

UNITED KINGDOM PRODUCTIVE CAPACITY AUTHORITY ACT

PARLIAMENT OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND 2026-27 SESSION

Prepared by Imran Cooper, The Amanuensis
MAY 2026

VERIFICATION NOTES:

THIS BILL IS THE UNITED KINGDOM ADAPTATION OF THE PRODUCTIVE CAPACITY

AUTHORITY ARCHITECTURE:

The United Kingdom Productive Capacity Authority Act is the United Kingdom adaptation of the architecture proposed at federal scale for the United States (three variants), at international parallel scale for the Republic of India (Bharat Productive Capacity Authority), and at sub-national / state-level scale for the State of Alaska (Alaska Productive Capacity Authority). The five drafts are filed contemporaneously at imran.theamanuensis.com/historical-apoplexy/ compendium for the legislative author's consideration of the appropriate posture.

The United Kingdom adaptation is distinct because the United Kingdom already operates several load-bearing components of the architecture at national scale in continuous operation:

- The Crown Estate (1760, Crown Estate Act 1961) — sovereign land, property, and seabed portfolio returning net revenue profit of £1.1 billion in FY2024-25 (thecrownestate.co.uk Annual Report 2024-25, published 1 July 2025), the largest single share from offshore wind operations
- The National Wealth Fund (launched 14 October 2024 by HM Treasury under Chancellor of the Exchequer Rachel Reeves; successor body to the UK Infrastructure Bank) — £27.8 billion in capital deployable to catalyse and mobilise additional private investment across the UK (gov.uk Statement of Strategic Priorities, 19 March 2025)
- The British Business Bank — £6.8 billion of finance facilitated in FY2024-25 supporting smaller businesses (british-business-bank.co.uk Annual Report 2025)
- The National Health Service (founded 1948 on the framework of the Beveridge Report 1942) — the world's largest single-payer health

service, currently allocated £187 billion to NHS England (King's Fund NHS Budget in a Nutshell 2024-25)

- The Royal Charter chartering route — used to establish the British Broadcasting Corporation (1927), the Bank of England (1694), the Royal Society (1660), every chartered University, and modern bodies including the Press Recognition Panel (2014) — administered through the Privy Council Office

What the federal Productive Capacity Authority variants propose nationally for the United States, and what the Alaska bill proposes at state level inside the United States, the United Kingdom can adapt to its own constitutional posture: parliamentary sovereignty, Royal Charter chartering, devolved-government coordination under the Sewel Convention, NHS-scale universal provision, and a sovereign-asset infrastructure (Crown Estate plus National Wealth Fund) already in operation.

UK FISCAL FRAMEWORK (verified 2025-2026 sweep; carried forward from the United Kingdom Food, Resource, and Commodity Assurance Act verification set and extended for UKPCA-specific architecture):

- UK Total Managed Expenditure FY2025-26: £1,368 billion (OBR); approximately £19,683 per resident; approximately 44.8% of national income

- NHS England allocation: £187 billion (King's Fund 2024-25)
- UK welfare spending: approximately £296 billion (Statista, OBR);

Universal Credit approximately £87 billion

- UK population: 69.5 million (Office for National Statistics provisional estimate, 30 June 2025)
- UK gilts outstanding: approximately £2.5 trillion (UK national debt approximately 95-100% of GDP; flag for end-of-2025 refresh)
- No statewide income or sales tax of the kind contemplated in the Alaska or US-federal variants is added by this Act. This Act funds operations through the Crown Estate / National Wealth Fund / HM Treasury gilt-issuance architecture already in operation.

UK SOVEREIGN ASSET AND DEVELOPMENT-BANK INFRASTRUCTURE (the operational chassis this Act inherits):

- The Crown Estate (Crown Estate Act 1961): sovereign portfolio of land, property, and seabed managed for the nation; net revenue profit FY2024-25 £1.1 billion, the majority share from offshore wind; the Crown Estate's net revenue surplus presently feeds the Sovereign Grant under the Sovereign Grant Act 2011
 - Sovereign Grant 2025-26: £132.1 million (Royal Trustees' Report, March 2025), a 53% increase on the prior year due to the Crown Estate offshore-wind windfall; Sovereign Grant 2026-27 projected £137.9 million (Commons Library briefing CBP-9807); the Sovereign Grant formula was reduced to 12% of Crown Estate surplus by the Sovereign Grant Review 2023 in light of the offshore-wind windfall
 - National Wealth Fund (NWF), launched 14 October 2024, headquartered in Leeds: £27.8 billion of capital deployable to catalyse and mobilise additional private investment across the United Kingdom; successor to the UK Infrastructure Bank; mandate extended in March 2025 to include defence-related infrastructure
 - British Business Bank (state-owned development bank for smaller businesses): £6.8 billion of finance facilitated in FY2024-25
 - Bank of England (founded 1694 by Royal Charter, nationalised 1946 under the Bank of England Act 1946): the institutional precedent for state-owned chartered bodies operating commercially with political durability
 - Network Rail (special public corporation, 2002): the modern precedent for the chartering of a strategic infrastructure corporation outside ordinary departmental machinery

UK ROYAL CHARTER CHARTERING ROUTE (the chartering chassis this Act inherits):

- Established route: the body is created by Royal Charter granted by His Majesty in Council, through the Privy Council Office, on a statutory framework provided by Act of Parliament
- Historical precedents: British Broadcasting Corporation (1927), the Bank of England (1694), the Royal Society (1660), every chartered University, the Royal College of Surgeons (1800), the Royal Aeronautical Society (1866)
- Modern precedents: the Press Recognition Panel (2014), the Chartered Institute of Linguists, contemporary professional bodies
- Properties of Royal Charter chartering: institutional durability across changes of government; removal from ordinary departmental control; defined statutory remit; independent governance with Crown oversight

UK PHILOSOPHICAL AND HISTORICAL ANCHORS (UK-specific, load-bearing):

- William Beveridge, *Social Insurance and Allied Services* (1942): the foundation document of the post-war British welfare state. Beveridge named "Five Giants on the road to reconstruction" — Want (poverty), Disease, Ignorance, Squalor (poor housing), and Idleness (unemployment). This Act takes the same diagnostic posture and offers a productive-capacity instrument as the modern response to the Giants of Want and Idleness, leaving Disease to the NHS, Ignorance to the K-25 education work, and Squalor to ordinary housing policy.
- Clement Attlee government (1945-51): established the NHS (1948), nationalised the Bank of England (1946), nationalised the railways (1947), nationalised coal (1947), passed the Beveridge-shaped National Insurance Act (1946). This Act inherits the Attlee posture: large-scale state-chartered institutions accepted as enduring features of British public life.
- Adam Smith, born Kirkcaldy, Fife (Scotland), 1723; *Wealth of Nations* 1776, Book V, Chapter I, Part III, Article II — the

"stupid and ignorant" warning, state-funded compulsory education proposed as the remedy for the cognitive damage produced by the division of labour. Smith is the Scots Enlightenment philosophical anchor of this Act, and his text is given a stronger reading in the UK adaptation than in any of the other Productive Capacity Authority drafts.

- Harold Wilson, "white heat of technology" speech (1 October 1963, Scarborough): the rhetorical anchor for state-coordinated industrial modernisation in the British political tradition.
 - Magna Carta (Runnymede, 1215): the constitutional anchor for citizen-rights claims in the British constitutional tradition.
 - Oliver Cromwell and the Long Parliament (1642-1651), the Commonwealth (1649-1660): the historical anchor for parliamentary sovereignty as an instrument of structural reform when the ordinary mechanisms have failed.
 - James Harrington, *Oceana** (1656): the proposal for a commonwealth built on land-distribution, the philosophical line that runs from Harrington through John Adams to the Commonwealth of Massachusetts Constitution (1780) and to four of the U.S. state bills in this legislative corpus (Kentucky, Pennsylvania, Virginia, Massachusetts).
- UK STATE ASSETS AND WOUNDS (carried forward from the UK food bill verification set):
- Whitehall Studies (Sir Michael Marmot, 1967-present): the buildings where Parliament sits produced the most rigorous documentation of hierarchy-mediated morbidity in human history; 10,308 civil servants tracked; threefold coronary mortality gradient between highest and lowest grades; less than 25% explained by standard risk factors. The UK is the literal site of Paper V's hierarchy-kills proof. The policy scientists who established it work within walking distance of where Parliament now considers this Act.
 - Marmot Review (2010, 2020, 2024 update): UK health-equity reports documenting continued and worsening health gradient; state-action

precedent under Paper V.

- Trussell Trust food bank network: distributed approximately 2.9 million emergency food parcels in 2024 (Trussell Trust, July 2025); food bank usage up approximately 50% in five years; 17% of UK households experienced food insecurity in the past year.
- Austerity period 2010-2024: Cameron and Osborne austerity measures; Equality Trust and Lancet eClinicalMedicine 2021 documented approximately 335,000 excess deaths.
- Tesco market dominance: approximately 25% of UK grocery market.
- Trident nuclear weapons programme total lifecycle cost estimated £128-205 billion. This Act's initial capital authorisation of £5 billion in HMT-gilt-issuance authority is approximately 2.4-3.9% of the Trident lifecycle cost — deployed to provide a productive capacity entitlement to the 69.5 million people the weapons ostensibly defend.

UK DEVOLUTION FRAMEWORK (load-bearing for this Act):

- Westminster (UK Parliament): the legislative authority for this Act; House of Commons (650 MPs) and House of Lords (approximately 800 unelected members)
- Scotland (Scottish Parliament at Holyrood; Scottish Government): devolved competence over health, education, justice, social security; Sewel Convention requires Legislative Consent Motion before Westminster legislates on devolved matters
- Wales (Senedd Cymru / Welsh Parliament; Welsh Government): devolved competence over health, education, local government; Sewel Convention applies; Legislative Consent Motion required
- Northern Ireland (Northern Ireland Assembly at Stormont; Northern Ireland Executive): devolved competence under the Northern Ireland Act 1998 as amended; Sewel Convention applies; Legislative Consent Motion required
- Scottish National Investment Bank (SNIB, 2020): £2 billion mission-led development bank; potential regional partner under the Devolution Cooperation Framework
- Development Bank of Wales: state-owned development bank for Welsh

SMEs; potential regional partner under the Devolution Cooperation Framework

- Invest Northern Ireland: state economic-development agency under the NI Executive; potential regional partner under the Devolution Cooperation Framework

REPLICATION THRESHOLD ANCHORS (same as US federal, India, and Alaska variants):

- Boston Dynamics Atlas entered production at CES 2026; Hyundai/Atlas factory targeting 30,000 units per year by 2028
- Tesla Optimus production targets 50,000-100,000 units 2026, ramping to 500,000-1,000,000 per year by 2027; Giga Texas dedicated facility under construction
- Aptronik Apollo at \$5 billion valuation with \$935 million Series A funding (Reuters, February 11, 2026)
- Agility Robotics Digit deployed at GXO Logistics under multi-year Robotics-as-a-Service contract at approximately \$20-25K per year per unit
- Unitree G1 retail \$13,500-\$17,500 (2026); Unitree R1 launched July 2025 at \$5,900, a price point Forbes (April 27, 2026) reported was *"thought to be five years away"*
- Foundation-model robotic intelligence ecosystem valuation greater than \$60 billion as of 2026: Skild AI ~\$14B, Physical Intelligence ~\$5.6B, Figure AI ~\$39B, Field AI ~\$2B, Google DeepMind Gemini Robotics
- The United Kingdom hosts material UK robotics research capacity at the University of Bristol, Imperial College London, the University of Edinburgh, the University of Oxford, and at private firms including Dyson, ARM, and the UK humanoid-robotics start-up sector

FUSION ENERGY ANCHORS (UK and US, the UK specifically):

- UK Atomic Energy Authority (UKAEA): operates the Joint European

Torus (JET) heritage at Culham, the Spherical Tokamak for Energy Production (STEP) programme, and the Mast-Upgrade tokamak

- Commonwealth Fusion Systems ARC at Chesterfield County, Virginia:

400 MW grid-scale fusion plant; CFS applied for PJM grid connection April 2026; online "early 2030s"

- Tokamak Energy (Milton Park, Oxfordshire): UK private-sector

spherical tokamak fusion programme

- First Light Fusion (Yarnton, Oxfordshire): UK private-sector

inertial-confinement fusion programme

EXPLICITLY NOT CITED: Norway Government Pension Fund Global or any

non-United-Kingdom or non-United-States sovereign wealth fund as a chartering model for this Act. The Crown Estate, the National Wealth

Fund, and the British Business Bank are sufficient as UK

sovereign-asset and development-bank chassis.

UNVERIFIED (flag for final-pass verification before public distribution):

- UK national-debt and gilts-outstanding figure as of Q1 2026

(refresh against ONS Public Sector Finances bulletin)

- Sovereign Grant Review 2026 dates and any formula change in advance

of FY2027-28 (Royal Trustees ordinarily report early in the year)

- Final FY2024-25 NHS England outturn against £187 billion allocation

- Trussell Trust 2025 emergency parcel count (refresh against the

July 2026 annual figure when published)

- Scottish National Investment Bank current portfolio size beyond

£2 billion mandate baseline

PARLIAMENT OF THE UNITED KINGDOM OF GREAT BRITAIN

AND NORTHERN IRELAND

2026-27 Session

HOUSE BILL _____

BY _____ (Introduced by request)

CONCERNING THE ESTABLISHMENT OF THE UNITED KINGDOM PRODUCTIVE CAPACITY AUTHORITY AS A STATUTORY BODY TO BE INCORPORATED BY ROYAL CHARTER GRANTED BY HIS MAJESTY IN COUNCIL; THE ESTABLISHMENT OF A CIVIC ROBOT CORPS OF THE UNITED KINGDOM AS A PUBLIC-GOOD LABOUR BODY; THE CONFERRAL OF A PERSONAL PRODUCTIVE ASSET ENTITLEMENT ON EVERY UNITED KINGDOM ORDINARILY-RESIDENT INDIVIDUAL; THE AUTHORISATION OF HM TREASURY GILT ISSUANCE UP TO FIVE BILLION POUNDS STERLING FOR INITIAL CAPITALISATION; THE COORDINATION OF CO-INVESTMENT WITH THE NATIONAL WEALTH FUND; THE REALLOCATION OF FIVE PER CENT OF THE NET REVENUE SURPLUS OF THE CROWN ESTATE TO THE UNITED KINGDOM PRODUCTIVE CAPACITY AUTHORITY (LEAVING THE SOVEREIGN GRANT AND ALL OTHER EXISTING ALLOCATIONS OF CROWN ESTATE SURPLUS WHOLLY UNAFFECTED); THE ESTABLISHMENT OF A DEVOLUTION COOPERATION FRAMEWORK GOVERNING ENGAGEMENT WITH THE SCOTTISH PARLIAMENT, SENEDD CYMRU, AND THE NORTHERN IRELAND ASSEMBLY UNDER THE SEWEL CONVENTION; AND FOR CONNECTED PURPOSES.

A BILL

LONG TITLE

AN ACT TO MAKE PROVISION FOR THE ESTABLISHMENT OF THE UNITED KINGDOM PRODUCTIVE CAPACITY AUTHORITY AS A STATUTORY BODY INCORPORATED BY ROYAL CHARTER GRANTED BY HIS MAJESTY IN COUNCIL ON THE PRECEDENT OF THE BRITISH BROADCASTING CORPORATION (1927), THE BANK OF ENGLAND (1694), AND OTHER ROYAL-CHARTER BODIES; TO ESTABLISH A CIVIC ROBOT CORPS OF THE UNITED KINGDOM AS A PUBLIC-GOOD LABOUR BODY OPERATING REPLICATION-THRESHOLD ROBOTIC MANUFACTURING TECHNOLOGY UNDER THE AUTHORITY; TO CONFER A PERSONAL PRODUCTIVE ASSET ENTITLEMENT ON EVERY UNITED KINGDOM ORDINARILY-RESIDENT INDIVIDUAL, ENROLLED THROUGH HIS MAJESTY'S REVENUE AND CUSTOMS AND COORDINATED THROUGH THE DEPARTMENT FOR WORK AND PENSIONS; TO AUTHORISE HM TREASURY TO ISSUE GILTS UP TO FIVE THOUSAND MILLION POUNDS STERLING (£5,000,000,000) FOR INITIAL CAPITALISATION OF THE AUTHORITY; TO PROVIDE FOR CO-INVESTMENT WITH AND DEPLOYMENT OF UP TO FIVE THOUSAND MILLION POUNDS STERLING (£5,000,000,000) FROM THE TWENTY-SEVEN POINT EIGHT THOUSAND MILLION POUNDS STERLING (£27,800,000,000) CAPITAL OF THE NATIONAL WEALTH FUND BY AGREEMENT BETWEEN THE AUTHORITY AND THE NATIONAL WEALTH FUND BOARD; TO PROVIDE THAT FIVE PER CENT OF THE NET REVENUE SURPLUS OF THE CROWN ESTATE SHALL BE ALLOCATED ANNUALLY TO THE AUTHORITY, EXPLICITLY LEAVING THE SOVEREIGN GRANT CALCULATED UNDER THE SOVEREIGN GRANT ACT 2011 AND ALL OTHER EXISTING ALLOCATIONS OF THE CROWN ESTATE SURPLUS WHOLLY UNAFFECTED; TO ESTABLISH FOUR NATIONS DELIVERY UNITS WITHIN THE AUTHORITY FOR ENGLAND, SCOTLAND, WALES, AND NORTHERN IRELAND; TO PROVIDE FOR THE COORDINATION OF THE AUTHORITY WITH THE SCOTTISH NATIONAL INVESTMENT BANK, THE DEVELOPMENT BANK OF WALES, AND INVEST NORTHERN IRELAND UNDER THE DEVOLUTION COOPERATION FRAMEWORK ESTABLISHED BY THIS ACT; TO PROVIDE FOR THE OPERATION OF THE AUTHORITY THROUGH THE BRITISH BUSINESS BANK'S EXISTING SMALLER-BUSINESS

INVESTMENT INFRASTRUCTURE WHERE APPROPRIATE; TO PROVIDE THAT THE NATIONAL HEALTH SERVICE, THE BANK OF ENGLAND, THE BRITISH BROADCASTING CORPORATION, AND ALL OTHER EXISTING UNITED KINGDOM STATUTORY BODIES ARE LEFT WHOLLY UNAFFECTED IN THEIR ESTABLISHMENT, FUNCTIONS, AND GOVERNANCE; TO ESTABLISH A PHASED IMPLEMENTATION SCHEDULE; AND TO PROVIDE FOR CONNECTED PURPOSES.

LEGISLATIVE ROUTING NOTE

This Bill is for introduction in the House of Commons of the Parliament of the United Kingdom. The enacting formula is the standard formula prescribed for public general Acts of Parliament:

"BE IT ENACTED by the King's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:—"

COMMITTEE STAGE:

Following Second Reading the Bill is suggested for referral to a Public Bill Committee constituted under Standing Order No. 84. Suggested ministerial leads at Committee stage:

- HM Treasury (Chancellor of the Exchequer): lead Department, gilt issuance, NWF coordination, Crown Estate allocation
- Department for Business and Trade: industrial-policy coordination, productive-capacity infrastructure
- Department for Work and Pensions: Personal Productive Asset entitlement enrolment, distribution mechanism
- Department for Environment, Food and Rural Affairs: rural distribution, food-production coordination
- Ministry of Defence: Civic Robot Corps coordination with the Royal Logistic Corps, NAAFI infrastructure

DEVOLUTION CONSENT:

Provisions of this Bill that engage devolved competence require Legislative Consent Motions from the Scottish Parliament, Senedd Cymru, and the Northern Ireland Assembly under the Sewel Convention. Specifically, provisions concerning the operation of the Nations Delivery Units within the devolved nations, the coordination with the Scottish National Investment Bank, the Development Bank of Wales, and Invest Northern Ireland, and the integration of the Personal Productive Asset entitlement with devolved social-security frameworks all engage devolved competence. The Devolution Cooperation Framework (Clause 14 of this Act) provides the standing procedure for obtaining and

maintaining consent.

ROYAL CHARTER GRANT:

Section 4 of this Act creates the statutory framework for the United Kingdom Productive Capacity Authority. Section 5 provides that the Authority shall be incorporated by Royal Charter granted by His Majesty in Council on the precedent of the British Broadcasting Corporation (1927) and the Bank of England (1694), with the Charter submitted to the Privy Council Office within ninety days of Royal Assent on the terms specified in Schedule 1.

FUNDING ARCHITECTURE:

This Act funds the Authority through three load-bearing channels and two supplementary channels, all drawn from existing United Kingdom fiscal infrastructure already in operation:

- (a) HM Treasury gilt issuance authority of up to £5 billion for initial capitalisation, repaid from Authority-generated revenue;
- (b) Co-investment with the National Wealth Fund of up to £5 billion of NWF's £27.8 billion capital, by agreement between the Authority and the NWF Board;
- (c) Annual allocation of 5% of the net revenue surplus of the Crown Estate (approximately £55 million per annum at the FY2024-25 surplus of £1.1 billion), the Sovereign Grant and all other existing allocations explicitly untouched;
- (d) Operating revenue from at-cost sales of goods produced by the Authority and the Civic Robot Corps of the United Kingdom;
- (e) Investment returns of the United Kingdom Productive Capacity Permanent Reserve established under Section 9.

No new United Kingdom income tax, value added tax, council tax, or industry levy of any kind is established by this Act for the funding of the Authority. No portion of the Crown Estate's net revenue surplus that presently funds the Sovereign Grant under the Sovereign Grant Act 2011 is diverted by this Act.

TITLE I — SHORT TITLE, FINDINGS, AND DECLARATIONS

SECTION 1. SHORT TITLE.

(1) This Act may be cited as the "United Kingdom Productive Capacity Authority Act 2026" or the "UKPCA Act 2026."

(2) This Act extends to England, Wales, Scotland, and Northern Ireland, subject to the Devolution Cooperation Framework established under Section 14.

SECTION 2. FINDINGS.

Parliament finds as follows.

FINDING 1 — The Beveridge Report (Social Insurance and Allied Services, 1942) named five giants on the road to reconstruction — Want, Disease, Ignorance, Squalor, and Idleness. The post-war settlement met Disease through the National Health Service Act 1946, Ignorance through the Education Act 1944, Squalor through the post-war housing programme, and the worst of Want through the National Insurance Act 1946. The fifth giant, Idleness, was met during the post-war buildout through full-employment policy, was substantially abandoned during the 1980s, and has not been met since. The Want giant has re-emerged through the food-bank epidemic (approximately 2.9 million Trussell Trust emergency parcels in 2024). This Act offers a productive-capacity instrument as the modern response to the Giants of Want and Idleness, leaving the existing statutory instruments for Disease, Ignorance, and Squalor wholly unaffected.

FINDING 2 — The United Kingdom faces a sustained structural deficit of productive-capacity provision that ordinary fiscal and labour-market policy has not closed. UK Total Managed Expenditure stands at approximately £1,368 billion in FY2025-26, with NHS England at £187 billion and the welfare system at approximately £296 billion. Despite that scale of public spending, 17% of UK households experienced food insecurity in the past year; the Trussell Trust food bank network distributed approximately 2.9 million emergency parcels in 2024, having risen from fewer than 100,000 parcels per year before 2010. The austerity period 2010-2024 is associated by Lancet eClinicalMedicine (2021) with approximately 335,000 excess deaths.

The arithmetic of abundance is not contested in this country; the collection mechanism is unbuilt.

FINDING 3 — Replication-threshold humanoid robotic manufacturing technology arrived in Q4 2025 through Q2 2026. Boston Dynamics Atlas entered production at CES 2026. Tesla Optimus targets 50,000-100,000 units in 2026 with a 500,000-1,000,000 unit target by 2027. Appteronik Apollo reached a \$5 billion valuation in February 2026. Unitree R1 retails at \$5,900 — a price point Forbes reported in April 2026 was "thought to be five years away." The historical horizon for full robotic-built-by-robotic manufacturing has compressed from generational to year-over-year. The United Kingdom hosts material research capacity (Bristol, Imperial College, Edinburgh, Oxford) and private-sector industrial capacity to operate this technology under United Kingdom productive-capacity infrastructure, in place of relying on the export economy of other jurisdictions for the goods the technology will produce.

FINDING 4 — The Whitehall Studies of Sir Michael Marmot (1967-present) established, in the city where this Parliament sits, the most rigorous documentation of hierarchy-mediated morbidity in human history. 10,308 civil servants tracked; a threefold coronary mortality gradient between the highest and lowest grades; less than 25% of the gradient explained by standard risk factors. The Marmot Review (2010, 2020, 2024) has confirmed that the gradient has widened, not narrowed, since the original Whitehall finding. The United Kingdom is the literal site of the hierarchy-kills proof. This Act addresses the productive-capacity component of that gradient at scale.

FINDING 5 — The Crown Estate generated net revenue profit of £1.1 billion in FY2024-25, the great majority from offshore wind. The Crown Estate is the United Kingdom's standing demonstration that a sovereign-asset portfolio managed on behalf of the nation at large returns operationally significant revenue, year after year, without political reversal. The Crown Estate Act 1961 and the Sovereign Grant Act 2011 provide the statutory frame. The Crown Estate's operational model is the closest United Kingdom analogue to the Alaska Permanent Fund and the Norwegian Government Pension Fund Global. This Act takes 5% of the net revenue surplus, leaving the Sovereign Grant and all other existing allocations wholly unaffected.

FINDING 6 — The National Wealth Fund, launched 14 October 2024 by the Chancellor of the Exchequer with £27.8 billion of capital, provides the United Kingdom with a standing co-investment vehicle already capitalised at a scale sufficient to deploy alongside this Act's £5 billion HM Treasury gilt authorisation. The NWF's Statement of Strategic Priorities (March 2025) explicitly directs the NWF to "catalyse and mobilise additional private investment across the UK." The United Kingdom Productive Capacity Authority will be precisely the kind of mission-critical, infrastructure-adjacent, transition-aligned vehicle the NWF was designed to co-finance.

FINDING 7 — The Royal Charter chartering route, used continuously since the Royal Society (1660) and the Bank of England (1694), and including the British Broadcasting Corporation (1927) as the load-bearing modern precedent, provides the United Kingdom with a mature chartering procedure that delivers institutional durability across changes of government, removes ordinary departmental control, defines statutory remit, and provides for independent governance under Crown oversight. The Authority is chartered by Royal Charter granted by His Majesty in Council, on the precedent of the BBC and

the Bank of England.

FINDING 8 — Adam Smith of Kirkcaldy named the productive-capacity problem of the eighteenth century — the "stupid and ignorant" consequence of the division of labour, addressed in *Wealth of Nations* (1776), Book V, Chapter I, Part III, Article II, by state-funded compulsory education. Smith's analysis applies a *fortiori* to the productive-capacity problem of the post-replication-threshold twenty-first century. The Civic Robot Corps of the United Kingdom is, in Smith's terms, the structural answer to the displacement that replication-threshold technology will produce across the United Kingdom labour market. Smith is the philosophical anchor of this Act, and the Scots Enlightenment heritage is load-bearing.

FINDING 9 — The historical apoplexy thesis (Cooper, *Historical Apoplexy 2025-2026*) names the civilizational disease of forgetting solved problems. The British public-good labour tradition runs from the New Poor Law of 1834 (negative example), through the Beveridge proposals of 1942 (positive example), through the Attlee nationalisations and the National Health Service of 1948 (positive example), through Wilson's white-heat-of-technology positioning of 1963 (positive example), to the National Wealth Fund of 2024 (positive recent example). The proof that the United Kingdom can charter and operate large public-good infrastructure exists continuously in the historical record. The Authority restores the collection mechanism of that tradition at the productive-capacity scale.

FINDING 10 — The Sewel Convention requires that the Westminster Parliament does not normally legislate on devolved matters without the consent of the Scottish Parliament, Senedd Cymru, and the Northern Ireland Assembly. This Act respects the Sewel Convention. The Devolution Cooperation Framework established under Section 14 provides the standing procedure for engagement with the devolved governments. Where this Act engages devolved competence, Legislative Consent Motions are sought before the relevant provisions take effect in the relevant devolved nation. The Authority operates in the devolved nations only by agreement with the devolved governments.

SECTION 3. DECLARATIONS.

DECLARATION 1 — PERSONAL PRODUCTIVE ASSET ENTITLEMENT. Parliament declares that every individual ordinarily resident in the United Kingdom shall enjoy, as a matter of statutory right under this Act, a Personal Productive Asset entitlement consisting of one non-transferable Productive Capacity Share, the annual distribution of dividends from inter-nations pooled productive-capacity revenue, and access to at-cost basic-needs goods produced by the Civic Robot Corps of the United Kingdom.

DECLARATION 2 — EXISTING UK STATUTORY BODIES UNAFFECTED. Parliament declares that nothing in this Act affects the establishment, functions, governance, or operation of:

(a) The National Health Service, established by the National Health Service Act 1946 and reorganised by the Health and Care Act 2022 and other Acts;

(b) The Bank of England, founded by Royal Charter in 1694, nationalised by the Bank of England Act 1946;

(c) The British Broadcasting Corporation, established by Royal Charter in 1927;

(d) The Crown Estate, established under the Crown Estate Act 1961 (except as expressly provided in Section 11 of this Act for the 5% allocation, which does not displace any existing allocation);

(e) The Sovereign Grant calculated under the Sovereign Grant Act 2011, which is wholly preserved;

(f) The National Wealth Fund, established 14 October 2024 (the Authority engages with the NWF by agreement only, as a co-investment partner);

(g) The British Business Bank;

(h) The Scottish National Investment Bank, the Development Bank of Wales, and Invest Northern Ireland (engagement with these bodies occurs only by agreement with the respective devolved governments under the Devolution Cooperation Framework);

(i) Any other United Kingdom statutory body or chartered body.

DECLARATION 3 — DEVOLVED NATIONS SOVEREIGNTY RESPECTED. Parliament declares that nothing in this Act diminishes the legislative or executive competence of the Scottish Parliament, Senedd Cymru, or the Northern Ireland Assembly, or the corresponding devolved governments. The Devolution Cooperation Framework under Section 14 is the standing procedure for engagement.

DECLARATION 4 — NO NEW TAXATION. Parliament declares that no United Kingdom income tax, value added tax, council tax, or industry levy of any kind is established, extended, or increased by this Act for the funding of the Authority. The Authority is funded through existing United Kingdom fiscal infrastructure as enumerated in the Long Title and in Title VI of this Act.

TITLE II — ESTABLISHMENT OF THE UNITED KINGDOM PRODUCTIVE CAPACITY

AUTHORITY

SECTION 4. ESTABLISHMENT — STATUTORY FRAMEWORK.

(1) There shall be a body to be known as the "United Kingdom Productive Capacity Authority" (in this Act referred to as "the Authority" or "UKPCA").

(2) The Authority shall be incorporated by Royal Charter granted by His Majesty in Council under Section 5.

(3) Pending the grant of Royal Charter, the Authority operates as a statutory body under this Act. The functions, powers, and duties of the Authority under this Act are exercisable on and after the appointed day under Section 25 (Commencement), without regard to the date of grant of the Royal Charter.

SECTION 5. INCORPORATION BY ROYAL CHARTER.

(1) Within ninety days of Royal Assent to this Act, the Secretary of State shall submit to the Privy Council Office a draft Royal Charter for the United Kingdom Productive Capacity Authority on the terms specified in Schedule 1.

(2) The grant of Royal Charter under this Section operates on the precedent of the Royal Charter of the British Broadcasting Corporation (1927) and the Royal Charter of the Bank of England (1694), as modified for the specific remit, governance, and funding architecture of the Authority.

(3) The Authority is, on the date of grant of the Royal Charter, a body corporate having perpetual succession and a common seal, with capacity to sue and be sued in its own name, to hold and dispose of property, and to do all other acts incidental to a body corporate.

SECTION 6. BOARD OF GOVERNORS.

(1) The Authority is governed by a Board of Governors of twelve members.

(2) Members of the Board are appointed as follows:

(a) The Chair of the Board, appointed by His Majesty on the advice of the Prime Minister, following the standard public-appointments procedure with confirmatory hearing before the Treasury Committee of the House of Commons;

(b) Four members appointed by the Chancellor of the Exchequer on the advice of the Public Appointments Commissioner, one from each of the four nations of the United Kingdom (England, Scotland, Wales, Northern Ireland);

(c) One member appointed by the Scottish Ministers, by agreement with the Scottish Parliament;

(d) One member appointed by the Welsh Ministers, by agreement with Senedd Cymru;

(e) One member appointed by the First Minister and deputy First Minister of Northern Ireland, by agreement with the Northern Ireland Executive;

(f) The Chief Executive of the National Wealth Fund, or a designee, ex officio;

(g) The Chief Executive of the British Business Bank, or a designee, ex officio;

(h) Two members appointed by the Secretary of State for Business and Trade after consultation with the Confederation of British Industry, the Trades Union Congress, and the Federation of Small Businesses, one drawn from each side as appropriate to ensure the Board contains both employer and trade-union representation.

(3) Members of the Board serve for a term of five years and may be reappointed for one further term of five years. No member may be removed from the Board except on the address of both Houses of Parliament for misbehaviour or incapacity.

SECTION 7. POWERS OF THE AUTHORITY.

The Authority has the power to do anything which is calculated to facilitate, or is conducive or incidental to, the discharge of its functions under this Act, including:

- (a) To establish, capitalise, and govern the four Nations Delivery Units constituted under Section 12;
- (b) To issue Productive Capacity Shares under Section 8;
- (c) To acquire, hold, manage, lease, sell, and dispose of real and personal property, including replication-threshold robotic manufacturing equipment, fusion-energy and renewable-energy power-purchase rights, distribution infrastructure, and at-cost retail facilities;
- (d) To enter into contracts, including with His Majesty's Government, with the devolved governments, with local authorities, with the National Wealth Fund, with the British Business Bank, with the Scottish National Investment Bank, with the Development Bank of Wales, with Invest Northern Ireland, with private vendors, and with international buyers;
- (e) To receive and deploy gilts issued by HM Treasury under Section 10 up to the cumulative outstanding limit of £5 billion;
- (f) To receive and deploy National Wealth Fund co-investment under Section 10 up to the cumulative outstanding limit of £5 billion;
- (g) To receive the 5% allocation of Crown Estate net revenue surplus under Section 11;
- (h) To establish the United Kingdom Productive Capacity Permanent Reserve under Section 9 and to receive transfers thereto;
- (i) To make annual distributions to Productive Capacity Shareholders under Section 13 through the existing infrastructure of His Majesty's Revenue and Customs and the Department for Work and

Pensions;

(j) To charter the Civic Robot Corps of the United Kingdom under Title IV;

(k) To coordinate procurement of fusion-derived and renewable electrical power, including long-term power-purchase agreements with the UK Atomic Energy Authority, Commonwealth Fusion Systems, Tokamak Energy, First Light Fusion, and other generators;

(l) To make Statutory Instruments under such enabling provisions as are conferred by this Act and any Order in Council, in accordance with the Statutory Instruments Act 1946.

TITLE III — PRODUCTIVE CAPACITY SHARES AND DISTRIBUTION

SECTION 8. PRODUCTIVE CAPACITY SHARES.

(1) The Authority shall issue Productive Capacity Shares as follows.

(a) ONE Productive Capacity Share shall be issued to every individual ordinarily resident in the United Kingdom on the appointed day under Section 25.

(b) ONE Productive Capacity Share shall be issued to every individual born thereafter to an ordinarily-resident parent, upon registration of birth under the Births and Deaths Registration Act 1953 or the equivalent enactment in each devolved nation.

(c) ONE Productive Capacity Share shall be issued to every individual who acquires ordinary residence in the United Kingdom after the appointed day, upon completion of a one-year ordinary-residence test administered through His Majesty's Revenue and Customs.

(2) Productive Capacity Shares are non-transferable. They may not be sold, pledged, assigned, used as collateral, gifted, or in any other manner conveyed to any other person.

(3) A Productive Capacity Share may be inherited by an ordinarily-resident individual through ordinary testate or intestate succession.

(4) A Productive Capacity Share held by an individual who ceases to be ordinarily resident in the United Kingdom shall be held in suspense for up to ten years pending re-establishment of ordinary residence; if not re-established, the Share shall be retired.

(5) ONE PERSON, ONE SHARE. Each ordinarily-resident individual holds exactly one Productive Capacity Share regardless of household composition, income, age, prior shareholder status, or any other factor. The structure is universal.

SECTION 9. THE UNITED KINGDOM PRODUCTIVE CAPACITY PERMANENT RESERVE.

(1) There is established within the Authority a reserve to be known as the "United Kingdom Productive Capacity Permanent Reserve" (the "Permanent Reserve").

(2) The Permanent Reserve receives transfers from the Authority's annual operating surplus after dividends paid under Section 13.

(3) The principal of the Permanent Reserve shall be invested by the Authority through the National Wealth Fund or the Bank of England on terms specified in Schedule 2.

(4) Investment returns on the Permanent Reserve, less reasonable management costs, are available to the Authority for operating use.

(5) The principal of the Permanent Reserve is constitutionally distinct from the Crown Estate principal and shall not be expended other than in extraordinary circumstances on the address of both Houses of Parliament.

TITLE IV — CIVIC ROBOT CORPS OF THE UNITED KINGDOM

SECTION 10. HM TREASURY GILT ISSUANCE AND NATIONAL WEALTH FUND

CO-INVESTMENT.

(1) HM Treasury is authorised, on the application of the Authority, to issue gilt-edged securities up to a cumulative outstanding principal of £5,000,000,000 (five billion pounds sterling) for the initial capitalisation of the Authority.

(2) Gilts issued under subsection (1) shall be issued on the standard terms of HM Treasury gilt-edged securities and shall constitute obligations of the Authority repayable from Authority-generated revenue.

(3) The Authority and the National Wealth Fund may enter into a Co-Investment Agreement under which the National Wealth Fund deploys up to £5,000,000,000 (five billion pounds sterling) of its £27.8 billion capital as a senior co-investor in productive-capacity projects undertaken by the Authority.

(4) The terms of the Co-Investment Agreement under subsection (3) shall be settled by the National Wealth Fund Board in accordance with the Statement of Strategic Priorities issued under the National Wealth Fund's establishing instruments, and shall not require the Authority to assume terms less favourable than those on which the National Wealth Fund co-invests with other public-sector entities.

SECTION 11. CROWN ESTATE ALLOCATION.

(1) From the financial year in which this Act comes into force, 5% of the net revenue surplus of the Crown Estate, as calculated under the Crown Estate Act 1961 and reported in the Crown Estate's Annual Report and Accounts, shall be allocated to the Authority.

(2) The allocation under subsection (1) is made after the calculation of the Sovereign Grant under section 6 of the Sovereign Grant Act 2011, and the Sovereign Grant is wholly preserved and unaffected by this Act.

(3) The allocation under subsection (1) is made before any discretionary distribution of remaining Crown Estate net revenue surplus to the Consolidated Fund.

(4) For the financial year FY2026-27 (the first full year of operation contemplated by this Act), based on the FY2024-25 net revenue surplus of £1.1 billion, the allocation under subsection (1) is anticipated to be approximately £55 million. The figure in any subsequent year is calculated annually on the basis of the then-current Crown Estate Annual Report and Accounts.

SECTION 12. NATIONS DELIVERY UNITS.

(1) The Authority establishes four Nations Delivery Units, one for each of the four nations of the United Kingdom:

- (a) The England Delivery Unit;
- (b) The Scotland Delivery Unit;
- (c) The Wales Delivery Unit;
- (d) The Northern Ireland Delivery Unit.

(2) Each Nations Delivery Unit is administered by a Delivery Director appointed by the Authority Board, in consultation with His Majesty's Government in England and with the relevant devolved government in each devolved nation.

(3) Each Nations Delivery Unit operates within the legal framework of the nation it serves, and the operation of each Unit within Scotland, Wales, and Northern Ireland is subject to and proceeds only by the consent procedure under the Devolution Cooperation Framework in Section 14.

(4) The four Nations Delivery Units share the Authority's administrative back-office (financial accounting, technology platform, statutory reporting, governance), and are operationally coordinated to enable the inter-nations revenue pooling and shareholder distribution mechanisms under Section 13.

SECTION 13. INTER-NATIONS REVENUE POOLING AND ANNUAL DISTRIBUTION.

(1) Seventy per cent (70%) of all productive-capacity revenue received by each Nations Delivery Unit shall be remitted to the Authority for inter-nations pooling. Each Nations Delivery Unit retains the remaining thirty per cent (30%) for nation-level operations and reserves.

(2) Seventy-five per cent (75%) of the inter-nations pool established under subsection (1) shall be distributed annually to Productive Capacity Shareholders, equally per share, through the existing infrastructure of His Majesty's Revenue and Customs (for tax-credit-based distribution) and the Department for Work and Pensions (for benefits-system-integrated distribution), coordinated through a single annual statement issued to each Shareholder.

(3) The remaining twenty-five per cent (25%) of the inter-nations pool is retained by the Authority for operating reserves, gilt repayment, transfers to the Permanent Reserve under Section 9, and expansion capital.

(4) The annual distribution under subsection (2) shall be made on such date in each year as the Authority determines, with a target date of the first business day of January in each year.

SECTION 14. DEVOLUTION COOPERATION FRAMEWORK.

(1) Where any provision of this Act engages devolved legislative or executive competence under the Scotland Act 1998, the Government of Wales Act 2006, or the Northern Ireland Act 1998, the provision shall be brought into force in the relevant devolved nation only following the grant of a Legislative Consent Motion by the Scottish Parliament, Senedd Cymru, or the Northern Ireland Assembly as appropriate.

(2) The Authority shall consult the devolved governments in advance of:

- (a) The establishment and operation of the Scotland, Wales, and Northern Ireland Delivery Units under Section 12;
- (b) Coordination with the Scottish National Investment Bank, the Development Bank of Wales, and Invest Northern Ireland;
- (c) The integration of the Personal Productive Asset entitlement with devolved social-security frameworks (notably the Scottish Social Security Agency, the Welsh Government's social-security functions, and the Northern Ireland Executive social-security functions);
- (d) The operation of the Civic Robot Corps of the United Kingdom in the territory of the devolved nation;
- (e) The operation of the at-cost goods distribution network in the territory of the devolved nation, including coordination with devolved-government nutrition, food-security, and rural-community programmes.

(3) The Authority shall provide an annual report to each devolved legislature on the operation of the relevant Nations Delivery Unit and the engagement of the Authority with the relevant devolved government and devolved development bank.

SECTION 15. CIVIC ROBOT CORPS OF THE UNITED KINGDOM — ESTABLISHMENT.

(1) There is established within the Authority a public-good labour body to be known as the "Civic Robot Corps of the United Kingdom" (in this Act referred to as "the Corps" or "CRC-UK").

(2) The Corps operates replication-threshold robotic manufacturing equipment owned by the Authority for the production of goods and services delivered at-cost to ordinarily-resident individuals holding Personal Productive Asset entitlements under Title V.

SECTION 16. CIVIC ROBOT CORPS — SERVICE LINES.

The Corps shall operate the following service lines, organised by Nations Delivery Unit but coordinated Authority-wide:

(a) **AT-COST GOODS PRODUCTION AND DISTRIBUTION.** Production and at-cost distribution of basic-needs goods including non-perishable food, frozen food, basic clothing, hand tools, household goods, educational supplies, and the basic-tier goods enumerated in Section 18.

(b) **RURAL-AND-ISLAND DISTRIBUTION.** Specialised logistics for rural England, the Scottish Highlands and Islands, rural Wales, and Northern Ireland coastal and rural communities. The Corps shall coordinate with the Royal Mail (for the rural delivery network), with the Highlands and Islands Enterprise (for the Highlands and Islands of Scotland), and with the relevant rural-development bodies in each devolved nation.

(c) **NHS LOGISTICS SUPPORT.** Coordination with NHS England, NHS Scotland, NHS Wales, and Health and Social Care in Northern Ireland for Corps-operated logistical support of NHS distribution of medical supplies, equipment, and basic-needs goods to patients in NHS-affiliated care settings. The Corps does not deliver clinical services, which remain entirely within the NHS. The Corps supports the NHS supply chain at the boundary where productive-capacity infrastructure can reduce NHS supply costs.

(d) **FOOD-PRODUCTION SCALE-UP.** Coordination with the Department for Environment, Food and Rural Affairs, the Agriculture and Horticulture Development Board, and the National Farmers' Union for the Corps to operate replication-threshold food-production facilities (controlled-environment agriculture, vertical farms, in-line processing) at scales that supplement UK food imports and reduce structural exposure to global food-price volatility.

(e) **RENEWABLE-ENERGY DEPLOYMENT.** The Corps coordinates with the Crown Estate (for offshore wind seabed leasing), with the National Wealth Fund (for co-investment in renewable infrastructure), and with private operators for Corps-operated deployment and maintenance of renewable-energy infrastructure.

(f) **CARE-SECTOR LOGISTICS.** Coordination with the Care Quality Commission, the Care Inspectorate (Scotland), the Care Inspectorate Wales, and the Regulation and Quality Improvement Authority (Northern Ireland) for Corps-operated logistical support of the social-care sector at the supply-chain boundary.

(g) **FUSION-ENERGY DEPLOYMENT.** When UK-domestic fusion-energy capacity becomes available through the UK Atomic Energy Authority STEP programme, Tokamak Energy, First Light Fusion, or other generators, the Corps shall operate the deployment interface for fusion-derived electrical power into the National Grid, in coordination with Ofgem and the National Energy System Operator.

SECTION 17. CIVIC ROBOT CORPS — HUMAN WORKFORCE.

(1) The Corps employs a human workforce of UK-ordinarily-resident individuals, preferentially recruited from the Nations Delivery Unit territory in which the work is performed.

(2) The Corps shall:

(a) Maintain a wage floor of 120% of the National Living Wage in operation under the National Minimum Wage Act 1998;

(b) Provide a pension on the terms of the Local Government Pension Scheme or an equivalent scheme;

(c) Coordinate with the Department for Education, the Scottish Government, the Welsh Government, and the Northern Ireland Executive for the integration of Corps employment with the apprenticeship and further-education infrastructure operating in each nation;

(d) Provide explicit pathways from Corps employment to the Personal Productive Asset entitlement, to the Royal Logistic Corps, to the Naval, Army, and Air Force institutions (NAAFI), and to the Civil Service, for ordinarily-resident individuals seeking longer-term public-service careers arising out of Corps employment.

TITLE V — PERSONAL PRODUCTIVE ASSET ENTITLEMENT

SECTION 18. PERSONAL PRODUCTIVE ASSET ENTITLEMENT.

(1) There is conferred on every ordinarily-resident individual in the United Kingdom a Personal Productive Asset entitlement, consisting of:

- (a) One Productive Capacity Share issued under Section 8;
- (b) Annual Productive Capacity Dividend distribution under Section 13;
- (c) Access to at-cost basic-needs goods produced by the Civic Robot Corps of the United Kingdom at Corps-operated distribution points across the United Kingdom;
- (d) Priority access to Corps employment and apprenticeship opportunities arising under Section 17.

(2) ENROLMENT. Ordinarily-resident individuals are enrolled automatically through the National Insurance Number system operated by the Department for Work and Pensions and His Majesty's Revenue and Customs. No separate enrolment is required.

(3) AT-COST GOODS ACCESS — BASIC TIER. The basic tier of at-cost goods available to Personal Productive Asset entitlement holders shall include, at minimum:

- (a) Non-perishable food (rice, pulses, grains, canned proteins, canned vegetables and fruits, baking supplies, cooking oils, teas and coffees);
- (b) Frozen food (proteins, vegetables, ready meals);
- (c) Basic clothing (work clothing, weather-appropriate outerwear, undergarments, footwear);
- (d) Hand tools, household goods, basic kitchen and cleaning supplies;
- (e) Educational supplies for K-25 students (paper, pens, calculators, textbooks);
- (f) Basic baby and child supplies (nappies, formula, basic clothing, child-safety equipment).

(4) AT-COST GOODS ACCESS — EXPANSION. The Authority Board may by Statutory Instrument expand the basic tier to additional goods as Corps production capacity scales. The Authority shall propose annual basic-tier expansions to Parliament concurrent with the Authority's annual report.

(5) MARKET PRESERVATION. The at-cost basic tier covers basic needs and basic mid-tier goods. Premium-tier, luxury-tier, status-signaling, and rare-substrate goods continue to be served by the private market. The Authority and the Corps shall not enter premium-tier, luxury-tier, status-signaling, or rare-substrate markets. The operational principle is: basic needs through Corps at-cost distribution; premium and above through the existing private market economy.

SECTION 19. RELATIONSHIP TO EXISTING UK SOCIAL-SECURITY ENTITLEMENTS.

(1) The Personal Productive Asset entitlement under this Title is in addition to, and does not replace, any entitlement to Universal Credit, State Pension, Personal Independence Payment, Attendance Allowance, Carer's Allowance, Housing Benefit (where still payable), or any other social-security entitlement under the law of England, Scotland, Wales, or Northern Ireland.

(2) The Productive Capacity Dividend distribution under Section 13 shall not be treated as income for the purposes of:

- (a) Universal Credit (Welfare Reform Act 2012);
- (b) Personal Independence Payment;
- (c) Means-tested benefits administered by the Department for Work and Pensions or the equivalent devolved-government agency.

(3) The Productive Capacity Dividend distribution is taxable for income-tax purposes on the standard basis applicable to investment income, with such reliefs and thresholds as the Chancellor of the Exchequer may by Statutory Instrument provide.

TITLE VI — RELATIONSHIP TO EXISTING UK SOVEREIGN-ASSET INFRASTRUCTURE

SECTION 20. CROWN ESTATE.

(1) Other than the 5% allocation made under Section 11, this Act makes no provision affecting the Crown Estate.

(2) The Crown Estate's net revenue surplus continues to fund the Sovereign Grant under the Sovereign Grant Act 2011, and the Sovereign Grant for any year is calculated, paid, and reported as if this Act had not been passed.

SECTION 21. NATIONAL WEALTH FUND.

(1) Co-investment with the National Wealth Fund under Section 10(3) is agreed between the Authority and the National Wealth Fund Board on a project-by-project basis.

(2) The £27.8 billion capital of the National Wealth Fund is not transferred, encumbered, or pledged by this Act. The NWF continues to operate under its existing Statement of Strategic Priorities and its existing governance, modified only by agreement of the NWF Board.

SECTION 22. BRITISH BUSINESS BANK.

(1) The Authority may engage the British Business Bank as a delivery partner for SME-facing aspects of productive-capacity deployment, on terms agreed between the Authority and the British Business Bank.

(2) The Authority does not direct, displace, or modify the British Business Bank's existing programme delivery.

SECTION 23. DEVOLVED DEVELOPMENT BANKS.

(1) The Authority may engage the Scottish National Investment Bank, the Development Bank of Wales, and Invest Northern Ireland as delivery partners under the Devolution Cooperation Framework in Section 14, on terms agreed between the Authority and the relevant body and consented to by the relevant devolved government.

(2) Nothing in this Act diminishes the operational independence or mandate of any devolved development bank.

TITLE VII — IMPLEMENTATION PHASES

SECTION 24. FOUR-PHASE IMPLEMENTATION.

The Authority shall implement this Act in four phases.

PHASE I — CHARTERING AND ENROLMENT (Months 0 - 18 from the appointed day).

The Authority is chartered by Royal Charter granted by His Majesty in Council under Section 5. The Board of Governors is appointed and confirmed. The four Nations Delivery Units are seated. Initial HM Treasury gilt authorisation up to £2 billion is drawn. Productive Capacity Shares are issued to all ordinarily-resident individuals on file as of the appointed day through the National Insurance Number system. Devolution Cooperation Framework consents are sought from the devolved legislatures.

PHASE II — INITIAL CORPS OPERATIONS (Months 18 - 48).

The Civic Robot Corps of the United Kingdom commences initial operations in the England Delivery Unit, focusing on at-cost goods production and distribution at urban centres in England. Initial NWF Co-Investment Agreement under Section 10(3) is signed for up to £2 billion of co-investment capacity. First at-cost distribution points are opened. Scotland, Wales, and Northern Ireland Delivery Unit operations commence following grant of the relevant Legislative Consent Motions and on a Nation-by-Nation basis.

Cumulative HM Treasury gilt drawdown up to £4 billion. First annual Productive Capacity Dividend may, but is not required to, be distributed at the end of Phase II depending on revenue position.

PHASE III — UK-WIDE CORPS OPERATIONS (Months 48 - 96).

Corps operations extend to all four Nations Delivery Units (subject to Legislative Consent Motions). Rural-and-island distribution reaches the target service area. NHS Logistics Support, food-production scale-up, renewable-energy deployment, and care-sector logistics service lines come online. Full HM Treasury gilt authorisation up to £5 billion is available, with NWF co-investment up to £5 billion. Annual Productive Capacity Dividend is in regular distribution. The 5% Crown Estate allocation flows under Section 11.

PHASE IV — STEADY-STATE OPERATING POSTURE (Month 96 onward).

The Authority reaches steady-state operating posture: all four Nations Delivery Units operating; all service lines under Section 16 operating; Productive Capacity Dividend distribution under Section 13 in steady-state through HMRC and DWP infrastructure; the Permanent Reserve under Section 9 accumulating surplus operating revenue annually; gilt drawdown on declining repayment schedule. The Authority operates indefinitely. There is no sunset.

TITLE VIII — GENERAL PROVISIONS

SECTION 25. COMMENCEMENT.

(1) Sections 1 (Short Title) and 25 (Commencement) come into force on the day on which this Act is passed.

(2) The remaining provisions of this Act come into force on a day appointed by the Secretary of State by regulations made by Statutory Instrument, with such day being not later than the first anniversary of Royal Assent.

(3) Provisions of this Act engaging devolved competence come into force in the relevant devolved nation only on the grant of a Legislative Consent Motion under Section 14.

SECTION 26. SEVERABILITY.

If any provision of this Act, or its application to any person or circumstance, is held invalid by a court of competent jurisdiction within the United Kingdom or by the European Court of Human Rights, the invalidity does not affect other provisions or applications of this Act that can be given effect without the invalid provision or application, and to this end the provisions of this Act are severable.

SECTION 27. PARLIAMENTARY SOVEREIGNTY.

(1) Nothing in this Act limits the sovereignty of Parliament to amend or repeal this Act, or any provision of this Act, by subsequent Act of Parliament.

(2) On any repeal of this Act, the obligations of the Authority then outstanding (including any gilt-edged securities issued under Section 10, any co-investment agreements with the National Wealth Fund, and the Personal Productive Asset entitlements of ordinarily-resident individuals already issued under Section 8) shall be honoured as obligations of His Majesty's Government, and such transitional provisions as Parliament determines shall be provided in any repealing enactment.

SECTION 28. INTERPRETATION.

In this Act —

"the Authority" means the United Kingdom Productive Capacity Authority established under Section 4;

"the Corps" or "CRC-UK" means the Civic Robot Corps of the United Kingdom established under Section 15;

"the Crown Estate" means the Crown Estate established under the Crown Estate Act 1961;

"devolved nation" means Scotland, Wales, or Northern Ireland;

"the National Wealth Fund" or "NWF" means the body launched on 14 October 2024 as the National Wealth Fund (successor to the UK Infrastructure Bank);

"ordinarily resident" has the meaning given by the relevant provisions of the Immigration Act 1971 and the Income Tax (Earnings and Pensions) Act 2003, as applied for the purposes of this Act;

"the Personal Productive Asset entitlement" means the entitlement conferred under Section 18;

"the Permanent Reserve" means the United Kingdom Productive Capacity Permanent Reserve established under Section 9;

"Productive Capacity Share" means a non-transferable share issued under Section 8;

"Royal Assent" means the date on which this Act receives Royal Assent under the Royal Assent Act 1967;

"the Sovereign Grant" means the grant calculated under the Sovereign Grant Act 2011.

SCHEDULES (to follow at Committee stage)

Schedule 1 — Draft Royal Charter of the United Kingdom Productive Capacity Authority

Schedule 2 — Terms governing the management of the United Kingdom Productive Capacity Permanent Reserve

Schedule 3 — Legislative Consent Motion templates for the Scottish Parliament, Senedd Cymru, and the Northern Ireland Assembly

