



National Coal Board (Finance) Act 1976

1976 CHAPTER 1

An Act to increase the limit on the borrowing powers of the National Coal Board; to provide for reimbursing to the Board out of public money certain expenditure of theirs in respect of the mineworkers' pension scheme; and to extend the purposes for which grants may be made, under section 7 of the Coal Industry Act 1973, towards the cost of stock-piling coal and coke. [4th March 1976]

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:—

1 Borrowing powers of National Coal Board.

- (1) In section 1(3) of the Coal Industry Act 1965 (which, as substituted by section 2 of the 1973 Act, limits the aggregate of sums borrowed by the Board and its wholly-owned subsidiaries to a sum not exceeding £550 million or such greater sum not exceeding £700 million as the Secretary of State may by Order specify), for " £550 million " and " £700 million " there shall be substituted respectively " £1,100 million " and " £1,400 million ".
- (2) The Coal Industry (Borrowing Powers) Order 1974 (which increased the borrowing limit to £700 million) is hereby revoked.

2 Payments towards mineworkers' pension scheme deficiency.

- (1) If the Board, in any of their financial years 1975-76 to 1994-95 (both inclusive), have incurred expenditure towards reducing or eliminating deficiencies of the mineworkers' pension scheme, then subject to the provisions of this section the Secretary of State may, if he thinks fit, reimburse to the Board (in whole or in part) so much of that expenditure as appears to him to relate to current and contingent liabilities of the scheme to and in respect of persons whose service in the coal industry was terminated (by death, retirement or otherwise) before 6th April 1975.

Status: This is the original version (as it was originally enacted).

- (2) In determining the amounts to be reimbursed to the Board under this section, the Secretary of State shall disregard any extent to which the scales and rates of pensions and other benefits, paid or to be paid in discharge of those liabilities, have been uprated since that date otherwise than for the purpose only of maintaining their real value from time to time.
- (3) Any payments by the Secretary of State under this section shall be made from money provided by Parliament: and the maximum aggregate of such payments shall not exceed—
- (a) in respect of the Board's financial year 1975-76, £18 million less the total amount of any payments made by him to the Board in respect of that year under section 5 of the 1973 Act (contributions towards increased pensions); and
 - (b) in respect of any subsequent financial year up to and including 1994-1995, £18 million.
- (4) The Secretary of State may by order in a statutory instrument direct that, in respect of the Board's financial year in which the order is made and any subsequent financial year, subsection (3) above shall apply with the substitution in paragraph (b) of an increased (or further increased) maximum sum specified by the order; but—
- (a) no such order shall be made unless the Treasury consent nor unless a draft of it has been laid before the House of Commons and approved by a resolution of that House;
 - (b) before laying a draft order, the Secretary of State shall review the overall financial position of the Board; and
 - (c) with the draft order he shall lay a statement explaining (by reference to the result of his review and to the matters mentioned in subsections (1) and (2) of this section) the considerations which have led him to conclude that the order should be made.
- (5) The expenditure of the Board referred to in subsection (1) above does not include any which is relevant expenditure for the purposes of section 3 of the 1965 Act (pit closures), as amended.
- (6) As from 1st April 1976, no further payment shall be made by the Secretary of State under section 5 of the 1973 Act; and that section is hereby repealed with effect from that date.

3 Costs of stock-piling coal and coke.

- (1) The costs in respect of which the Secretary of State may make grants to the Board under section 7 of the 1973 Act (building up and maintaining stocks of coal or coke) shall include those incurred in the financial year 1975-76 in enabling such stocks to be built up and maintained by the following of the Board's customers namely, the Central Electricity Generating Board, the South of Scotland Electricity Board and the British Steel Corporation.
- (2) In applying subsection (2) of that section (Board's own stocks to be taken into account only within lower limit determined by the Secretary of State and upper limit of 30 million tonnes), so much of the stocks held at any time by those customers as has been supplied by the Board but not paid for is to be treated as, or as having been, owned at that time by the Board.

- (3) If an order of the Secretary of State comes into force under subsection (3) of that section (extension of grant to the Board's financial years 1976-77 and 1977-78), the reference in subsection (1) above to the financial year 1975-76 is also amended to include those two financial years of the Board.

4 Citation, interpretation and extent.

- (1) This Act may be cited as the National Coal Board (Finance) Act 1976.
- (2) The Coal Industry Acts 1946 to 1973, the Coal Industry Act 1975 and this Act may be cited together as the Coal Industry Acts 1946 to 1976.
- (3) In this Act—
- " the 1965 Act " means the Coal Industry Act 1965;
 - " the 1973 Act " means the Coal Industry Act 1973;
 - " the Board " means the National Coal Board; and
 - " the mineworkers' pension scheme " means the scheme established by that name in pursuance of regulations made under section 37 of the Coal Industry Nationalisation Act 1946.
- (4) This Act does not extend to Northern Ireland.