**

13. In Schedule 2 to the Trade Union and Labour Relations (Consolidation) Act 1992, omit paragraph 8 (which amends sections 6 and 56(1) of the Aircraft and Shipbuilding Industries Act 1977).

### **Freedom of Information Act 2000 (c.36)**

14. In Schedule 1 to the Freedom of Information Act 2000, in the list in Part 6 (other bodies which are public authorities for the purposes of that Act) omit the entry for British Shipbuilders.

### **Public Bodies Act 2011 (c.24)**

15.—(1) The Public Bodies Act 2011 is amended as follows.

(2) In Schedule 1 (power to abolish: bodies and offices)—

- (a) omit the entry for British Shipbuilders and any subsidiary of British Shipbuilders; and
- (b) omit the note relating to the abolition of British Shipbuilders.

## SCHEDULE 2

Article 5

### CONSEQUENTIAL AMENDMENTS TO SECONDARY LEGISLATION

<i>(1)</i>	<i>(2)</i>	<i>(3)</i>
<i>Instruments revoked</i>	<i>References</i>	<i>Extent of revocation</i>
The Aircraft and Shipbuilding Industries (Aircraft Industry Vesting Date) Order 1977	S.I. 1977/539	The whole Order
The Aircraft and Shipbuilding Industries (Shipbuilding Industry Vesting Date) Order 1977	S.I. 1977/540	The whole Order
The British Shipbuilders Regulations 1977	S.I. 1977/626	The whole Regulations
The Aircraft and Shipbuilding Industries (Issue of Compensation Stock) Regulations 1977	S.I. 1977/754	The whole Regulations
The Shipbuilding Industry (Pension Schemes) Regulations 1978	S.I. 1978/232	The whole Regulations
The Ministry of Overseas Development (Dissolution) Order 1979	S.I. 1979/1451	In Schedule 2 (enactments referred to in article 3(1)), paragraph 7.
The Public Bodies' Land (Appropriate Ministers) Order 1981	S.I. 1981/15	In article 2, the entry for British Shipbuilders.
The Urban Development Corporations (Appropriate Ministers) Order 1988	S.I. 1988/900	In article 2, "British Shipbuilders and" and "of either of them".

The British Shipbuilders Borrowing Powers (Increase of Limit) Order 1988	S.I. 1988/1401	The whole Order
The British Shipbuilders Regulations 1991	S.I. 1991/1560	The whole Regulations
The Companies Act 1989 (Eligibility for Appointment as Company Auditor) (Consequential Amendments) Regulations 1991	S.I. 1991/1997	In the Schedule (amendments to enactments), paragraph 29.
The Uncertificated Securities (Amendment) (Eligible Debt Securities) Regulations 2003	S.I. 2003/1633	In Schedule 2 (application and modification of certain enactments), paragraph 13(b).
The Freedom of Information Act 2000 (Commencement No. 3) Order 2003	S.I. 2003/2603	In the Schedule, Part 1 (other public bodies and offices: general), the entry for British Shipbuilders.
The Whole of Government Accounts (Designation of Bodies) Order 2007	S.I. 2007/1492	In the Schedule (designated bodies for 2006-2007: Central Government, Public Corporations etc.), the entry for British Shipbuilders.
The Companies Act 2006 (Consequential Amendments etc) Order 2008	S.I. 2008/948	In Schedule 1, Part 1 (amendments about eligibility for appointment as auditor and related matters), paragraph 1(q).  In Schedule 1, Part 2 (other amendments), paragraph 45.
The Whole of Government Accounts (Designation of Bodies) (No. 2) Order 2008	S.I. 2008/1907	In the Schedule (designated bodies for 2007-2008: Central Government, Public Corporations etc.), the entry for British Shipbuilders.
The Companies Act 2006 (Consequential Amendments, Transitional Provisions and Savings) Order 2009	S.I. 2009/1941	In Schedule 1, paragraph 36(2) and (3)(a).
The Whole of Government Accounts (Designation of Bodies) Order 2009	S.I. 2009/1973	In the Schedule (designated bodies for 2008-2009: Central Government, Public Corporations etc.), the entry for British Shipbuilders.
The Whole of Government Accounts (Designation of Bodies) Order 2010	S.I. 2010/1051	In the Schedule (designated bodies for 2009-2010: Central Government, Public Corporations, Academies etc.), the entry for British Shipbuilders.
The Government Resources and Accounts Act 2000 (Estimates and Accounts) Order 2011	S.I. 2011/723	In the Schedule (designated bodies), Table 5 (Department for Business, Innovation and Skills), the entries for British Shipbuilders and British Shipbuilders (Southwick) Ltd.

The Tribunals, Courts and Enforcement Act 2007 (Consequential Amendments) Order 2012	S.I. 2012/2404	In Schedule 3 (amendment of a disqualification provision made under an Act of Parliament), paragraph 2.
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### **EXPLANATORY NOTE**

*(This note is not part of the Order)*

Article 2 of this Order transfers the property, rights and liabilities of British Shipbuilders and its subsidiaries to the Secretary of State for Business, Innovation and Skills.

Article 3 makes provision supplemental to those transfers.

Article 4 abolishes British Shipbuilders, established under section 1(1)(b) of the Aircraft and Shipbuilding Industries Act 1977 (c.3), and abolishes its subsidiaries.

Article 5 makes consequential repeals, revocations and amendments of Acts and other instruments specified in Schedules 1 and 2. Article 5 also removes the reference to British Shipbuilders in Schedule 1 to the Public Bodies Act 2011 (c.24).

A full impact assessment has not been produced for this instrument as no impact on the private or voluntary sectors is foreseen. The explanatory document is published with this Order on [www.legislation.gov.uk](http://www.legislation.gov.uk).

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