



Industrial Development Act 1982

1982 CHAPTER 52

An Act to consolidate, with certain exceptions, the Local Employment Act 1972, Parts I and II of the Industry Act 1972, section 18 of the Industry Act 1980, section 6 of the Industry Act 1981 and related enactments. [28th October 1982]

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:—

PART I

ASSISTED AREAS

1 Development areas, special development areas and intermediate areas

- (1) For the purposes of this Act, and of any other enactment referring to development areas or intermediate areas under this Act, the Secretary of State may by order specify any area of Great Britain as—
 - (a) a development area; or
 - (b) an intermediate area.
- (2) For the purposes of Part II of this Act the Secretary of State may by order designate a development area or any part of it as a special development area.
- (3) In exercising his powers under the preceding provisions of this section the Secretary of State shall have regard to all the circumstances actual and expected, including the state of employment and unemployment, population changes, migration and the objectives of regional policies.
- (4) An order under this section may describe a development area, intermediate area or, as the case may be, special development area by reference to employment office areas, that is to say, areas specified by the Manpower Services Commission as areas for each of which a specified office of the Commission exercises functions ; and any reference

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in such an order to a named employment office area shall be construed as a reference to that area as it exists on the date on which the order comes into force.

- (5) An order under this section may contain such transitional provisions as respects grant under Part II of this Act as appear to the Secretary of State to be appropriate in connection with any change effected by the order in the areas which are assisted areas of any particular category.
- (6) Without prejudice to the generality of subsection (5) above, the transitional provisions contained in any order under this section may, in the case of a building or any works begun before, but completed after, any such change, be provisions making different provision for the parts of the expenditure respectively attributable to the work carried out before the change, and to the work carried out after the change.
- (7) An order under this section shall be contained in a statutory instrument which, subject to subsection (8) below, shall be subject to annulment in pursuance of a resolution of either House of Parliament, and an order made under subsection (2) above may contain such incidental and supplemental provisions as appear to the Secretary of State to be appropriate.
- (8) A statutory instrument shall not, by reason of its designating any area as a special development area, be subject to annulment in pursuance of a resolution of either House of Parliament if, by reason of its other provisions, a draft of the order contained in the instrument is required to be approved in pursuance of section 4 (5) (a) below by a resolution of each House.

PART II

REGIONAL DEVELOPMENT GRANTS

2 Grants towards approved capital expenditure

- (1) The Secretary of State may make a grant to a person towards approved capital expenditure incurred by that person, being expenditure of any description in column 1 of the Table in subsection (4) below.
- (2) An application for grant under this Part of this Act shall be made within such time, and in such form or manner, and shall contain such particulars and be accompanied by such documents, as the Secretary of State may direct.
- (3) Without prejudice to any provisions made (or having effect as if made) under subsections (5) and (6) of section 1 above, the amount of a grant under this section shall be the prescribed percentage of the expenditure in respect of which it is made.
- (4) Subject to any order under section 4 below and to paragraph 2 of Part I of Schedule 2 to this Act, the prescribed percentage shall be that specified in column 2 of the following Table.

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TABLE

Expenditure incurred in	Prescribed percentage
1. Providing a building as part of, or providing works on, qualifying premises in a development area	If the qualifying premises are in a special development area: 22 per cent. If not: 15 per cent.
2. Providing new machinery or plant for use in qualifying premises in a development area	If the qualifying premises are in a special development area: 22 per cent. If not: 15 per cent.

- (5) A grant under this Part of this Act may be made at any time after the time when, in the opinion of the Secretary of State, the asset is provided or the expenditure is defrayed, whichever is the earlier.
- (6) No grant shall be made under this Part of this Act if—
- the asset was provided before 1st August 1980 ; or
 - the expenditure was defrayed before 18th July 1979 ; or
 - in a case falling within paragraph 1 of the Table in subsection (4) above, the construction of the building or the carrying out of the works was begun before 22nd March 1972.
- (7) Without prejudice to section 18(2) below, paragraph (c) of subsection (6) above applies in the case of a building whether or not the building is provided by the purchase of an existing one, but in applying that paragraph to the provision of a building by the adaptation of an existing one, account shall be taken of the work of adaptation, and not of the construction of the original building.

3 Qualifying premises

- (1) In this Part of this Act " qualifying premises " means premises which are for the time being used wholly or mainly for qualifying activities.
- (2) For the purposes of this section " qualifying activities " means—
- activities which are described in any of the minimum list headings in Orders III to XIX (inclusive) in the Standard Industrial Classification (manufacturing), subject to the omission from minimum list heading 212 in Order III (Bread and Flour Confectionery) of the words from " Production" to the end of the heading; and
 - the processing of scrap and waste materials ; and
 - scientific research relating to any other qualifying activity; and
 - the repair or maintenance of any machinery or plant designed for use in any manufacturing process, or in the processing of scrap and waste materials; and
 - any repair or maintenance carried out on premises used for any other qualifying activity of any building on those premises ; and
 - repairs of the kinds described in headings 370 (shipbuilding and marine engineering), 383 (aerospace equipment manufacturing and repairing) and 384 and 385 (locomotives, rolling stock and railway equipment) in the Standard Industrial Classification, whether or not also within paragraph (d)

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above, together with the maintenance of anything the repair of which is included in this paragraph ; and

(g) the training of staff for work in any other qualifying activity.

(3) The Standard Industrial Classification shall be used for the purposes of this section, and of any other provision of this Part of this Act, without taking account of the way in which that Classification is applied, whether or not in pursuance of any other Act of Parliament, for any other purpose, and without regard to any ancillary or associated activities, such as—

- (a) office work, including accountancy, audit, advertising and market research,
- (b) haulage,
- (c) sales and distribution,
- (d) storage,
- (e) production and distribution of energy and heating,

which, though not mentioned in a particular minimum list heading, may be classified for statistical purposes along with the activities which are so mentioned; and the reference in heading 499(2) of the Standard Industrial Classification to " all other manufacturing industries not elsewhere specified " shall be taken as a reference to all manufacturing activities not elsewhere specified without the remaining activities in the industry in question.

(4) Subject to paragraphs (d), (e) and (f) of subsection (2) above, the repair or maintenance of any articles shall not be a qualifying activity, and in the case of the activities described in the said Classification, other than those mentioned in the said paragraph (f), this subsection applies whether or not repair or maintenance is mentioned in the Classification.

(5) The Secretary of State may give directions, which may be general directions or directions concerning a particular case, as respects the determination of—

- (a) any question as to the classification of an asset as between the following categories, that is, machinery or plant, buildings and works;
- (b) any question whether two or more different buildings or areas are, or are not, to be regarded as forming part of the same premises;
- (c) any question whether different parts of a building are, or are not, to be regarded as forming part of the same premises, and any question as to the apportionment of the expenditure incurred in providing a building between the parts of the building which are, and are not, qualifying premises; or
- (d) any question whether premises are being used, or used wholly or mainly, for any qualifying activities, or other specified activities.

(6) If, on a request by an applicant for grant, the applicant satisfies the Secretary of State that any land or building is near to and held together with premises which are being used for qualifying activities, he may direct that the land or building shall be treated as forming part of those premises.

(7) Where premises are partly in, and partly outside, a development area, they shall be regarded for the purposes of this Part of this Act as in a development area—

- (a) if the larger part of the premises is in a development area, or if the qualifying activities there carried on are mainly carried on in a development area; or
- (b) if the Secretary of State so directs in any case or class of case ;

and corresponding provisions shall be applied as respects premises which are partly in a development area and partly in a special development area.

- (8) For the purposes of this Part of this Act an asset is provided as part of, or on, or for use in, qualifying premises if in the opinion of the Secretary of State the premises are or will be qualifying premises when the asset is provided.

4 Variation of rates of grant and qualifying activities

- (1) The Secretary of State may, with the consent of the Treasury, by order vary all or any of the percentages specified in the Table in section 2(4) above.
- (2) The Secretary of State may, with the consent of the Treasury, by order—
- (a) add to, exclude or vary all or any of the descriptions of qualifying activities in section 3 above ; or
 - (b) amend the definition of the Standard Industrial Classification in this Part of this Act by the substitution for the reference to the edition of that publication there specified of a reference to any later edition thereof, or by providing for any such reference to include a reference to any specified list of amendments to the edition in question published by Her Majesty's Stationery Office.
- (3) An order under this section may contain—
- (a) such incidental and supplemental provisions as appear to the Secretary of State to be appropriate, including, in the case of an order under paragraph (a) of subsection (2) above, amendments of subsections (2), (3) and (4) of section 3 above;
 - (b) such transitional provisions as respects grant under this Part of this Act as appear to the Secretary of State to be appropriate in connection with any change effected by the order in any prescribed percentage of grant or in the descriptions of activities taken into account for any of the purposes of this Part of this Act.
- (4) Without prejudice to the generality of subsection (3) (b) above, the transitional provisions contained in an order under this section may, in the case of a building or any works begun before, but completed after, any such change, be provisions making different provision for the parts of the expenditure respectively attributable to the work carried out before the change, and to the work carried out after the change.
- (5) An order under this section shall be contained in a statutory instrument, and—
- (a) the Secretary of State shall not make an order under this section which varies all or any of the percentages in the Table in section 2(4) above (whether or not it also provides for other matters) unless a draft of the order has been approved by a resolution of each House of Parliament; and
 - (b) a statutory instrument containing an order under this section to which paragraph (a) above does not apply shall be subject to annulment in pursuance of a resolution of either House of Parliament.

5 Conditions

- (1) In making a grant under this Part of this Act the Secretary of State may impose such conditions as he thinks fit.
- (2) The Secretary of State may in particular impose a condition for repayment of all or any part of a grant in any circumstances, and in particular—

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- (a) if the asset in respect of which the grant is paid is not used, or ceases to be used, in the way specified in the condition, or
 - (b) if the premises cease to be qualifying premises.
- (3) Schedule 1 to this Act shall have effect for supplementing the provisions of this section about the imposition of conditions.

6 Interpretation of Part II

- (1) For the purposes of this Part of this Act " building " includes part of a building, and a building may be provided by the adaptation of an existing one, or by the purchase of a new one, that is to say one not previously occupied, or, if previously occupied, then only by the purchaser, and only as part of arrangements made in contemplation of purchase.
- (2) In this Part of this Act, unless the context otherwise requires—
- " approved capital expenditure ", in relation to any grant, means expenditure appearing to the Secretary of State to be of a capital nature, and approved by him for the purposes of the grant;
 - " asset " includes works;
 - " capital expenditure", or expenditure of a " capital nature ", includes the capital element in expenditure consisting of instalments under a hire-purchase agreement or otherwise consisting of instalments of, or payments towards, the purchase price of, or cost of providing, the asset in question ;
 - " expenditure "—
 - (a) in relation to an asset which is provided by being installed in a building or on a site, includes expenditure on or incidental to the installation of the asset,
 - (b) in relation to an asset provided by being manufactured or constructed by any person, includes such sum as appears to the Secretary of State to be properly attributable to its provision by that person in that manner, and the sum so attributed shall be treated as having been paid at such time as the Secretary of State may direct;
 - " machinery or plant" includes part of any machinery or plant, but does not include anything forming part of mining works, or any vehicle except—
 - (a) a vehicle constructed or adapted for the conveyance of a machine incorporated in or permanently attached to it, or
 - (b) a vehicle constructed or adapted for the conveyance or haulage of loads, but a vehicle shall not be eligible for grant under this Part of this Act unless its use for the conveyance or haulage of loads is exclusively in or about private premises, including the site of building or civil engineering operations;
 - " mining works " means works, or part of any works, constructed for the carrying on of any process for or incidental to the searching for, or extracting or getting of, coal, oil, natural gas or other minerals, brine (but not water) or peat, but excluding any road, track, pipe or other works for conveying minerals, or brine or peat, from the site at which they have been extracted or got;
 - " new ", in relation to machinery or plant, means unused ;
 - " qualifying premises " has the meaning given by section 3 above;
 - "scientific research" means any activity in the fields of natural or applied science for the extension of knowledge;

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" Standard Industrial Classification " means, subject to section 4 above, the revised edition published by Her Majesty's Stationery Office in 1968 of the publication of that name prepared by the Central Statistical Office;

" works ", except in the expression " mining works ", includes part of any works, but does not include anything forming part of mining works, or any machinery or plant, or anything forming part of, or of foundations for, machinery or plant.

- (3) Where in the case of any minimum list heading in Orders III to XIX of the Standard Industrial Classification the title of the heading is not accompanied by a description of the industries or services included therein, the heading shall be construed as referring only to the manufacture of the goods specified in that title.

PART III

FINANCIAL ASSISTANCE FOR INDUSTRY

7 Selective financial assistance for industry in assisted areas

- (1) For the purposes set out in the following provisions of this section the Secretary of State may, with the consent of the Treasury, provide financial assistance where, in his opinion—
- (a) the financial assistance is likely to provide, maintain or safeguard employment in any part of the assisted areas ; and
 - (b) the undertakings for which the assistance is provided are or will be wholly or mainly in the assisted areas.
- (2) The purposes mentioned in subsection (1) above are—
- (a) to promote the development or modernisation of an industry;
 - (b) to promote the efficiency of an industry;
 - (c) to create, expand or sustain productive capacity in an industry, or in undertakings in an industry;
 - (d) to promote the reconstruction, reorganisation or conversion of an industry or of undertakings in an industry;
 - (e) to encourage the growth of, or the proper distribution of undertakings in, an industry ;
 - (f) to encourage arrangements for ensuring that any contraction of an industry proceeds in an orderly way.
- (3) Subject to the following provisions of this section, financial assistance under this section may be 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 acquisition of loan or share capital in any company, including an acquisition effected by the Secretary of State through another company, being a company formed for the purpose of giving financial assistance under this Part of this Act or Part II of the Industry Act 1972,
 - (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,

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- (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) Financial assistance shall not be given under this section in the way described in subsection (3)(a) above unless the Secretary of State is satisfied that it cannot, or cannot appropriately, be so given in any other way; and the Secretary of State, in giving financial assistance in the way so described, shall not acquire any shares or stock in a company without the consent of that company.
- (5) In this section "industry", unless the context otherwise requires, includes any description of commercial activity, and references to an industry include references to any section of an industry.
- (6) In this section " the assisted areas " means the development areas, the intermediate areas and Northern Ireland.

8 Selective financial assistance: general powers

- (1) For the purposes set out in subsection (2) of section 7 above the Secretary of State may, with the consent of the Treasury, provide financial assistance where, in his opinion—
 - (a) the financial assistance is likely to benefit the economy of the United Kingdom, or of any part or area of the United Kingdom; and
 - (b) it is in the national interest that the financial assistance should be provided on the scale, and in the form and manner, proposed; and
 - (c) the financial assistance cannot, or cannot appropriately, be so provided otherwise than by the Secretary of State.
- (2) Financial assistance under this section may, subject to the following provisions of this section, be given in any of the ways set out in subsection (3) of section 7 above; but the Secretary of State shall not under this section use any money for the acquisition or assistance of banks or insurance companies.
- (3) Financial assistance shall not be given under this section in the way described in subsection (3)(a) of section 7 above unless the Secretary of State is satisfied that it cannot, or cannot appropriately, be so given in any other way; and the Secretary of State, in giving financial assistance in the way so described, shall not acquire any shares or stock in a company without the consent of that company.
- (4) The aggregate of—
 - (a) the sums paid by the Secretary of State under this section or section 8 of the Industry Act 1972, other than sums paid in respect of foreign currency guarantees, and
 - (b) the liabilities of the Secretary of State under any guarantees given by him under this section or that section, (exclusive of any liability in respect of interest on a principal sum so guaranteed and of any liability under a foreign currency guarantee),
 less any sum received by the Secretary of State by way of repayment of loans under this section or that section, or repayment of principal sums paid to meet a guarantee under this section or that section (other than a foreign currency guarantee), shall not at any time exceed the limit specified in subsection (5) below.
- (5) The said limit shall be £1,900 million, but the Secretary of State may, on not more than four occasions, by order made with the consent of the Treasury increase or further

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increase that limit by a sum specified in the order, being a sum not exceeding £200 million.

- (6) Subject to section 9 below, the aggregate of—
- (a) the liabilities of the Secretary of State under foreign currency guarantees (exclusive of any liability in respect of interest on a principal sum guaranteed by him under this section or section 8 of the Industry Act 1972), and
 - (b) any sums paid by the Secretary of State in respect of foreign currency guarantees,
- less any sums received by the Secretary of State by way of repayment of principal sums paid to meet foreign currency guarantees, shall not at any time exceed the limit specified in subsection (7) below.
- (7) The said limit shall be 1,000 million special drawing rights, but the Secretary of State may, on not more than four occasions, by order made with the consent of the Treasury increase or further increase that limit by an amount specified in the order, being an amount not exceeding 500 million special drawing rights.
- (8) Subject to subsection (9) below, the sums which the Secretary of State pays or undertakes to pay by way of financial assistance under this section in respect of any one project, excluding sums paid or to be paid in respect of foreign currency guarantees, shall not exceed £10 million, except so far as any excess over the said sum of £10 million has been authorised by a resolution of the Commons House of Parliament.
- (9) Subsection (8) above shall not apply where the Secretary of State is satisfied that the payment or undertaking is urgently needed at a time when it is impracticable to obtain the approval of the Commons House of Parliament; and in that case the Secretary of State shall lay a statement concerning the financial assistance before each House of Parliament.
- (10) An order under subsection (5) or (7) above shall be contained in a statutory instrument; and such an order shall not be made unless a draft of the order has been approved by a resolution of the Commons House of Parliament.
- (11) In this section—
- " foreign currency " means any currency other than sterling, including special drawing rights;
 - "foreign currency guarantee" means a guarantee given under this section or section 8 of the Industry Act 1972 by the Secretary of State under which his liability is measured in a foreign currency, whether or not it is to be discharged in a foreign currency, and for this purpose—
 - (a) a liability measured in sterling but expressed to be subject to a limit in a foreign currency shall be taken to be measured in foreign currency, and
 - (b) a liability measured in foreign currency but expressed to be subject to a limit in sterling shall be taken to be measured in sterling ;
 - " guarantee " includes any form of insurance.

9 Limit on foreign currency liabilities: supplementary provisions

- (1) The amount to be taken into account under section 8(6) above at any time in respect of a liability of the Secretary of State shall, if the amount of the liability is not expressed in special drawing rights, be the equivalent at that time in special drawing rights of the amount of the liability.

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- (2) The equivalent in special drawing rights of the amount of a liability shall be determined by the Secretary of State—
- (a) by reference to the day on which the guarantee is given, and
 - (b) by reference to the last day of each quarter at the end of which the guarantee remains in force,
- and shall be so determined having regard to what appears to him to be the appropriate rate of exchange.
- (3) A determination made under subsection (2) (a) above shall take effect as from the day by reference to which it is made and (unless it ceases to be required at an earlier date) shall remain in force until the end of the quarter in which the guarantee is given.
- (4) A determination made by reference to the last day of the quarter under subsection (2) (b) above shall take effect as from the end of that quarter and (unless it ceases to be required at an earlier date) shall remain in force throughout the next succeeding quarter.
- (5) The amount to be taken into account under section 8(6) above in respect of a sum paid or received by the Secretary of State otherwise than in special drawing rights shall be an amount determined by him, by reference to the day of payment or receipt and having regard to what appears to him to be the appropriate rate of exchange, as being the equivalent in special drawing rights of that sum.
- (6) The limit imposed by section 8(6) above may be exceeded if the excess is attributable only to, or to a combination of—
- (a) a quarterly revaluation ;
 - (b) the Secretary of State's liability under a guarantee given in pursuance of a previous undertaking of his, so far as the amount to be taken into account for the purposes of the limit in respect of the liability exceeds what it would have been if determined by reference to the day on which the undertaking was given;
 - (c) a payment made by the Secretary of State under a guarantee, so far as the amount to be taken into account for the purposes of the limit in respect of the payment exceeds what it would have been if determined by reference to the day on which the guarantee was given.
- (7) In this section—
- " guarantee " has the same meaning as in section 8 above ;
- " quarter" means a quarter ending with 31st March, 30th June, 30th September or 31st December in any year;
- " quarterly revaluation " means a determination made, or (in relation to any time in the quarter current at the commencement of this Act) having effect as if made, under subsection (2) (b) above.

10 Industrial Development Advisory Board

- (1) There shall continue to be a board called the Industrial Development Advisory Board appointed by the Secretary of State to advise him with respect to the exercise of his functions under sections 7 and 8 above.
- (2) The Board shall consist of a chairman and not less than six nor more than twelve other members.

- (3) The members of the Board shall include persons who appear to the Secretary of State to have wide experience of, and to have shown capacity in, industry, banking, accounting and finance.
- (4) If the Board make a recommendation with respect to any matter at the request of the Secretary of State and the Secretary of State exercises his functions under sections 7 and 8 above contrary to their recommendation, he shall, if the Board so request, lay a statement as to the matter before Parliament.

PART IV

MISCELLANEOUS

General assistance for industry

11 Advice for businesses

- (1) The Secretary of State may make provision for the giving of advice (whether free of charge or otherwise) to persons carrying on or proposing to carry on a business.
- (2) Not later than six months after the end of any financial year in which this power is used the Secretary of State shall prepare and lay before Parliament a report on the exercise during the year of his powers under this section.
- (3) In the application of this section to a financial year beginning before the commencement of this Act, the reference in subsection (2) above to the Secretary of State's powers under this section shall include a reference to his powers under section 18 of the Industry Act 1980.

12 Powers to promote careers in industry etc.

- (1) The Secretary of State may make such grants or loans to any body as he considers appropriate for the purpose of assisting in—
 - (a) the promotion of the practice of engineering ;
 - (b) the encouragement and improvement of links between industry, or any part of industry, and bodies or individuals concerned with education;
 - (c) the encouragement of young persons and others to take up careers in industry, or in any part of industry, and to pursue appropriate educational courses.
- (2) Any grants under this section may be made on such conditions, and any loans under this section may be made at such rates of interest, as the Secretary of State may with the approval of the Treasury determine.
- (3) The Secretary of State shall not determine a rate of interest in respect of a loan under this section which is lower than the lowest rate for the time being determined by the Treasury under section 5 of the National Loans Act 1968 in respect of comparable loans out of the National Loans Fund.
- (4) The Secretary of State may, with the approval of the Treasury, guarantee obligations (arising out of loans) incurred by any body which falls within subsection (5) below and which in his opinion is concerned with promoting the practice of engineering.

- (5) A body falls within this subsection if—
- (a) it is established by Royal Charter ; and
 - (b) its members are for the time being appointed by the Secretary of State.

13 Improvement of basic services

- (1) Where it appears to the Minister in charge of any government department that adequate provision has not been made for the needs of any development area or intermediate area in respect of a basic service for which the department is responsible, and that it is expedient with a view to contributing to the development of industry in that area that the service should be improved, he may with the consent of the Treasury make grants or loans towards the cost of improving it to such persons and in such manner as appear to him appropriate.
- (2) In this section " basic service " means the provision of facilities for transport (whether by road, rail, water or air) or of power, lighting, heating, water, or sewerage, and sewage disposal facilities, or any other service or facility on which the development of the area in question, and in particular of industrial undertakings therein, depends.
- (3) The powers conferred by this section are in addition to any other powers of a Minister of the Crown to make grants or loans.

14 Provision of premises and sites

- (1) The Secretary of State shall have power, in order to provide or facilitate the provision of premises in any development area or intermediate area for occupation by undertakings carried on or to be carried on there or for otherwise meeting the requirements of such undertakings (including requirements arising from the needs of persons employed or to be employed therein)—
- (a) to acquire land by agreement or, if so authorised, compulsorily;
 - (b) to erect buildings and carry out works on land belonging to the Secretary of State ;
 - (c) by agreement with the persons interested in any other land, to erect buildings and carry out works on the land on such terms (including terms as to repayment of expenditure incurred by the Secretary of State) as may be specified in the agreement.
- (2) The Secretary of State shall not acquire under subsection (1) above any buildings other than industrial buildings (as defined in section 66 of the Town and Country Planning Act 1971) except for redevelopment or as part of a larger property which in the opinion of the Secretary of State would be incomplete without them.
- (3) The Secretary of State may modernise, adapt or reconstruct any buildings or other works on land acquired by him under this section or the Local Employment Act 1972 and, where the execution of that work will interrupt the use of the buildings or works by any undertaking, acquire other land by agreement, and erect buildings and carry out works on that other land, or on land previously acquired by the Secretary of State as aforesaid, for the purpose of providing premises for the occupation of that undertaking or of otherwise meeting its requirements.
- (4) Where land acquired by the Secretary of State under this section or the Local Employment Act 1972 is situated in a locality which is not a development area or

intermediate area, the Secretary of State may exercise in relation to the land the following powers, that is to say—

- (a) power to preserve and maintain the land and any buildings or works on it, and to erect buildings and carry out works on it;
 - (b) where there are buildings on the land, power to acquire by agreement other land contiguous or adjacent to it for the purpose of erecting thereon extensions to those buildings or of erecting thereon other buildings to be used with the first-mentioned buildings as part of a single undertaking;
 - (c) power to provide means of access, services and other facilities for meeting the requirements of undertakings carried on, or to be carried on, on the land (including requirements arising from the needs of persons employed or to be employed therein).
- (5) The Acquisition of Land Act 1981 shall apply in relation to the compulsory purchase of land by the Secretary of State under this section ; but, notwithstanding anything in this section, where at the time of publication in accordance with the provisions of that Act of notice of the preparation of a draft of a compulsory purchase order—
- (a) land is in use for the purposes of any undertaking, and
 - (b) that undertaking provides employment which is substantial having regard to the extent of the land used for its purposes and the nature of the undertaking,
- the Secretary of State shall not be authorised to acquire compulsorily the interest of the person carrying on the undertaking.
- (6) Any person duly authorised in writing by the Secretary of State may, at any reasonable time, enter any land for the purpose of surveying it in connection with the exercise of the Secretary of State's powers under this section to acquire land; and subsection (9) of section 280 and subsections (1) to (4) and (6) of section 281 of the Town and Country Planning Act 1971 (which contain supplemental provision with respect to powers of entry) shall apply in relation to this subsection as they apply in relation to the said section 280.

Reports and accounts

15 Annual reports

- (1) For each financial year the Secretary of State shall prepare a report on the discharge of his functions—
- (a) under Parts I to III and sections 13 and 14 of this Act,
 - (b) under section 67(1) of the Town and Country Planning Act 1971 and section 65(1) of the Town and Country Planning (Scotland) Act 1972 (industrial development certificates),
 - (c) under Part III of the Industry Act 1972 (including any functions in respect of guarantees given by him under section 7 of the Shipbuilding Industry Act 1967), and
 - (d) under the English Industrial Estates Corporation Act 1981,
- and shall lay the report before Parliament not later than six months after the end of the financial year to which it relates.
- (2) The Secretary of State may discharge his duty under this section in any year by making a report on his functions under Part I, Part II, Part III or sections 13 and 14 of this

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Act, or under the other enactments mentioned in subsection (1) above and one or more separate reports on the remaining functions.

- (3) A report under this section relating to Part III of this Act or Part III of the Industry Act 1972 shall contain a statement showing the total amount of the liabilities of the Secretary of State (exclusive of any liability in respect of interest on a principal sum) under guarantees given by him under Part III of this Act or Part II of that Act or, as the case may be, under Part III of that Act (and in the latter case shall include liabilities under guarantees given under section 7 of the Shipbuilding Industry Act 1967).
- (4) In the application of this section in relation to a financial year beginning before the commencement of this Act any reference in subsection (1) above to a provision of this Act shall include a reference to the enactment re-enacted in that provision.

16 Secretary of State's accounts etc.

- (1) In the light of the statements furnished to him under section 7(4) of the English Industrial Estates Corporation Act 1981, the Secretary of State shall, for each financial year, prepare a statement of accounts in such form as the Treasury may direct, showing the financial results for the financial year as respects—
 - (a) the activities of the Secretary of State in the execution of sections 13 and 14 of this Act and of the English Industrial Estates Corporation Act 1981, other than activities in respect of grants ; and
 - (b) the activities of the English Industrial Estates Corporation.
- (2) The Secretary of State shall on or before 30th November in each year transmit to the Comptroller and Auditor General the statement of accounts prepared by the Secretary of State for the financial year last ended for examination and certification by him.
- (3) Copies of every statement of accounts of the Secretary of State under this section, together with the report of the Comptroller and Auditor General thereon, shall be laid by the Secretary of State before Parliament.
- (4) In the application of this section in relation to a financial year beginning before the commencement of this Act, any reference in subsection (1) above to a provision of this Act shall include a reference to the enactment re-enacted in that provision.

Supplemental

17 Supplemental

- (1) In this Part of this Act " land " includes messuages, tenements and hereditaments, houses and buildings of any tenure.
- (2) In this Part of this Act " undertaking " means any trade or business or any other activity providing employment.
- (3) Where at any time a locality ceases to be a development area or intermediate area, the fact that it is no longer such an area shall not prejudice—
 - (a) the completion by the Secretary of State of buildings or works begun before that time in the locality under subsection (1) of section 14 above, or the exercise by the Secretary of State in relation to land in that locality of his powers under that subsection so far as may be necessary for the purpose of

fulfilling any agreement entered into by the Secretary of State before that time ;

- (b) the making under this Part of this Act of any grant or loan in any case in which an application for the grant or loan was received by the Secretary of State before that time ; or
- (c) the continued operation of any agreement relating to such grant or loan as is mentioned in paragraph (b) above or of any other agreement relating to grants or loans entered into under this Part of this Act or corresponding provisions of the Local Employment Act 1972.

PART V

GENERAL

18 Interpretation

- (1) In this Act " development area ", " special development area " and " intermediate area " mean an area for the time being specified or designated by an order made, or having effect as if made, under section 1 above, as the case may be, as a development area, as a special development area or as an intermediate area.
- (2) In determining for the purposes of section 1(6), 2(6) or 4(4) of this Act the date when the construction of a building or the carrying out of works was begun, no account shall be taken of any work on the clearance or preparation of the site.

19 Consequential provisions etc. and repeals

- (1) Schedule 2 to this Act (which contains amendments consequential on the provisions of this Act, transitional provisions and savings) shall have effect; and the provisions of that Schedule are without prejudice to sections 16 and 17 of the Interpretation Act 1978 (which relate to repeals).
- (2) Subject to the provisions of Schedule 2 to this Act, the enactments and instruments specified in Schedule 3 to this Act are hereby repealed or, as the case may be, revoked to the extent specified in the third column of Schedule 3.

20 Short title, commencement and extent

- (1) This Act may be cited as the Industrial Development Act 1982.
- (2) This Act shall come into force on the expiration of the period of three months beginning with its passing.
- (3) This Act extends to England and Wales and, except for section 14, to Scotland ; but only the following provisions of this Act extend to Northern Ireland, that is to say, Part III, sections 11 and 12, and this section and (so far as they relate to enactments which extend to Northern Ireland) sections 15 and 19 and Schedules 2 and 3.

SCHEDULES

SCHEDULE 1

Section 5.

ENFORCEMENT OF CONDITIONS ATTACHED TO REGIONAL DEVELOPMENT GRANTS

- 1 (1) The Secretary of State may by notice require any person who has received a grant under Part II of this Act, and any person acting on his behalf, to furnish to the Secretary of State such information, or to produce for examination on behalf of the Secretary of State such books, records or other documents, as may be specified in the notice for the purpose of enabling the Secretary of State to determine whether any condition subject to which the grant is made is satisfied or is being complied with, or whether the grant has become repayable in whole or in part in accordance with any such condition.
- (2) Subject to sub-paragraph (3) below, a notice under this paragraph may require the information to which it relates to be furnished within such time as may be specified in the notice, and may require the documents to which it relates to be produced at such time and place as may be so specified.
- (3) The time specified in such a notice for furnishing any information or producing any document shall not be earlier than the end of the period of 28 days beginning with the service of the notice.
- (4) A notice under this paragraph may be served—
- (a) by delivering it to the person on whom it is to be served ;
 - (b) by delivering it at the usual or last known place of abode of that person;
 - (c) by sending it in a prepaid registered letter, or by the recorded delivery service, addressed to that person at his usual or last known place of abode; or
 - (d) in the case of an incorporated company or body, by delivering it to the secretary or clerk of the company or body at their registered or principal office, or sending it in a prepaid registered letter, or by the recorded delivery service, addressed to the secretary or clerk of the company or body at that office.
- 2 Any person duly authorised in that behalf by the Secretary of State may for the purposes mentioned in paragraph 1 of this Schedule, on production (if so required) of written evidence of his authority, at all reasonable times enter and inspect any premises where any asset in respect of which a grant under Part II of this Act has been made is, or in accordance with any condition attached to the grant should be, and require any person appearing to him to have charge of those premises to produce or identify the asset for inspection.
- 3 (1) Any person who in purported compliance with a notice under paragraph 1 of this Schedule knowingly or recklessly makes any statement or produces any document which is false in a material particular shall be guilty of an offence and liable on summary conviction to a fine not exceeding the statutory maximum, or on conviction on indictment to a fine, or to imprisonment for a term not exceeding two years, or to both.

- (2) Any person who without reasonable excuse fails to comply with a notice under paragraph 1 of this Schedule shall be guilty of an offence and liable on summary conviction to a fine not exceeding level 5 on the standard scale.
 - (3) Any person who wilfully obstructs any person in the exercise of a right of entry under paragraph 2 of this Schedule, or without reasonable excuse fails to comply with a requirement under that paragraph, shall be guilty of an offence and liable on summary conviction to a fine not exceeding level 3 on the standard scale.
 - (4) In relation to offences under this paragraph committed in England and Wales before the coming into force of section 38 of the Criminal Justice Act 1982 or in Scotland before the coming into force of section 54 of that Act—
 - (a) the reference in sub-paragraph (2) above to level 5 on the standard scale shall have effect as a reference to £400 ; and
 - (b) the reference in sub-paragraph (3) above to level 3 on the standard scale shall have effect as a reference to £50.
- 4
 - (1) Any person who without reasonable excuse fails to comply with any condition subject to which a grant was made to him under Part II of this Act requiring him to inform the Secretary of State of any event whereby the grant becomes repayable in whole or in part shall be guilty of an offence and liable on conviction to a fine which on summary conviction shall not exceed the statutory maximum.
 - (2) Summary proceedings in Scotland for an offence under this paragraph shall not be commenced after the expiration of three years from the commission of the offence, but subject to that limitation and notwithstanding anything in section 331 of the Criminal Procedure (Scotland) Act 1975, such proceedings may be commenced at any time within twelve months after the date on which evidence sufficient in the opinion of the Lord Advocate to justify the proceedings comes to his knowledge or, where such evidence was reported to him by the Secretary of State, within twelve months after the date on which it came to the knowledge of the Secretary of State ; and subsection (3) of the said section 331 shall apply for the purposes of this paragraph as it applies for the purposes of that section.
 - (3) For the purposes of this paragraph, a certificate of the Lord Advocate or, as the case may be, the Secretary of State as to the date on which such evidence as aforesaid came to his knowledge shall be conclusive evidence of that fact
- 5
 - (1) Where an offence under this Schedule committed by a body corporate is proved to have been committed with the consent or connivance of, or to be attributable to any neglect on the part of, any director, manager, secretary or other similar officer of the body corporate or any person who was purporting to act in any such capacity, he as well as the body corporate shall be guilty of that offence and shall be liable to be proceeded against and punished accordingly.
 - (2) In this paragraph " director", in relation to a body corporate established by or under any enactment for the purpose of carrying on under public ownership any industry or part of an industry or undertaking, being a body corporate whose affairs are managed by its members, means a member of that body corporate.
- 6 References in this Schedule to grant under Part II of this Act shall include references to grant under Part I of the Industry Act 1972.

SCHEDULE 2

Section 19.

CONSEQUENTIAL AMENDMENTS, TRANSITIONAL PROVISIONS AND SAVINGS

PART I

OLD CASES ETC

- 1 The enactments repealed by this Act and the instruments made under those enactments shall continue to have effect after the commencement of this Act for the purpose of the making of grants under Part I of the Industry Act 1972 in respect of expenditure incurred in providing an asset as part of, or on or for use in any premises if—
- (a) the asset was provided before 1st August 1980 ; or
 - (b) the expenditure was defrayed before 18th July 1979 ; or
 - (c) the asset consists of a building or works provided in a derelict land clearance area and the construction of the building or the carrying out of the works was begun before 22nd March 1974.
- 2 (1) In Articles 5, 5A, 5B, 5C and 5D of the Assisted Areas Order 1979 (which contain transitional provisions in connection with changes in the categories of the assisted areas) references to Part I of the Industry Act 1972 shall have effect on and after the commencement of this Act as if they included references to Part II of this Act.
- (2) Where apart from this sub-paragraph the amount of a grant under Part II of this Act towards expenditure falling within sub-paragraph (3) below would be less than 20 per cent, of the expenditure, the amount shall instead be 20 per cent, of the expenditure.
- (3) The expenditure falling within this sub-paragraph is expenditure incurred—
- (a) in providing an asset as part of, or on or for use in, qualifying premises in a relevant special development area in such circumstances that, by reason of Article 5(1) and (4)(d) or Article 5A(2) and (5)(b) of the Assisted Areas Order 1979 (as amended by sub-paragraph (1) above), any grant under Part II of this Act towards the expenditure is to be made at the rate appropriate to a development area which is not a special development area, or
 - (b) in providing a building or works at any time as part of or on qualifying premises in a relevant development area in such circumstances that, by reason of Article 5(2) and (4)(d) of that order (as so amended), no grant may be made under Part II of this Act towards any expenditure incurred in providing machinery or plant at that time for use in those premises.
- (4) In sub-paragraph (3) above—
- (a) " relevant special development area " means an area which became a special development area on the coming into operation of the Assisted Areas Order 1977, the Assisted Areas Order 1979 or the Assisted Areas (Amendment) Order 1979, and
 - (b) "relevant development area" means an area which became a development area on the coming into operation of the Assisted Areas Order 1977, the Assisted Areas (No. 2) Order 1977 or the Assisted Areas Order 1979.
- (5) The preceding provisions of this paragraph are without prejudice to the provisions of an order made after the commencement of this Act under section 1 of this Act, and such an order may amend or repeal sub-paragraph (1) above.

- (6) Notwithstanding its enactment by this Act, sub-paragraph (1) above shall have effect subject to any question arising as to the validity of the provisions in the Articles mentioned in that sub-paragraph referring to Part I of the Industry Act 1972.

PART II

MISCELLANEOUS

The Distribution of Industry Acts 1945 to 1958

- 1 The repeal by this Act of paragraph 3 of Schedule 2 to the Local Employment Act 1972 shall be without prejudice to—
- (a) the continued operation as mentioned in that paragraph of any agreement relating to loans or grants entered into under the Distribution of Industry Acts 1945 to 1958 ;
 - (b) the payment of further instalments of a grant under section 3 of the Distribution of Industry Act 1945 in pursuance of arrangements made before 1st April 1960;
 - (c) the continued payment to a housing association of grants under section 3(2) of the Distribution of Industry Act 1950 in respect of dwellings provided before 1st April 1960, being grants which the Board of Trade agreed to make.

The Landlord and Tenant Act 1954

- 2 In section 60 of the Landlord and Tenant Act 1954—
- (a) the application by subsection (1) of section 2(1) of the Local Employment Act 1972 shall continue to have effect notwithstanding the repeal by this Act of Part I of Schedule 4 to the Industry Act 1972 ; and
 - (b) for subsection (3) there shall be substituted the following subsection—

“(3) In this section 'development area' and 'intermediate area' mean an area for the time being specified as a development area or, as the case may be, as an intermediate area by an order made, or having effect as if made, under section 1 of the Industrial Development Act 1982.”

The Building Control Act 1966

- 3 In section 4(5) of the Building Control Act 1966, for the words, from " by an order " to " the Local Employment Act 1972 " there shall be substituted the words " by an order made, or having effect as if made, under section 1 of the Industrial Development Act 1982 or, in relation to a time before the commencement of that Act, under the Local Employment Act 1972 ".

The Capital Allowances Act 1968

- 4 (1) In sections 84(1) and 95(6) of the Capital Allowances Act 1968—
- (a) for the words "under Part I" there shall be substituted the words " under the provisions of Part II of the Industrial Development Act 1982 or Part I "; and

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(b) for the words "the said Part I" there shall be substituted the words " those provisions ".

- (2) Any statutory instrument made before the commencement of this Act under a provision amended by sub-paragraph (1) above shall (subject to any power to amend or revoke the instrument) have effect after the commencement of this Act, with the necessary modifications, as if made under the provision as so amended.

The Development of Tourism Act 1969

- 5 In subsection (3) of section 11 of the Development of Tourism Act 1969, for the words from " by an order" onwards there shall be substituted the words " by an order made, or having effect as if made, under section 1 of the Industrial Development Act 1982 or, in relation to a time before the commencement of that Act, under section 1 of the Local Employment Act 1972 ".

The Finance Act 1971

- 6 In section 52(1) of the Finance Act 1971, for the words " within the meaning of the Local Employment Act 1972)" there shall be substituted the words " (that is to say, an area specified as such by an order made, or having effect as if made, under section 1 of the Industrial Development Act 1982 or, in relation to a time before the commencement of that Act, a development area within the meaning of the Local Employment Act 1972) ".

The Town and Country Planning Act 1971

- 7 (1) In section 67(7) of the Town and Country Planning Act 1971, for the definition of "development area" there shall be substituted the following definition: —
 "‘development area’ means any area specified as such by an order made, or having effect as if made, under section 1 of the Industrial Development Act 1982”.
- (2) In section 124(8) of that Act, for the words " section 5, 8, 13(1) or 14 of the Local Employment Act 1972" there shall be substituted the words " section 14(1) or (4) or 17(3) of the Industrial Development Act 1982 ".

The Local Employment Act 1972

- 8 The repeal by this Act of paragraph 3 of Schedule 2 to the Industry Act 1972 shall not affect any liability by virtue of that paragraph (savings for repeals of provisions of the Local Employment Act 1972) for any offence committed before the commencement of this Act.
- 9 Nothing in this Act shall prejudice the operation, in relation to section 8 of the Local Employment Act 1972, of the transitional provisions contained in section 8(7) of the Scottish Development Agency Act 1975 and sections 1(12) and 2(3) of the Derelict Land Act 1982.

The Town and Country Planning (Scotland) Act 1972

- 10 In section 65(6) of the Town and Country Planning (Scotland) Act 1972, for the definition of " development area " there shall be substituted the following definition: —

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“development area' means any area specified as such by an order made, or having effect as if made, under section 1 of the Industrial Development Act 1982”.

The House of Commons Disqualification Act 1975

- 11 In Part III of Schedule 1 to the House of Commons Disqualification Act 1975, for the words " or Part II of the Industry Act 1972 " there shall be substituted the words " Part II of the Industry Act 1972 or Part III or section 13 of the Industrial Development Act 1982 ".

The Industry Act 1975

- 12 In section 37(1) of the Industry Act 1975, for the words " the Industry Act 1972 " mere shall be substituted the words " the Industrial Development Act 1982 ".

Advisory Boards in Scotland and Wales

- 13 In section 20 of the Scottish Development Agency Act 1975 and in section 13 of the Welsh Development Agency Act 1975, for the words " the Industry Act 1972 ", wherever occurring, there shall be substituted the words " the Industrial Development Act 1982 ".

The Energy Act 1976

- 14 In section 21 of the Energy Act 1976, for the words "the Industry Act 1972 " there shall be substituted the words " the Industrial Development Act 1982 ".

The British Aerospace Act 1980

- 15 In paragraph 3 of Schedule 1 to the British Aerospace Act 1980—
- (a) in sub-paragraph (1), after the words " the Industry Act 1972 " there shall be inserted the words " and Part II of the Industrial Development Act 1982 " and for the words " of that Act" there shall be substituted " of the said Act of 1972 "; and
 - (b) in sub-paragraph (2), for the words from " and " onwards there shall be substituted the words " or Part II of the Industrial Development Act 1982 and ' approved capital expenditure' has the same meaning as it has for the purposes of the provisions relating to regional development grant ".

The Finance Act 1980

- 16 In section 42(2)(a) of the Finance Act 1980, after the word " of " there shall be inserted the words " the Industrial Development Act 1982 or section 7 or 8 of ".

The English Industrial Estates Corporation Act 1981

- 17 (1) In section 2(6) of the English Industrial Estates Corporation Act 1981, for the words "the Local Employment Act 1972" there shall be substituted the words " the Industrial Development Act 1982 ".

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- (2) In section 8 of that Act, for the words " section 5 of the Local Employment Act 1972 " there shall be substituted the words " section 14(1) of the Industrial Development Act 1982 ".

The Finance Act 1982

- 18 In section 137(6) of the Finance Act 1982—
- (a) for the words " under Part I" there shall be substituted the words " under the provisions of Part II of the Industrial Development Act 1982 or Part I "; and
 - (b) for the words " the said Part I" there shall be substituted the words " those provisions ".

The Derelict Land Act 1982

- 19 In section 1 of the Derelict Land Act 1982—
- (a) in subsection (10), for the words " the Local Employment Act 1972 " there shall be substituted the words " the Industrial Development Act 1982 "; and
 - (b) in subsection (11), in the definition of " development area ", for the words from " made " to " 1972 " there shall be substituted the words " made, or having effect as if made, under section 1 of the Industrial Development Act 1982 ".

SCHEDULE 3

Section 19.

REPEALS AND REVOCATIONS

Chapter	Short Title	Extent of Repeal or Revocation
1972 c. 5.	The Local Employment Act 1972.	Section 1. Section 5. Sections 7 and 9. Sections 13 and 14. Sections 16 to 18. Section 20. Section 21(1). Section 22(3) and (4). In Schedule 2, paragraphs 3, 4, 8, 9 and 10. Schedule 3, except the entries relating to the Industrial Development Act 1966 and the Finance Act 1970.

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Chapter	Short Title	Extent of Repeal or Revocation
1972 c. 52.	The Town and Country Planning (Scotland) Act 1972.	In section 114(7), the words from "or in" onwards. In Part II of Schedule 21, the entry relating to the Local Employment Act 1972.
1972 c. 63.	The Industry Act 1972.	Parts I and II. Sections 13 to 16. In section 17(1), the words " Part II or " In section 18, in subsection (1) the words " Part II and " and subsection (3). In section 19(2), the words " Schedule 2 and " . In Schedule 1, in paragraph 1(1) the words " Part I or ", paragraphs 2 and 3(3) and in paragraph 4(1) the words " Part I or " Schedule 2. Part I of Schedule 4.
1973 c. 50.	The Employment and Training Act 1973.	In section 14(1), the words from " but " onwards. In Schedule 3, paragraphs 12 and 15.
1973 c. 65.	The Local Government (Scotland) Act 1973.	In Schedule 23, paragraph 14.
1974 c. 39.	The Consumer Credit Act 1974.	In Schedule 4, paragraph 33.
1975 c. 68.	The Industry Act 1975.	Section 22. Section 39(2). In Schedule 4, Part I. Schedule 7.
1980 c. 33.	The Industry Act 1980.	Sections 16 to 18. Schedule 1.
1981 c. 6.	The Industry Act 1981.	Section 6.

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Chapter	Short Title	Extent of Repeal or Revocation
1981 c. 13.	The English Industrial Estates Corporation Act 1981.	Section 9(2). Section 10(4)(a).
1981 c. 57.	The Employment and Training Act 1981.	In Schedule 2, paragraphs 6 and 7.
1981 c. 67.	The Acquisition of Land Act 1981.	In Schedule 4, paragraph 22.
1982 c. 18.	The Industry Act 1982.	The whole Act.
S.I. 1973/243.	The Regional Development Grants (Qualifying Activities) Order 1973.	The whole order.
S.I.1976/1573.	The Regional Development Grants (Qualifying Activities) Order 1976.	The whole order.