



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

The Director of Savings

93 Appointment, and functions and expenses, of the Director of Savings

- (1) The Treasury may appoint (but so that the first appointment made shall not take effect before the appointed day) a person to be Director of Savings who shall have such functions as are conferred on him by, or by virtue of, the following provisions of this Act.
- (2) The expenses of the Director of Savings shall, unless required by some provision of this Act to be borne in some other manner, be defrayed out of moneys provided by Parliament.
- (3) Schedule 2 to the Parliamentary Commissioner Act 1967 shall have effect as if, after the reference to the National Debt Office, there were inserted a reference to the Department for National Savings.
- (4) For the purposes of the Criminal Evidence Act 1965 and the Criminal Evidence Act (Northern Ireland) 1965 (which make certain trade or business records admissible as evidence in criminal proceedings) the expression "business " shall include the activities of the Director of Savings.

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.

Replacement of the Postmaster General by the Director of Savings for the Purposes of the National Debt Act 1958 and the National Loans Act 1968, and Provisions consequential thereon

108 The stock register kept under Part I of the National Debt Act 1958

- (1) The register of government stock which exists by virtue of section 1(1) of the National Debt Act 1958 shall, instead of being known as the Post Office register, be known as the National Savings Stock Register and (except for such parts thereof as are kept by trustees of trustee savings banks) shall be kept by the Director of Savings ; and, accordingly.—
- (a) in section 48 of the Finance (No. 2) Act 1915 (procedure on death of a person entitled to government stock), for the words " the Postmaster General" there shall be substituted the words " the Director of Savings ";
 - (b) in sections 66 (transfer of government stock on authority of order of a court) and 67 (indemnity on transfer of government stock) of the Finance Act 1916, for the words " the Postmaster General" there shall be substituted the words " the Director of Savings ";
 - (c) in Schedule 3 to the Finance Act 1921 (provisions for carrying out redemption of government stock), for the words " the Post Office Register " (wherever occurring) there shall be substituted the words " the National Savings Stock Register ", for the words " the Postmaster General" (wherever occurring) there shall be substituted the words " the Director of Savings " and for the words " at the General Post Office " there shall be substituted the words " by the Director of Savings ";
 - (d) in section 47(4)(c) of the Finance Act 1942 (transfer and registration of government stock), for the words "the Post Office register established under the War Loan (Supplemental Provisions) Act 1915", there shall be substituted the words " the National Savings Stock Register ";

Status: This is the original version (as it was originally enacted).

- (e) in sections 17(4) and 19 of the National Debt Act 1958 (preservation of effect of certain certificates of investment in government stock, and extension to the Isle of Man and the Channel Islands of the provisions of that Act relating to the Post Office register), for the words " the Post Office register ", there shall be substituted the words " the National Savings Stock Register ";
 - (f) in section 1(4)(c) of the Stock Transfer Act 1963 (simplified transfer of securities), for the words " the Post Office register" there shall be substituted the words " the National Savings Stock Register "; and
 - (g) any reference to the Postmaster General in a nomination executed under regulations made, or having effect as if made, under section 2 of the National Debt Act 1958 shall be construed as referring to the Director of Savings.
- (2) For the purposes of section 2 of the said Act of 1958 (power to make regulations with respect to the register referred to in the foregoing subsection), the appropriate authority shall, instead of being (as prescribed by subsection (3) of that section) the Treasury in conjunction with the Postmaster General and, in the case of regulations relating to the National Debt Commissioners, those Commissioners, be, except in the case of regulations relating to those Commissioners, the Treasury, and, in the said excepted case, the Treasury in conjunction with those Commissioners; and in subsection (2)(b) of that section, for the reference to issue through the Post Office of bearer bonds, there shall be substituted a reference to issue by the Director of Savings of such bonds.
- (3) Sections 4 (disputes between the Postmaster General or the trustees of a savings bank and stockholders) and 5 (transfer to the register referred to in subsection (1) above of holdings in names of deceased persons) of the said Act of 1958 shall have effect with the substitution, for references to the Postmaster General, of references to the Director of Savings.
- (4) For the purposes of section 6 of the said Act of 1958 (acceptance of probate issued in Isle of Man or Channel Islands), the appropriate authority, in relation to stock registered otherwise than in a part of the register referred to in subsection (1) above kept by the trustees of a trustee savings bank shall, instead of being (as prescribed by subsection (3) of that section) the Postmaster General, be the Director of Savings.
- (5) This section shall come into operation on the appointed day; but, without prejudice to section 37 of the Interpretation Act 1889, the power conferred by section 2 of the National Debt Act 1958, as amended by subsection (2) above, may be exercised at any time after the passing of this Act as if that subsection had come into operation on the passing of this Act, but so that regulations made in exercise of it shall not come into operation before that day.

109 Power of the Treasury to raise money under the auspices of the Director of Savings

The power conferred by section 12 of the National Loans Act 1968 on the Treasury to raise money shall extend to raising money under the auspices of the Director of Savings and, in particular, by the issue, under his auspices, of national savings certificates; and, accordingly, as from the appointed day, references in sections 191(1) (interest on United Kingdom savings certificates to be exempt from tax) and 193(4) (interest on certain Ulster, colonial and other savings certificates issued to local residents to be exempt from tax) of the Income Tax Act 1952 to savings certificates issued by the Treasury through the Post Office shall be construed as including

references to savings certificates issued by the Treasury under the auspices of the Director of Savings.

110 Amendment of section 12 of the National Debt Act 1958

- (1) The power conferred by subsection (1) of section 12 of the National Debt Act 1958 on the Treasury to make regulations with respect to the manner in which and the conditions under which, amongst other things, money authorised to be raised under the National Loans Act 1939 or the National Loans Act 1968 may be raised through the Post Office shall include power to make regulations with respect to the manner in which and the conditions under which money authorised to be raised under the last-mentioned Act may be raised under the auspices of the Director of Savings.
- (2) In subsection (2)(a) of the said section 12, for the words " apply any provision of any Act (including this Act) relating to the Post Office, to savings banks, to the Post Office register or to any other matter under the administration of the Postmaster General", there shall be substituted the words " apply any provision of any Act (including this Act) relating to savings banks or the National Savings Stock Register ".
- (3) This section shall come into operation on the appointed day; but, without prejudice to section 37 of the Interpretation Act 1889, the power conferred by section 12 of the National Debt Act 1958, as amended by this section, may be exercised at any time after the passing of this Act as if this section had come into operation on the passing of this Act, but so that regulations made in exercise of it shall not come into operation before that day.

111 Power to replace lost or destroyed bonds issued by the Postmaster General or the Director of Savings

- (1) Where the Director of Savings is satisfied that a bond to bearer issued on behalf of the Treasury by him or by the Postmaster General, or a coupon of any such bond, has been lost or destroyed, he may, if he thinks fit, and on such conditions as he thinks fit, but subject to any general directions of the Treasury, issue a new bond or coupon on receiving indemnity to his satisfaction against the claims of all persons deriving title under the bond or coupon lost or destroyed.
- (2) This section shall come into operation on the appointed day and have effect in place of section 13 of the National Debt Act 1958.

112 Amendment of section 35 of the Finance Act 1961

As from the appointed day, section 35 of the Finance Act 1961 (national savings stamps and gift tokens) shall have effect as if, in subsection (1), after the words " the Postmaster General", there were inserted the words " or the Director of Savings " and as if, in subsection (5), for the words " payable out of the Post Office Fund in respect of those stamps or tokens ", there were substituted the words " payable in respect of the exchange or encashment of those stamps or tokens ".

Credits to the Post Office in respect of certain capital Expenditure incurred by the Postmaster General in Connection with annuity, savings bank and national debt Functions

113 Credits to the Post Office in respect of certain capital expenditure incurred by the Postmaster General in connection with annuity, savings bank and national debt functions

- (1) The Post Office shall, for the purposes of section 33 of this Act, be entitled to credit of—
- (a) the sum certified by the Minister to be the net book value of buildings erected at the expense of the Postmaster General on the land mentioned in section 107(1) of this Act, being buildings in the case of which expenditure incurred by him after 9th July 1952 with reference to the erection thereof was treated by him as capital expenditure;
 - (b) the sum so certified to be the net book value of works executed at the expense of the Postmaster General on that land, being works in the case of which expenditure so incurred with reference to the execution thereof was so treated ; and
 - (c) the sum so certified to be the net book value of apparatus installed by the Postmaster General on that land, being apparatus in the case of which expenditure so incurred in the provision and installation thereof was so treated, but not being telegraphic apparatus.
- (2) The Post Office shall, for the purposes of section 33 of this Act, be entitled to credit of—
- (a) the sum certified by the Minister to be the net book value of every such parcel of land as follows, namely.—
 - (i) every parcel in the case of which an estate or interest subsisting therein of the Postmaster General is, after the passing of this Act, conveyed, assigned or transferred by him to the Minister of Public Building and Works (being a parcel the whole or part of which is occupied, or is intended to be occupied, by the Postmaster General in connection with the exercise and performance of his functions under the Government Annuities Act 1929, the Post Office Savings Bank Acts 1954 and 1966, the National Debt Act 1958 or the National Loans Act 1968); and
 - (ii) every parcel in the case of which an estate or interest subsisting therein of the Postmaster General vests in the Post Office by virtue of this Act (being a parcel which, immediately before the appointed day, is the subject of an agreement, to which the parties are the Postmaster General, the Minister of Public Building and Works and the Post Office for the conveyance, assignment or transfer by the Post Office to that Minister of the estate or interest that so vests);
 - (b) the sum so certified to be the net book value of buildings erected, on any such parcel as aforesaid, at the expense of the Postmaster General, being buildings in the case of which the expenditure of the Postmaster General with reference to the erection thereof was treated by him as capital expenditure ; and
 - (c) the sum so certified to be the net book value of works executed, at his expense, on any such parcel as aforesaid, being works in the case of which the expenditure of the Postmaster General with reference to the execution thereof was so treated.

- (3) The Post Office shall, for the purposes of section 33 of this Act, be entitled to credit of—
- (a) the sum certified by the Minister to be the net book value of every building erected at the expense of the Postmaster General on land in England in which—
 - (i) the Minister of Public Building and Works has an estate or interest immediately before the appointed day; but
 - (ii) the Postmaster General does not then have, and never previously had, an estate or interest;being a building in the case of which the expenditure of the Postmaster General with reference to the erection thereof was treated by him as capital expenditure ; and
 - (b) the sum so certified to be the net book value of works executed at the expense of the Postmaster General on every parcel of such land as aforesaid, being works in the case of which the expenditure of the Postmaster General with reference to the execution thereof was so treated.
- (4) In this section " building " includes part of a building and " net book value " means, in relation to land, buildings, works or apparatus, the value thereof (after deducting depreciation) as shown in the books by reference to which the final statement of accounts under section 12 of the Post Office Act 1961 is prepared.

Extent of Part V and Schedule 6

114 Extent of Part V and Schedule 6

This Part of this Act and Schedule 6 thereto shall extend to the Isle of Man and the Channel Islands.