

Nuclear Installations Act 1965 c. 57

s. 19 Special cover for licensee's liability.



Law In Force With Amendments Pending

Version 2 of 3

1 April 2014 - Present

Subjects

Energy

Keywords

Liabilities; Licensees; Nuclear installations; Time

19.— Special cover for licensee's liability.

(1) Subject to [section 3(11)]¹ 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 [the required amount]² 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.

[

(1A) In this section “*the required amount*”, in relation to the provision to be made by a licensee in respect of a cover period, means an aggregate amount equal to the amount applicable under section 16(1) of this Act to the licensee, as licensee of the site in question, in respect of an occurrence within that period.

] ³

(2) In this Act, the expression “*cover period*” means [, subject to the following provisions of this section, the period of the licensee's responsibility,] ⁴ 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.

[

(2A) When the amount applicable under [section 16\(1\)](#) of this Act to a licensee of a site changes as a result of—

- (a) the coming into force of an order under [section 16\(1A\)](#) or of regulations made for the purposes of [section 16\(1\)](#), or
 - (b) an alteration relating to the site which brings it within, or takes it outside, the description prescribed by such regulations,
- the current cover period relating to him as licensee of that site shall end and a new cover period shall begin.

] ⁵ [

(2B) The current cover period continues to run (and no new cover period begins) on the grant of a new nuclear site licence to the same licensee in respect of a site consisting of or including the site in respect of which his existing nuclear site licence is in force.

] ⁶ [

(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 [the prescribed sum] ⁷, or to imprisonment for a term not exceeding three months, or to both;
- (b) on conviction on indictment, to a fine[...] ⁸, or to imprisonment for a term not exceeding two years, or to both.

Notes

- 1 Words substituted by Energy Act 2013 c. 32 [Sch.12\(2\) para.22](#) (April 1, 2014)
- 2 Words substituted by Energy Act 1983 (c.25), s. 27(4)
- 3 S. 19(1A) inserted by Energy Act 1983 (c.25), s. 27(4)
- 4 Words substituted (retrospectively) by Atomic Energy Act 1989 (c.7), s. 4(1)(a), (2)
- 5 S. 19(2A) inserted by Energy Act 1983 (c.25), s. 27(5)
- 6 S. 19(2B) inserted (retrospectively) by Atomic Energy Act 1989 (c.7), s. 4(1)(b), (2)

Notes

- 7 Words substituted (E, W) by Magistrates' Courts Act 1980 (c. 43) s. 32(2) and (S) by Criminal Procedure (Scotland) Act 1975 (c. 21), s. 289B(1)
- 8 Words repealed (E, W) by Criminal Law Act 1977 (c. 45), s.32(1) and (S) by Criminal Procedure (Scotland) Act 1975 (c. 21), s. 193A(1)
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COVER FOR COMPENSATION > s. 19 Special cover for licensee's liability.

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