EXPLANATORY MEMORANDUM TO

THE CIVIL NUCLEAR POLICE AUTHORITY (BORROWING LIMIT) (AMENDMENT) ORDER 2025

2025 No. 838

1. Introduction

1.1 This Explanatory Memorandum has been prepared by the Department for Energy Security and Net Zero and is laid before Parliament by Command of His Majesty.

2. Declaration

2.1 Minister Shanks, Parliamentary Under-Secretary of State at the Department for Energy Security and Net Zero confirms that this Explanatory Memorandum meets the required standard.

2.2 Henry Hirsch, Deputy Director of Civil Nuclear Security at the Department for Energy Security and Net Zero confirms that this Explanatory Memorandum meets the required standard.

3. Contact

3.1 Jane Bluff-Higgins at the Department for Energy Security and Net Zero Telephone: 029 2278 4468 or email: cnc.sponsorship@energysecurity.gov.uk can be contacted with any queries regarding the instrument.

Part One: Explanation, and context, of the Instrument

4. Overview of the Instrument

What does the legislation do?

4.1 This is the first exercise of the delegated power. The instrument increases the limit which the Civil Nuclear Police Authority (CNPA) may borrow under paragraph 8(6) of schedule 10 of the Energy Act 2004, from £10 million to £30 million.

Where does the legislation extend to, and apply?

4.2 The extent of this instrument (that is, the jurisdiction(s) which the instrument forms part of the law of) is England and Wales and Scotland.

4.3 The territorial application of this instrument (that is, where the instrument produces a practical effect) is England and Wales and Scotland.

5. Policy Context

What is being done and why?

5.1 The CNPA is a Non-Departmental Public Body of the Department for Energy Security and Net Zero (DESNZ), and the governing body of the Civil Nuclear Constabulary (CNC). The CNC is the armed police force that protects Great Britain's most sensitive civil nuclear sites, and nuclear material in transit in Great Britain and elsewhere, and may also provide additional police services under Section 55A of the Energy Act 2004.

5.2 Historically, DESNZ provided capital to the CNPA via Grant in Aid for approved business cases, but a loan, agreed with HM Treasury in 2021, was formalised between CNPA and DESNZ in February 2025, in light of CNPA's increased level of capital expenditure, and to provide increased transparency.

5.3 Given CNC's projected spend, this instrument increases the limit the CNPA may borrow in paragraph 8(6) of schedule 10 of the Energy Act 2004 from £10 million to £30 million. This is in order that the CNPA may continue to meet CNC's operating capability and business needs, which are crucial for maintaining the UK's ability to protect nuclear material, and for the provision of any additional police services.

5.4 CNPA's borrowing requirement is linked to their Strategic Plan, agreed with DESNZ, to support key operational projects. All borrowing requests are subject to value for money and business case approvals both by the CNPA Board and DESNZ.

What was the previous policy, how is this different?

5.5 The policy remains the same, that the CNPA may borrow under paragraph 8, schedule 10 of the Energy Act 2004. This instrument increases the limit on the amount of money which the CNPA may borrow, from £10 million to £30 million.

6. Legislative and Legal Context

How has the law changed?

6.1 The Energy Act 2004, paragraph 8(6) of schedule 10, allows the CNPA to borrow money, up to a limit of £10 million, in order for the CNPA to be able to meet its obligations and carry out its functions. This instrument increases this limit to £30 million.

Why was this approach taken to change the law?

6.2 This was the only possible approach to make the necessary changes.

7. Consultation

Summary of consultation outcome and methodology

7.1 There has not been a published or public consultation in relation to the instrument because this was not considered necessary or appropriate for the subject matter. Discussions have taken place with the CNPA and HM Treasury regarding the need for an increase in the borrowing limit, and HM Treasury approval has been sought and granted.

8. Applicable Guidance

8.1 Guidance is not required.

Part Two: Impact and the Better Regulation Framework

9. Impact Assessment

9.1 A full Impact Assessment has not been prepared for this instrument because the instrument has no direct impact on business.

9.2 This instrument is not in scope of the Government's Better Regulation Framework.

Impact on businesses, charities and voluntary bodies

9.3 There is no, or no significant, impact on business, charities or voluntary bodies.

9.4 The legislation does not impact small or micro businesses.

9.5 There is no, or no significant, impact on the public sector.

10. Monitoring and review

What is the approach to monitoring and reviewing this legislation?

10.1 The statutory duty under the Small Business, Enterprise and Employment Act 2015 to include a review provision does not apply; the instrument is not making or amending regulatory provision in relation to any qualifying activity, it relates to an increase in the amount of money the CNPA may borrow. The instrument therefore does not include a statutory review clause.

Part Three: Statements and Matters of Particular Interest to Parliament

11. Matters of special interest to Parliament

11.1 None.

12. European Convention on Human Rights

12.1 The Parliamentary Under-Secretary of State for the Department for Energy Security and Net Zero has made the following statement regarding Human Rights:

"In my view the provisions of The Civil Nuclear Police Authority (Borrowing Limit) (Amendment) Order 2025 are compatible with the Convention rights."

13. The Relevant European Union Acts

13.1 This instrument is not made under the European Union (Withdrawal) Act 2018, the European Union (Future Relationship) Act 2020 or the Retained EU Law (Revocation and Reform) Act 2023 ("relevant European Union Acts").