
STATUTORY INSTRUMENTS

1994 No. 1422

The Coal Industry (Restructuring Grants) Order 1994

1. This Order may be cited as the Coal Industry (Restructuring Grants) Order 1994 and shall come into force on the third day after the day on which it is made.

2. In this Order, unless the context otherwise requires—

“the 1994/95 financial year” means the financial year of the British Coal Corporation ending in March 1995;

“the Act” means the Coal Industry Act 1987;

“chargeable costs” means costs which fall to be charged to a consolidated profit and loss account of the Corporation and their subsidiaries prepared in accordance with a direction given under section 8(1) of the Coal Industry Act 1971(1) for the 1994/95 financial year;

“the Corporation” means the British Coal Corporation;

“employees” means employees of a relevant company;

“payments” means periodical or lump sum payments;

“relevant company” means the Corporation and their wholly-owned subsidiary British Coal Enterprise Limited and the expression “relevant companies” shall be construed accordingly;

and references to payments, contributions or expenditure are references to payments, contributions or expenditure by a relevant company.

3. The 1994/95 financial year shall be a specified financial year for the purposes of section 3(4)(a) of the Act.

4. The kinds of expenditure specified in the Schedule to this Order shall be specified kinds of expenditure for the purposes of section 3(2)(a) of the Act in relation to the 1994/ 95 financial year.

5.—(1) The maximum amount which may be paid under section 3 of the Act by way of grant in respect of the 1994/95 financial year in relation to the kinds of expenditure specified under a Head in the Schedule to this Order is that sum which represents 90 per cent. of—

(a) the relevant amount of costs specified in paragraph (2) below; or

(b) if a larger amount has been agreed in respect of those costs for the purposes of section 3(2)(b) of the Act, that larger amount.

(2) For the purposes of paragraph (1)(a) above the relevant amount of costs is—

(a) in the case of Heads 1, 2 and 5, the total amount of chargeable costs of the relevant companies which are related to the kinds of expenditure specified under the Head in question; and

(b) in the case of Head 6, the total amount of chargeable costs of the Corporation’s wholly-owned subsidiary British Coal Enterprise Limited which are related to the kinds of expenditure specified under that Head less the total amount of any chargeable costs of that subsidiary which are related to the kinds of expenditure specified under Heads 1, 2 and 5.

Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

6. The limit specified in section 3(6) of the Act (limit on the aggregate of grants made under section 3(1)) is increased from £2,500 million to £3,000 million.

21st May 1994

Tim Eggar
Minister for Energy
Department of Trade and Industry

We approve,

25th May 1994

Nicholas Baker
Andrew MacKay
Two of the Lords Commissioners of Her
Majesty's Treasury