



# Atomic Energy Authority Act 1986

## 1986 CHAPTER 3

### *The Authority's finances*

#### **3 Limit on borrowing.**

- (1) The aggregate amount outstanding by way of principal in respect of—
- money borrowed by the Authority or a wholly owned subsidiary of theirs,
  - money borrowed for the repayment of which the Authority or a wholly owned subsidiary of theirs is a guarantor or surety,
  - the Authority's commencing capital debt, and
  - sums issued by the Treasury in fulfilment of guarantees under section 5 (guarantees of borrowing by Authority or their subsidiaries),

shall not exceed £150 million or such greater sum, not exceeding £200 million, as the Secretary of State may specify by order.

- (2) Borrowing between the Authority and a wholly owned subsidiary of theirs, or between two such subsidiaries, shall not be taken into account for the purposes of subsection (1).
- (3) If a body corporate ceases to be a wholly owned subsidiary of the Authority, the Secretary of State may, having regard to the extent to which the amounts taken into account for the purposes of subsection (1) were attributable to—
- money borrowed by that body corporate, and
  - money borrowed for the repayment of which that body corporate is a guarantor or surety,

by order provide that subsection (1) shall have effect with the substitution for the amounts specified in that subsection, or in an order in force under that subsection, of such lower amounts as he considers appropriate.

- (4) Where the Authority or a wholly owned subsidiary of theirs enter into a transaction which involves credit or other financial services being made available to them, the Secretary of State may by order provide—

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*Changes to legislation: There are currently no known outstanding effects for the Atomic Energy Authority Act 1986, Section 3. (See end of Document for details)*

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- (a) that they shall be treated for the purposes of subsection (1) as having borrowed such amount as may be specified in the order, and
  - (b) for determining how much of that amount is to be treated for the purposes of that subsection as outstanding at any time.
- (5) The Secretary of State may, when he consents to borrowing in a currency other than sterling, or later, give directions as to the method of calculation, and the date to be taken, in determining for the purposes of subsection (1) the value in sterling of the amount outstanding.
- (6) The Secretary of State shall not make an order under subsection (1) or give directions under subsection (5) except with the approval of the Treasury; and before giving directions under subsection (5) he shall consult the Authority.
- (7) Orders under this section shall be made by statutory instrument, and—
- (a) an order shall not be made under subsection (1) unless a draft of it has been approved by a resolution of the House of Commons, and
  - (b) an order under subsection (3) or (4) shall be subject to annulment in pursuance of a resolution of that House.

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**Subordinate Legislation Made**

**P1** [S. 3\(1\)](#): s. 3(1) power exercised by [S.I.1991/1736](#)

**Changes to legislation:**

There are currently no known outstanding effects for the Atomic Energy Authority Act 1986, Section 3.