



Post Office Act 1969

1969 CHAPTER 48

PART V

PROVISIONS FOR SECURING THE CONTINUANCE OF THE CARRYING ON, UNDER THE AUSPICES OF A DIRECTOR OF SAVINGS IN PLACE OF THE POSTMASTER GENERAL, OF CERTAIN FINANCIAL BUSINESS

Replacement of the Postmaster General by the Director of Savings for the Purposes of the Post Office Savings Bank Acts 1954 and 1966, and Provisions consequential thereon

94 The National Savings Bank

- (1) On the appointed day, section 1 of the Post Office Savings Bank Act 1954 (which empowers the Postmaster General to authorise his officers, or others, to receive and repay deposits) shall cease to have effect; but, as from the beginning of that day, the establishment which exists in consequence of the enactment of that section shall, by the name of the National Savings Bank, continue in existence for the receipt and repayment of deposits, and its business shall be carried on by the Director of Savings.
- (2) Accordingly, as from the appointed day, in the Post Office Savings Bank Acts 1954 and 1966 and in the following provisions of this Act the expression "deposit" (when used as a noun) shall be taken to refer to a deposit with the National Savings Bank and the expression "depositor" shall (save in so far as the context otherwise requires) be construed accordingly, and—
 - (a) the provisions of the Post Office Savings Bank Act 1954 specified in column 1 of Part I of Schedule 6 to this Act shall have effect subject to the amendments respectively specified in relation thereto in column 2 of that Part;
 - (b) the provisions of the Post Office Savings Bank Act 1966 specified in column 1 of Part II of that Schedule shall have effect subject to the amendments respectively specified in relation thereto in column 2 of that Part;
 - (c) the enactments specified in column 1 of Part III of that Schedule shall have effect subject to the amendments respectively specified in relation thereto in column 2 of that Part; and

- (d) any reference to the Postmaster General in a nomination executed under regulations made, or having effect as if made, under section 2 of the Post Office Savings Bank Act 1954 shall be construed as referring to the Director of Savings.
- (3) The amendment of section 27 of the Crown Proceedings Act 1947 effected by virtue of subsection (2)(c) above is an amendment of that section as well in its application to the Crown in right of Her Majesty's Government in Northern Ireland as in its application to the Crown in right of Her Majesty's Government in the United Kingdom.
- (4) Without prejudice to the operation of section 37 of the Interpretation Act 1889 (which relates to the exercise of statutory powers between the passing and commencement of an Act), the power conferred by section 2 of the Post Office Savings Bank Act 1954, as amended by Schedule 6 to this Act, and that conferred by section 2 of the Post Office Savings Bank Act 1966, as so amended, may each be exercised at any time after the passing of this Act as if so much of that Schedule as amends those sections had come into operation on the passing of this Act, but so that regulations made in exercise of the power conferred by the one section or the other, as so amended, shall not come into operation before the appointed day.

95 Application of ordinary deposits

- (1) For section 16 of the Post Office Savings Bank Act 1954 (repayment of sums withdrawn by depositors, payment of expenses and investment of funds), there shall be substituted the following section:—
 - “(1) There shall be paid out of ordinary deposits—
 - (a) all sums referable to such deposits that are withdrawn by or on behalf of depositors ;
 - (b) such sums as the Treasury may from time to time determine to be equal to those expended by the Director of Savings in the execution of this Act; and
 - (c) the expenses incurred by the Commissioners in the execution of this Act.
 - (2) The balance of ordinary deposits remaining after the repayment thereof of sums withdrawn by depositors shall, at such intervals as the Treasury may direct, be ascertained and paid to the Commissioners who shall, after deducting therefrom—
 - (a) such sums as are mentioned in subsection (1)(b) above; and
 - (b) such sums as are necessary to defray the expenses incurred by them in the execution of this Act;
 invest it.
 - (3) Sums deducted by the Commissioners in pursuance of subsection (2)(a) above shall be paid into the Consolidated Fund of the United Kingdom.”.
- (2) This section shall come into operation on the appointed day.

96 Consequential amendment of section 3 of the Post Office Savings Bank Act 1966

As from the appointed day, section 3 of the Post Office Savings Bank Act 1966 (which requires a separate account to be kept for the purposes of that Act) shall have effect

with the substitution, for subsections (1) and (2) thereof, of the following subsections:

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- “(1) The Director of Savings shall keep a separate account of all sums received or paid with respect to investment deposits.
- (2) The said account shall be known as the National Savings Bank Investment Account Fund and is in this Act referred to as ' the Fund ’”,
- and with the substitution, for the reference, in subsection (3)(b), to the Postmaster General, of a reference to the Treasury.

97 Debit to the National Savings Bank Investment Account Fund of expenses of the Director of Savings and contributions in lieu of tax

- (1) There shall be included amongst the sums to be debited from time to time to the National Savings Bank Investment Account Fund—
- (a) such sums as the Treasury may determine to be equal to those expended by the Director of Savings in connection with investment deposits ; and
 - (b) such sums as may be necessary to secure that, year by year, there is contributed to the Exchequers of the United Kingdom and Northern Ireland as nearly as may be what would be contributed thereto in respect of the National Savings Bank by way of corporation tax if that bank were a savings bank certified under the Trustee Savings Banks Act 1954, section 439(1) of the Income Tax Act 1952 (exemption of trustee savings banks' income from tax in respect of interest and dividends arising from investments with the National Debt Commissioners) had not been enacted and the business of that bank were confined to activities concerned with investment deposits.
- (2) Sums debited by virtue of paragraph (a) or (b) of the foregoing subsection shall be paid into the Consolidated Fund, and those debited by virtue of paragraph (b) shall be treated, for the purposes of subsection (2) of section 22 of the Government of Ireland Act 1920 (annual determination by Joint Exchequer Board of what part of the proceeds of the reserved taxes is properly attributable to Northern Ireland), as being proceeds of the duties and taxes referred to in subsection (1) of that section.
- (3) This section shall come into operation on the appointed day.

98 Annual statement with respect to ordinary deposits and expenses

- (1) The Director of Savings and the National Debt Commissioners shall, as respects the year in which the appointed day falls and each subsequent year, prepare a statement showing—
- (a) the aggregate of the sums received and repaid during the year in respect of ordinary deposits;
 - (b) the aggregate of the sums paid or credited during the year by way of interest on ordinary deposits ;
 - (c) the aggregate liabilities, as at the end of the year, so far as regards ordinary deposits ;
 - (d) the nominal value and the description, as at the end of the year, of the investments held by the Commissioners which have been made under section 16 of the Post Office Savings Bank Act 1954;

- (e) the aggregate of the sums that accrued during the year by way of interest on investments made under that section by the Commissioners; and
- (f) the amount of the expenses incurred during that year in the execution of that Act;

and shall, before the end of May next following, transmit it to the Comptroller and Auditor General who shall examine, certify and report on it and lay copies of it, together with copies of his report on it, before Parliament.

- (2) No accounts or statements shall be made out or prepared under the Post Office Savings Bank Act 1954 as respects the year in which the appointed day falls or any subsequent year; and anything which, in the first-mentioned year, falls, by virtue of section 15 or 20 of that Act (annual account of ordinary deposits to be laid before Parliament, and annual account of liabilities with respect to such deposits to be so laid), to be done by the Postmaster General shall, if not done before that day, be done instead by the Treasury.
- (3) In this section "year " means a period of twelve months ending 31st December.

99 Adjustment of balances relating to ordinary deposits

- (1) If, in the year in which the appointed day falls or any subsequent year, the aggregate of the sums that accrued by way of interest on investments made under section 16 of the Post Office Savings Bank Act 1954 by the National Debt Commissioners, after deduction of any sum required by the Treasury to be set aside to provide for depreciation in the value of investments so made, exceeds the aggregate of—
 - (a) the aggregate of the sums paid or credited during the year by way of interest on ordinary deposits ; and
 - (b) the amount of the expenses incurred during that year in the execution of that Act;

the excess shall be paid into the Consolidated Fund; and if in any such year as aforesaid the aggregate of the sums that accrued as aforesaid, after deduction of any sum required by the Treasury to be set aside as aforesaid, falls short of the second-mentioned aggregate, the deficiency shall be made good out of that fund.

- (2) In this section, " year " means a period of twelve months ending 31st December.

100 Annual accounts with respect to investment deposits

- (1) Anything which, in the year in which the appointed day falls, falls, by virtue of section 5 (preparation and audit of accounts) of the Post Office Savings Bank Act 1966, to be done by or to the Postmaster General shall, if not done before that day, be done instead by or to the Treasury.
- (2) The following requirements shall, as respects the year in which the appointed day falls and each subsequent year, have effect in place of those of the said section 5, namely.—
 - (a) the Director of Savings and the National Debt Commissioners shall prepare, for the year, a statement of accounts of the National Savings Bank Investment Account Fund;
 - (b) the statement of accounts for each year shall, before the end of May next following the expiration of the year, be transmitted to the Comptroller and Auditor General who shall examine, certify and report on it and lay copies of it, together with copies of his report on it, before Parliament.

(3) In this section "year " means a period of twelve months ending 31st December.

101 Ultimate liability of the Consolidated Fund for repayment of deposits

If at any time claims in respect of ordinary or investment deposits cannot be met, the Treasury shall provide the Postmaster General or the Director of Savings with such sum out of the Consolidated Fund as is necessary to meet them.

102 Certain sums to be treated as expenses incurred by the Director of Savings

(1) As from the appointed day, section 22(1) of the Post Office Savings Bank Act 1954 (which provides that certain sums are to be deemed to be included amongst the expenses incurred in the execution of that Act by the National Debt Commissioners and, before the passing of the Post Office Act 1961, also provided that certain sums were to be deemed to be included amongst the expenses so incurred by the Postmaster General), shall have effect with the substitution, for the words " the Commissioners " (except where occurring in paragraph (c)), of the words " the Director of Savings and the Commissioners respectively " and with the addition, at the end thereof, of the following paragraph:—

“(e) any capital expenditure incurred in providing premises or equipment wholly used for the purposes of this Act by the Director of Savings, and such part of any such expenditure incurred in providing premises or equipment partly used as aforesaid as was, in the opinion of the Treasury, incurred for those purposes”.

(2) As from the appointed day, section 22(2) of the Post Office Savings Bank Act 1954 shall have effect with the omission of the words " by the Commissioners ", with the insertion, after the word " premises " (where first occurring) of the words " or equipment" and with the substitution, for the words " the premises or of that part of the premises which was used for the said purposes " , of the words " the premises or equipment or, in the case of premises or equipment partly used for the said purposes, such proportion of that sum as the Treasury determine to be appropriate having regard to the extent to which the premises or equipment were so used " .

103 Amendment of section 10(1) of the Post Office Savings Bank Act 1954

Section 10(1) of the Post Office Savings Bank Act 1954 (secrecy) shall not prevent the disclosure by a person authorised for the purpose by the Director of Savings of information to any person in connection with an offence committed with reference to the account of a depositor or for the purpose of ascertaining whether or not an offence has been so committed.

104 Amendment of section 12(3) of the Post Office Savings Bank Act 1954

In subsection (3) of section 12 of the Post Office Savings Bank Act 1954 (which requires the necessary financial adjustment to be made in the books of the National Debt Commissioners in consequence of a depositor in a trustee savings bank having transferred the amount due to him from that bank to a post office savings bank), for the words from " from the account of the first-mentioned savings bank " onwards, there shall be substituted the words " from the account of the trustee savings bank in question to that kept for the purposes of this Act " .

105 Parliamentary control of regulation-making powers under the Post Office Savings Bank Acts 1954 and 1966

A statutory instrument containing regulations under the Post Office Savings Bank Act 1954 or the Post Office Savings Bank Act 1966 (not being an instrument whereof a draft has been laid before Parliament before the passing of this Act) shall be subject to annulment in pursuance of a resolution of either House of Parliament.

106 Selective employment refunds referable to employment in the National Savings Bank

A payment which, if this Act had not passed, would have fallen to be made under section 25 of the Finance Act 1967 or section 52(3) of the Finance Act 1968 (refunds of selective employment tax) to the Postmaster General on or after the appointed day shall be made instead to the Post Office; and no payment shall be made under either of those sections on or after that day in respect of a person in respect of a week in which he was employed in the National Savings Bank and for which a payment of selective employment tax was paid in respect of him by someone other than the Postmaster General.

107 Vesting in the Minister of Public Building and Works of the Postmaster General's interest in certain lands in Hammersmith

- (1) On the appointed day, the land delineated (and coloured pink) on the plans deposited in connection with the Bill for this Act with the Minister of Public Building and Works and authenticated by the signature of the Postmaster General (being land in the London borough of Hammersmith held by the Postmaster General and appropriated to the exercise and performance of his functions under the Post Office Savings Bank Acts 1954 and 1966) shall, by virtue of this subsection, vest in the Minister of Public Building and Works and shall be taken by him as land necessary for the public service and held by him for all the estate and interest for which it was previously held by the Postmaster General.
- (2) The Postmaster General may by order provide that the foregoing subsection shall operate—
 - (a) to annex to the said land such easements or other rights over contiguous land which, immediately before the appointed day, may be vested in him for an estate in fee simple, as may be specified in the order; or
 - (b) to annex to the last-mentioned land such easements or other rights over the first-mentioned land as may be so specified;or to do both of those things.