



# Enterprise Act 2016

## 2016 CHAPTER 12

### PART 8

#### OTHER ENTERPRISE-RELATED PROVISIONS

VALID FROM 04/07/2016

#### *Industrial development*

#### **34 Allowable assistance under Industrial Development Act 1982**

In section 8(8) of the Industrial Development Act 1982 (allowable assistance per project)—

- (a) for “the Secretary of State pays or undertakes to pay” substitute “ are paid, or undertaken to be paid, ”;
- (b) after “shall not exceed £10 million” insert “ in the case of payments made, or undertakings given by, the Scottish Ministers, or £30 million in any other case ”;
- (c) after “the said sum of £10 million” insert “ or £30 million ”.

#### **35 Grants etc towards electronic communications services and networks**

- (1) The Industrial Development Act 1982 is amended as follows.
- (2) In section 13 (improvement of basic services), in the heading, at the end insert “ in development areas and intermediate areas ”.
- (3) After that section insert—

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*Changes to legislation: There are currently no known outstanding effects for the Enterprise Act 2016, PART 8. (See end of Document for details)*

### **“13A Improvement of electronic communications networks and services etc**

- (1) This section applies if it appears to the Secretary of State that adequate provision has not been made for an area in respect of electronic communications facilities.
- (2) The Secretary of State may, with the consent of the Treasury, make a grant or loan towards the cost of improving an electronic communications facility if—
  - (a) the Secretary of State considers that doing so is likely to contribute to the development of industry in the area, or
  - (b) the Secretary of State considers that doing so is likely to benefit the area in any other way (for example, by improving social or economic inclusion), and the grant or loan is made to an undertaking that is, or is to be, carried on in the area.
- (3) In this section—
  - (a) “area” means the United Kingdom or a part or area of the United Kingdom;
  - (b) “electronic communications facility” means an electronic communications network, electronic communications service or associated facility, as defined by section 32 of the Communications Act 2003.
- (4) The power conferred by this section is in addition to any other powers of the Secretary of State to make grants or loans.”
- (4) In section 16(1)(a) (Secretary of State's accounts), for “13 and 14” substitute “ 13 to 14 ”.
- (5) In section 20(3) (extent)—
  - (a) for “and 12” substitute “ , 12 and 13A ”;
  - (b) after “sections 15” insert “ , 16 ”.

VALID FROM 01/02/2017

### *UK Government Investments Limited*

#### **36 UK Government Investments Limited**

- (1) The Treasury or the Secretary of State may—
  - (a) provide grants, loans, guarantees or indemnities, or any other kind of financial assistance (actual or contingent) to UK Government Investments Limited, or
  - (b) make other payments to UK Government Investments Limited.
- (2) “UK Government Investments Limited” means the private company limited by shares incorporated on 11 September 2015 with the company number 09774296.

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## UK Green Investment Bank

VALID FROM 18/08/2017

### 37 Disposal of Crown's shares in UK Green Investment Bank company

- (1) Part 1 of the Enterprise and Regulatory Reform Act 2013 (UK Green Investment Bank) is amended as follows.
- (2) Omit the following provisions—
  - (a) section 1 (the green purposes);
  - (b) section 3 (alteration of Bank's objects where it is designated by Secretary of State);
  - (c) section 5 (accounts, reports etc where Bank is designated by Secretary of State).
- (3) In section 2 (designation of Bank)—
  - (a) for the heading substitute “ Interpretation ”,
  - (b) omit subsections (1) to (8) (Secretary of State's power to designate), and
  - (c) after subsection (9) insert—
    - “(10) In this Part “UK Green Investment Bank company” means—
      - (a) the UK Green Investment Bank, or
      - (b) a company that is or at any time has been in the same group as the Bank.
    - (11) For the purposes of subsection (10) a company is to be regarded as being in the same “group” as the UK Green Investment Bank, if, for the purposes of section 1161(5) of the Companies Act 2006, the company is a group undertaking in relation to the UK Green Investment Bank.”
- (4) In section 4 (financial assistance from the Secretary of State)—
  - (a) in subsection (1)—
    - (i) omit “Where an order has been made under section 2,”,
    - (ii) for “the UK Green Investment Bank” substitute “ a UK Green Investment Bank company ”, and
    - (iii) for “Crown's shareholding in it is more than half of its issued share capital” substitute “ Crown holds shares in it or another UK Green Investment Bank company ”,
  - (b) in subsection (3), in paragraphs (d) and (e), for “the Bank” substitute “ the company ”,
  - (c) omit subsection (5), and
  - (d) in subsection (6) (no effect on other powers to give financial assistance to the Bank)—
    - (i) for “the Bank”, in the first place, substitute “ a UK Green Investment Bank company ”, and
    - (ii) for “Crown's shareholding in the Bank is not more than half of its issued share capital” substitute “ Crown does not hold shares in it or another UK Green Investment Bank company ”.

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- (5) In section 6 (documents to be laid before Parliament)—
- (a) in subsection (1)(a) omit “after an order has been made under section 2,”,
  - (b) in subsection (1)(b) for “the Bank” substitute “ a UK Green Investment Bank company ”, and
  - (c) omit subsections (3) and (4).
- (6) After section 6 insert—

**“6A Report on disposal of Crown's shares in UK Green Investment Bank company**

- (1) As soon as reasonably practicable after a disposal of shares held by the Crown in a UK Green Investment Bank company the Secretary of State must lay before Parliament a report on the disposal.
- (2) The report—
  - (a) must state—
    - (i) the kind of disposal, and
    - (ii) the proportion of the company's share capital retained by the Crown (or that none has been retained); and
  - (b) must include—
    - (i) an assessment of how the Secretary of State's objectives for the disposal have been achieved, and
    - (ii) where the Crown still holds one or more shares in a UK Green Investment Bank company, details of the Secretary of State's intentions as to the Crown's future role and interest in such companies.
- (3) The Secretary of State must give a copy of the report to—
  - (a) the Scottish Ministers,
  - (b) the Welsh Ministers, and
  - (c) the Office of the First Minister and deputy First Minister in Northern Ireland.
- (4) Subsection (3) applies to a report as described in section 38 of the Enterprise Act 2016 as well as to a report under this section.”

**38 UK Green Investment Bank: transitional provision**

- (1) The Secretary of State may not make regulations under section 44 appointing the day on which section 37 comes into force unless the Secretary of State has—
  - (a) decided to make a disposal of shares held by the Crown in a UK Green Investment Bank company, and
  - (b) laid before Parliament a report on the proposed disposal (or, if more than one, on each of them) which states—
    - (i) the kind of disposal intended,
    - (ii) the expected time-scale for the disposal, and
    - (iii) the Secretary of State's objectives for the disposal.
- (2) In this section “UK Green Investment Bank company” means—

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- (a) the public company limited by shares incorporated on 15 May 2012 with the company number SC424067 and with the name UK Green Investment Bank plc, or
  - (b) a company that is or at any time has been in the same group as that company.
- (3) For the purposes of subsection (2) a company is to be regarded as being in the same “group” as another company, if, for the purposes of section 1161(5) of the Companies Act 2006, the company is a group undertaking in relation to that other company.

VALID FROM 21/07/2016

### *The Pubs Code Adjudicator and the Pubs Code*

#### **39 Market rent only option: rent assessments etc**

In section 43 of the Small Business, Enterprise and Employment Act 2015 (pubs code: market rent only option), in subsection (6)(b), after “in lieu of rent” insert “(whether or not it results in a proposal that the rent, or amount of money payable, should increase)”.

#### **40 Reports on avoidance**

In Part 4 of the Small Business, Enterprise and Employment Act 2015 (the Pubs Code Adjudicator and the Pubs Code), after section 71 insert—

##### **“71A Reports on avoidance**

- (1) The Adjudicator must report to the Secretary of State on cases of pub-owning businesses engaging in business practices which are, in the Adjudicator's opinion, unfair business practices.
- (2) A report under subsection (1) must include recommendations as to—
  - (a) actions to be taken to prevent pub-owning businesses from engaging in the business practices reported on, and
  - (b) how to provide redress for tied pub tenants affected by those practices.
- (3) The Secretary of State must issue a statement within three months of receiving a report under subsection (1) setting out—
  - (a) action which the Secretary of State intends to take to protect tied pub tenants affected by the business practices reported on, or
  - (b) if the Secretary of State does not intend to take such action, the reasoning for that decision.
- (4) In this section “unfair business practice” means a business practice which—
  - (a) is engaged in by a pub-owning business at any time after the passing of this Act in order to avoid, to the detriment of tied pub tenants, the operation of provision made by or under this Part, and
  - (b) is unfair.”

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