



# Nuclear Installations Act 1965

## 1965 CHAPTER 57

### *Cover for compensation*

#### **19 Special cover for licensee's liability**

(1) Subject to section 3(5) of this Act and to subsection (3) of this section, where a nuclear site licence has been granted in respect of any site, the licensee shall make such provision (either by insurance or by some other means) as the Minister may with the consent of the Treasury approve for sufficient funds to be available at all times to ensure that any claims which have been or may be duly established against the licensee as licensee of that site by virtue of section 7 of this Act or any relevant foreign law made for purposes corresponding to those of section 10 of this Act (excluding, but without prejudice to, any claim in respect of interest or costs) are satisfied up to an aggregate amount of five million pounds in respect of each severally of the following periods, that is to say—

- (a) the current cover period, if any ;
- (b) any cover period which ended less than ten years before the time in question;
- (c) any earlier cover period in respect of which a claim remains to be disposed of, being a claim made—
  - (i) within the relevant period within the meaning of section 16 of this Act; and
  - (ii) in the case of a claim such as is mentioned in section 15(2) of this Act, also within the period of twenty years so mentioned;

and for the purposes of this section the cover period in respect of which any claim is to be treated as being made shall be that in which the beginning of the relevant period aforesaid fell.

(2) In this Act, the expression " cover period " means the period of the licensee's responsibility or, if a direction has been given in respect of the site under subsection (4) of this section, any of the following periods, that is to say—

- (a) the period beginning with the grant of the nuclear site licence and ending with the date specified in the first such direction;

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*Status: This is the original version (as it was originally enacted).*

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- (b) the period beginning with the date specified in any such direction and ending with the date specified in the next such direction, if any;
- (c) the period beginning with the date specified in the last such direction and ending with the ending of the period of the licensee's responsibility ;

and for the purposes of this definition the period of the licensee's responsibility shall be deemed to include any time after the expiration of that period during which it remains possible for the licensee to incur any liability by virtue of section 7(2)(b) or (c) of this Act, or by virtue of any relevant foreign law made for purposes corresponding to those of section 10 of this Act.

- (3) Where in the case of any licensed site the provision required by subsection (1) of this section is to be made otherwise than by insurance and, apart from this subsection, provision would also fall to be so made by the same person in respect of two or more other sites, the requirements of that subsection shall be deemed to be satisfied in respect of each of those sites if funds are available to meet such claims as are mentioned in that subsection in respect of all the sites collectively, and those funds would for the time being be sufficient to satisfy the requirements of that subsection in respect of those two of the sites in respect of which those requirements are highest:

Provided that the Minister may in any particular case at any time direct either that this subsection shall not apply or that the funds available as aforesaid shall be of such amount higher than that provided for by the foregoing provisions of this subsection, but lower than that necessary to satisfy the requirements of the said subsection (1) in respect of all the sites severally, as may be required by the direction.

- (4) Where, by reason of the gravity of any occurrence which has resulted or may result in claims such as are mentioned in subsection (1) of this section against a licensee as licensee of a particular licensed site, or having regard to any previous occurrences which have resulted or may result in such claims against the licensee, the Minister thinks it proper so to do, he shall by notice in writing to the licensee direct that a new cover period for the purposes of the said subsection (1) shall begin in respect of that site on such date not earlier than two months after the date of the service of the notice as may be specified therein.
- (5) If at any time while subsection (1) of this section applies in relation to any licensed site the provisions of that subsection are not complied with in respect of that site, the licensee shall be guilty of an offence and be liable—
  - (a) on summary conviction to a fine not exceeding one hundred pounds, or to imprisonment for a term not exceeding three months, or to both ;
  - (b) on conviction on indictment, to a fine not exceeding five hundred pounds, or to imprisonment for a term not exceeding two years, or to both.