



# Civil Aviation Act 1982

## 1982 CHAPTER 16

### PART I

#### ADMINISTRATION

##### *Financial provisions in relation to CAA*

#### **8 General financial duties.**

- (1) It shall be the duty of the CAA so to conduct its affairs as to secure that its revenue (including any grant towards revenue made to it in pursuance of section 12(1) below) is not less than sufficient to meet charges properly chargeable to revenue account, taking one year with another.
- (2) Subject to subsection (3) below, it shall be the duty of the CAA—
  - (a) in framing and carrying out proposals involving substantial outlay on capital account, and
  - (b) in framing and carrying out proposals involving the taking on hire of any equipment the purchase of which at the time of taking on hire would involve such an outlay,to act on lines settled from time to time with the approval of the Secretary of State; and it shall also be the duty of the CAA to secure that any subsidiary of the CAA acts on those lines in framing and carrying out either description of proposals.
- (3) Subsection (2)(b) above shall not apply to proposals by the CAA, or one of its subsidiaries, involving the taking on hire of equipment from a subsidiary or another of the subsidiaries of the CAA or from the CAA itself, as the case may be.
- (4) The Secretary of State may, with the approval of the Treasury, give the CAA a direction as to any matter relating to the establishment or management of reserves or the carrying of sums to the credit of any reserves or the application of any reserves for the purposes of the CAA.

*Status: Point in time view as at 29/07/2021.*

*Changes to legislation: There are currently no known outstanding effects for the Civil Aviation Act 1982, Cross Heading: Financial provisions in relation to CAA. (See end of Document for details)*

## 9 The initial debt.

- (1) In this Act “the initial debt” means the debt which was assumed by the CAA on 16th November 1973 under section 7 of the <sup>M1</sup>Civil Aviation Act 1971 as a debt to the Secretary of State and which was subsequently reduced under subsection (5) of that section to £27,073,104.
- (2) The rate of interest payable on the initial debt, the arrangements for paying off the principal and the other terms of the debt shall be such as the Secretary of State may from time to time determine with the approval of the Treasury.
- (3) Any sums received by the Secretary of State by way of interest on or repayment of the initial debt shall be paid into the National Loans Fund.

### Marginal Citations

M1 1971 c. 75.

## 10 Borrowing powers.

- (1) Subject to the following provisions of this section, the CAA shall have power to borrow such sums as it may require for performing its functions.
- (2) The CAA’s power to borrow sums in sterling otherwise than by way of temporary loan shall be limited to borrowing from the Secretary of State, or with the consent of the Secretary of State from the Commission of the European Communities or the European Investment Bank, any sums which the CAA may require for capital purposes or for fulfilling a guarantee entered into by the CAA.
- (3) Except as provided by subsection (2) above, the CAA may borrow any sums it has power to borrow under subsection (1) above from the Secretary of State or, with the consent of, or in accordance with a general authorisation given by, the Secretary of State, from any other person (and whether in sterling or in a currency other than sterling).
- (4) The Secretary of State shall not give any consent or authorisation for the purposes of subsection (2) or (3) above except with the approval of the Treasury.
- (5) A statement in writing by the Secretary of State to the effect that the approval of the Treasury has been given for any such consent or authorisation shall be conclusive evidence of that fact in any legal proceedings.
- (6) The aggregate amount outstanding in respect of the principal of any money borrowed by the CAA under this section and the initial debt shall not exceed [<sup>F1</sup>£500 million or such greater sum not exceeding £750 million as may from time to time be specified by an order made by the Secretary of State; but no such order shall be made unless a draft of it has been laid before and approved by a resolution of the House of Commons.]
- [<sup>F2</sup>(7) In subsection (3) above the reference to a currency other than sterling includes a reference to units of account defined by reference to more than one currency.]

### Textual Amendments

F1 Words substituted by [Civil Aviation Authority \(Borrowing Powers\) Act 1990 \(c. 2, SIF 9\), s. 1\(2\)](#)

*Status: Point in time view as at 29/07/2021.*

*Changes to legislation: There are currently no known outstanding effects for the Civil Aviation Act 1982, Cross Heading: Financial provisions in relation to CAA. (See end of Document for details)*

**F2** S. 10(7) inserted by **Civil Aviation Authority (Borrowing Powers) Act 1990 (c. 2, SIF 9), s. 1(1)(3)**

## 11 Charges.

- (1) The CAA may, <sup>F3</sup>... make a scheme for determining the charges which are to be paid to the CAA in respect of the performance of such of its functions as are specified in the scheme; and a scheme under this section may as respects any of those functions—
- specify the amount of the charge or a scale of charges by reference to which that amount is to be ascertained or provide that the charges shall be of such amount, not exceeding that specified in the scheme, as may be decided by the CAA, having regard to the expense incurred by the CAA in performing the function in question and to such other factors (if any) as may be so specified;
  - provide for different charges for cases of such different descriptions as may be so specified;
  - specify the manner in which, the time at which and the person by whom any charge is to be paid.

<sup>F4</sup>(1A) Before making a scheme under this section, the CAA must—

- consult the persons who, in its opinion, are likely to be affected by the scheme or such of those persons as it thinks fit, and
- after consulting those persons, consult the Secretary of State.]

(2) A scheme under this section shall come into force on such day as may be specified in the scheme, not being earlier than the expiration of the period of <sup>F5</sup>14 days ] beginning with the day on which the scheme is published in the prescribed manner; and a scheme made under this section may vary or revoke a previous scheme so made.

(3) Regulations made by the Secretary of State may make provision for determining the charges which are to be paid to the CAA, or for securing that no charge is payable to the CAA, in respect of such of its functions as may be prescribed; and regulations for determining the said charges may—

- prescribe the amount of a charge or the maximum or minimum amount of a charge or a scale of charges by reference to which those amounts are to be ascertained;
- prescribe the manner in which, the time at which and the person by whom a charge is to be paid.

<sup>F6</sup>(3A) Before making regulations under this section, the Secretary of State must consult the persons who, in the Secretary of State's opinion, are likely to be affected by the regulations or such of those persons as the Secretary of State thinks fit.

(3B) Subsection (3A) does not apply if the Secretary of State is satisfied that such consultation is unnecessary having regard to consultation carried out by the CAA in accordance with subsection (1A). ]

(4) In so far as a scheme and regulations under this section make different provision with respect to the same matter the provision made by the scheme shall be disregarded.

(5) Where as respects any function of the CAA provision for a charge to be paid is made by virtue of this section it shall be the duty of the CAA to charge accordingly, except that it may, if it thinks fit to do so in a particular case, waive the whole or part of the charge.

(6) Nothing in the preceding provisions of this section shall be construed as derogating from the power of the CAA to enter into an agreement for the payment to it of charges

*Status: Point in time view as at 29/07/2021.*

*Changes to legislation: There are currently no known outstanding effects for the Civil Aviation Act 1982, Cross Heading: Financial provisions in relation to CAA. (See end of Document for details)*

of such amounts as may be determined in pursuance of the agreement in respect of the performance by it of any of its functions, other than a function in respect of which provision is made in pursuance of those provisions for the making of a charge or of no charge.

- (7) Charges shall not be determined in pursuance of this section in respect of the provision of air navigation services; and provision shall not be made by or under an Air Navigation Order for the payment of fees to the CAA.
- [<sup>F7</sup>(8) References in this section to functions of the CAA include functions conferred by or under Part 2 of the Aviation Security Act 1982 on authorised persons (as defined in that Part) to the extent that the functions are carried out by persons authorised by the CAA. ]
- [<sup>F8</sup>(9) Charges shall not be determined in pursuance of this section in respect of any function conferred on the CAA by regulations under section 16 of the Space Industry Act 2018.]

#### Textual Amendments

- F3** Words in s. 11(1) omitted (6.4.2013) by virtue of [Civil Aviation Act 2012 \(c. 19\)](#), **ss. 100(2)**, 110(1) (with [Sch. 10 paras. 12, 17](#)); [S.I. 2013/589](#), art. 2(4)(a)
- F4** S. 11(1A) inserted (6.4.2013) by [Civil Aviation Act 2012 \(c. 19\)](#), **ss. 100(3)**, 110(1) (with [Sch. 10 paras. 12, 17](#)); [S.I. 2013/589](#), art. 2(4)(a)
- F5** Words in s. 11(2) substituted (6.4.2013) by [Civil Aviation Act 2012 \(c. 19\)](#), **ss. 100(4)**, 110(1) (with [Sch. 10 paras. 12, 17](#)); [S.I. 2013/589](#), art. 2(4)(a)
- F6** S. 11(3A)(3B) inserted (6.4.2013) by [Civil Aviation Act 2012 \(c. 19\)](#), **ss. 100(5)**, 110(1) (with [Sch. 10 paras. 12, 17](#)); [S.I. 2013/589](#), art. 2(4)(a)
- F7** S. 11(8) inserted (1.4.2014) by [Civil Aviation Act 2012 \(c. 19\)](#), s. 110(1), **Sch. 11 para. 2** (with [Sch. 10 paras. 12, 17](#)); [S.I. 2014/262](#), art. 3(a)
- F8** S. 11(9) inserted (29.7.2021) by [Space Industry Act 2018 \(c. 5\)](#), s. 70(1), **Sch. 12 para. 3**; [S.I. 2021/817](#), reg. 2, [Sch. para. 117](#) (with reg. 3)

#### Modifications etc. (not altering text)

- C1** S. 11 extended (1.9.1995) by [S.I. 1994/426 \(N.I. 1\)](#), **art. 30(6)**; [S.R. 1995/294](#), art. 2, **Sch.** (with arts. 2(3), 16)

## 12 Grants and loans by Secretary of State.

- (1) The Secretary of State may—
- make the CAA grants of such amounts as he thinks fit;
  - give the CAA a direction providing that the whole or part of a grant made in pursuance of paragraph (a) above is not to be used by the CAA otherwise than for the purposes of such of the CAA's functions as are specified in the direction.
- (2) The Secretary of State may, with the approval of the Treasury, lend the CAA any sums which the CAA has power to borrow from him by virtue of section 10 above.
- (3) Any loan which the Secretary of State makes in pursuance of subsection (2) above shall be repaid to him at such times and by such methods, and interest on the loan shall be paid to him at such rates and at such times, as the Secretary of State may with the approval of the Treasury from time to time determine.

*Status: Point in time view as at 29/07/2021.*

*Changes to legislation: There are currently no known outstanding effects for the Civil Aviation Act 1982, Cross Heading: Financial provisions in relation to CAA. (See end of Document for details)*

- (4) The Treasury may issue out of the National Loans Fund to the Secretary of State such sums as are necessary to enable him to make loans in pursuance of subsection (2) above; and any sums received by the Secretary of State in pursuance of subsection (3) above shall be paid into that Fund.

### **13 Payments to Secretary of State.**

- (1) Any excess of the revenues of the CAA for any accounting year over the total sums properly chargeable by the CAA to revenue account for that year shall be applied by the CAA in such manner as the Secretary of State may direct with the approval of the Treasury and after consultation with the CAA; and the direction may require the whole or part of the excess to be paid to the Secretary of State.
- (2) The Secretary of State may, with the approval of the Treasury and after consultation with the CAA, direct the CAA to pay to the Secretary of State the whole or part of the sums for the time being standing to the credit of any of its reserves.

### **14 Guarantees.**

- (1) The Treasury may guarantee, in such manner and on such conditions as they think fit, the repayment of the principal of, [<sup>F9</sup>the payment of interest on and the discharge of any other financial obligation in connection with], any sums which the CAA borrows from a person other than the Secretary of State.
- (2) Immediately after a guarantee is given under this section the Treasury shall lay a statement of the guarantee before each House of Parliament; and where any sum is issued for fulfilling a guarantee so given the Treasury shall, as soon as possible after the end of each financial year (beginning with that in which the sum is issued and ending with that in which all liability in respect of the principal of the sum and in respect of interest thereon is finally discharged), lay before each House of Parliament a statement relating to that sum.
- (3) Any sums required by the Treasury for fulfilling a guarantee under this section shall be charged on and issued out of the Consolidated Fund.
- (4) If any sums are issued in fulfilment of a guarantee given under this section, the CAA shall make to the Treasury, at such times and in such manner as the Treasury may from time to time direct, payments of such amounts as the Treasury so direct in or towards repayment of the sums so issued and payments of interest, at such rate as the Treasury so direct, on what is outstanding for the time being in respect of sums so issued.

#### **Textual Amendments**

**F9** Words substituted by [Miscellaneous Financial Provisions Act 1983 \(c. 29, SIF 99:1\)](#), s. 4(1), [Sch. 2](#)

### **15 Accounts and audit.**

- (1) It shall be the duty of the CAA—
- (a) to keep proper accounts and proper records in relation to the accounts;
  - (b) to prepare in respect of each accounting year a statement of accounts, in such form as the Secretary of State may direct with the approval of the Treasury, showing the state of affairs and the profit or loss of the CAA; and

*Status: Point in time view as at 29/07/2021.*

*Changes to legislation: There are currently no known outstanding effects for the Civil Aviation Act 1982, Cross Heading: Financial provisions in relation to CAA. (See end of Document for details)*

- [<sup>F10</sup>(c) as soon as the accounts kept and statement prepared have been audited in accordance with the following subsection, to send to the Secretary of State a copy of the statement together with a copy of any report made by the auditors on that statement or on the accounts of the CAA.]
- [<sup>F11</sup>(2) (a) The accounts kept and the statement prepared in pursuance of subsection (1) above shall be audited by auditors appointed annually by the Secretary of State after consultation with the CAA ; and a person[<sup>F12</sup> shall not be so appointed unless he is eligible for appointment as a [<sup>F13</sup> statutory auditor under Part 42 of the Companies Act 2006 ] ] —
- the Institute of Chartered Accountants in England and Wales;  
the Institute of Chartered Accountants of Scotland;  
the Association of Certified Accountants;  
the Institute of Chartered Accountants in Ireland;  
any other body of accountants established in the United Kingdom and for the time being recognised for the purposes of [<sup>F14</sup> section 389(1)( a ) of the Companies Act 1985 ] by the Secretary of State,
- but a Scottish firm may be so appointed if each of the partners therein is qualified to be so appointed.
- (b) It shall be the duty of the Secretary of State to lay before each House of Parliament a copy of every statement and report of which a copy is received by him in pursuance of paragraph ( c ) of subsection (1) above. ]
- (3) The Secretary of State may by order made with the consent of the treasury modify or repeal subsections (1)(c) and (2) above as for the time being in force.
- (4) It shall be the duty of the Secretary of State as respects each financial year—
- (a) to prepare, in such form and manner as the Treasury may direct, an account of sums issued to the Secretary of State in pursuance of subsection (4) of section 12 above and of any sums required to be paid into the National Loans Fund in pursuance of that subsection or section 9 above or received by the Secretary of State in pursuance of section 13 above and of the disposal by the Secretary of State of those sums respectively; and
- (b) to send a copy of the account to the Comptroller and Auditor General not later than the end of the month of November next following that year;
- and the Comptroller and Auditor General shall examine, certify and report on the account and shall lay copies of it and of his report on it before each House of Parliament.

#### Textual Amendments

**F10** S. 15(1)(c) substituted by virtue of [S.I. 1984/65, art. 2](#)

**F11** S. 15(2) substituted by virtue of [S.I. 1984/65, art. 3](#)

**F12** Words in s. 15(2)(a) substituted (01.10.1991) by [S.I. 1991/1997, reg. 2, Sch. para. 45](#) (with reg. 4).

**F13** Words in s. 15(2)(a) substituted (6.4.2008) by [The Companies Act 2006 \(Consequential Amendments etc\) Order 2008 \(S.I. 2008/948\), art. 2\(2\), Sch. 1 para. 1\(z\)](#) (with arts. 6, 11, 12)

**F14** Words substituted by [Companies Consolidation \(Consequential Provisions\) Act 1985 \(c. 9, SIF 27\), s. 30, Sch. 2](#)

**Status:**

Point in time view as at 29/07/2021.

**Changes to legislation:**

There are currently no known outstanding effects for the Civil Aviation Act 1982, Cross  
Heading: Financial provisions in relation to CAA.