

SCHEDULES

SCHEDULE 1

Section 5

PROVISION TO BE MADE IN ARTICLES OF ASSOCIATION OF RECLAIM FUND

Expenses

- 1 (1) The articles of association of a reclaim fund must make provision—
 - (a) allowing it to defray its expenses out of its income, but
 - (b) preventing the defraying of expenses that are unreasonable, or to the extent that they are unreasonable.
- (2) For the purposes of this paragraph “expenses” includes, in particular, the costs of—
 - (a) paying fees or remuneration to any member, officer, employee or other person for services provided to the reclaim fund in connection with the carrying out of its functions;
 - (b) reimbursing any person incurring costs in relation to services provided in connection with the formation of the fund.

No distribution to members

- 2 The articles of association of a reclaim fund must make provision preventing a distribution, including a distribution on winding up, of any of its income or assets to its members (except as allowed for by provision made by virtue of paragraph 1).

Publication of information

- 3 (1) The articles of association of a reclaim fund must make provision requiring it to publish, as soon as possible after the end of each financial year of the fund—
 - (a) its annual accounts and reports for that year (within the meaning given by section 471 of the Companies Act 2006 (c. 46));
 - (b) the name of each bank and building society that transferred money to the fund in that year and the amount transferred by each one;
 - (c) the name of each bank and building society in respect of whose accounts payments were made from the fund in that year following repayment claims and, in relation to each of those banks and building societies, the total of the payments made;
 - (d) the total amount transferred in that year to the body or bodies for the time being specified in section 16(1).
- (2) For the purposes of sub-paragraph (1)(c)—
 - (a) “repayment claims” means claims made by virtue of section 1(2)(b) or 2(2)(b);
 - (b) where an account was previously operated by a bank or building society as part of a business currently carried on by another bank or building society (“the successor”), the account is treated as that of the successor.

SCHEDULE 2

Section 15

AMENDMENTS TO THE FINANCIAL SERVICES AND MARKETS ACT 2000

Amendments to Part 2

- 1 (1) Schedule 2 (regulated activities) is amended as follows.
- (2) For the heading to Part 1 there is substituted “Regulated activities: general”.
- (3) After that Part there is inserted—

“PART 1A

REGULATED ACTIVITIES: RECLAIM FUNDS

Activities of reclaim funds

- 9A (1) The matters with respect to which provision may be made under section 22(1) in respect of activities include, in particular, any of the activities of a reclaim fund.
- (2) “Reclaim fund” has the meaning given by section 5(1) of the Dormant Bank and Building Society Accounts Act 2008.”

Amendments to Part 7

- 2 After section 106 there is inserted—

“106A Reclaim fund business transfer scheme

- (1) A scheme is a reclaim fund business transfer scheme if, under the scheme, the whole or part of the business carried on by a reclaim fund is to be transferred to one or more other reclaim funds.
 - (2) “Reclaim fund” has the meaning given by section 5(1) of the Dormant Bank and Building Society Accounts Act 2008.”
- 3 In section 107 (application for order sanctioning transfer scheme), in subsection (1), for “or a banking business transfer scheme” there is substituted “, a banking business transfer scheme or a reclaim fund business transfer scheme”.
 - 4 (1) Section 111 (sanction of the court for business transfer schemes) is amended as follows.
 - (2) In subsection (1), for “or a banking business transfer scheme” there is substituted “, a banking business transfer scheme or a reclaim fund business transfer scheme”.
 - (3) In subsection (2)—
 - (a) at the beginning of paragraph (a) there is inserted “in the case of an insurance business transfer scheme or a banking business transfer scheme,”;
 - (b) after that paragraph there is inserted—

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

“(aa) in the case of a reclaim fund business transfer scheme, the appropriate certificate has been obtained (as to which see Part 2A of that Schedule);”.

5 In Schedule 12, after Part 2 there is inserted—

“PART 2A

RECLAIM FUND BUSINESS TRANSFER SCHEMES

Certificate as to financial resources

9A For the purposes of section 111(2) the appropriate certificate, in relation to a reclaim fund business transfer scheme, is a certificate given by the Authority certifying that, taking the proposed transfer into account, the transferee possesses, or will possess before the scheme takes effect, adequate financial resources.”

Amendments to Part 24

6 (1) Section 359 (administration order) is amended as follows.

- (2) In subsection (3) (persons treated as unable to pay their debts), the “and” at the end of paragraph (a) is omitted and at the end of paragraph (b) there is inserted “, and—
- (c) an authorised reclaim fund in default on an obligation to pay a sum payable as a result of a claim made by virtue of section 1(2)(b) or 2(2)(b) of the Dormant Bank and Building Society Accounts Act 2008.”

(3) In subsection (4) (definitions), at the appropriate place there is inserted—

““authorised reclaim fund” means a reclaim fund within the meaning given by section 5(1) of the Dormant Bank and Building Society Accounts Act 2008 that is authorised for the purposes of this Act;”.

7 After section 369 there is inserted—

“369A Reclaim funds: service of petition etc on Authority

- (1) If a person other than the Authority presents a petition for the winding up of an authorised reclaim fund, the petitioner must serve a copy of the petition on the Authority.
- (2) If a person other than the Authority applies to have a provisional liquidator appointed under section 135 of the 1986 Act (or Article 115 of the 1989 Order) in respect of an authorised reclaim fund, the applicant must serve a copy of the application on the Authority.
- (3) In this section “authorised reclaim fund” means a reclaim fund within the meaning given by section 5(1) of the Dormant Bank and Building Society Accounts Act 2008 that is authorised for the purposes of this Act.”

SCHEDULE 3

Section 16

FURTHER PROVISION ABOUT THE FUNCTIONS OF THE BIG LOTTERY FUND

PART 1

STRATEGIC PLANS

Strategic plans for England

- 1 (1) If the Secretary of State instructs it to do so, the Big Lottery Fund shall—
 - (a) prepare and adopt a strategic plan for England,
 - (b) review and modify any such plan that it has adopted, or
 - (c) replace any such plan that it has adopted by preparing and adopting another.
- (2) In this paragraph “strategic plan for England” means a statement containing the Fund’s policies for the distribution of dormant account money for meeting English expenditure.
- (3) A strategic plan for England must include—
 - (a) a statement of any directions given to the Fund under section 22 by the Secretary of State, other than directions given by virtue only of subsection (4) of that section;
 - (b) a statement of the Fund’s assessment of the needs in England that the Fund has power to deal with, in whole or in part, by distributing dormant account money;
 - (c) a statement of the Fund’s priorities in dealing with those needs by the distribution of dormant account money.
- (4) A strategic plan for England must be such as to demonstrate how the Fund is complying with any directions to which sub-paragraph (3)(a) applies.
- (5) Before adopting a strategic plan for England, the Fund shall—
 - (a) consult such other bodies as it thinks fit for the purpose of identifying the needs mentioned in sub-paragraph (3)(b) and formulating the policies to be adopted for dealing with those needs;
 - (b) prepare a draft of the proposed plan;
 - (c) send a copy of the draft to the Secretary of State;
 - (d) after consultation with the Secretary of State, make such modifications to the draft as it considers necessary or expedient.
- (6) Where the Fund adopts a strategic plan for England—
 - (a) the Fund shall send copies of the document containing the plan to the Secretary of State;
 - (b) the Secretary of State shall lay a copy of the document before each House of Parliament.

Strategic plans for Wales

- 2 (1) If the Welsh Ministers instruct it to do so, the Big Lottery Fund shall—
 - (a) prepare and adopt a strategic plan for Wales,

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

- (b) review and modify any such plan that it has adopted, or
 - (c) replace any such plan that it has adopted by preparing and adopting another.
- (2) In this paragraph “strategic plan for Wales” means a statement containing the Fund’s policies for the distribution of dormant account money for meeting Welsh expenditure.
- (3) A strategic plan for Wales must include—
 - (a) a statement of any directions under section 22 given to the Fund by the Welsh Ministers;
 - (b) a statement of the Fund’s assessment of the needs in Wales that the Fund has power to deal with, in whole or in part, by distributing dormant account money;
 - (c) a statement of the Fund’s priorities in dealing with those needs by the distribution of dormant account money.
- (4) A strategic plan for Wales must be such as to demonstrate how the Fund is complying with any directions to which sub-paragraph (3)(a) applies.
- (5) Before adopting a strategic plan for Wales, the Fund shall—
 - (a) consult such other bodies as it thinks fit for the purpose of identifying the needs mentioned in sub-paragraph (3)(b) and formulating the policies to be adopted for dealing with those needs;
 - (b) prepare a draft of the proposed plan;
 - (c) send a copy of the draft to the Welsh Ministers;
 - (d) after consultation with the Welsh Ministers, make such modifications to the draft as it considers necessary or expedient.
- (6) Where the Fund adopts a strategic plan for Wales—
 - (a) the Fund shall send copies of the document containing the plan to the Welsh Ministers;
 - (b) the Welsh Ministers shall lay a copy of the document before the National Assembly for Wales.

Strategic plans for Scotland

- 3
- (1) If the Scottish Ministers instruct it to do so, the Big Lottery Fund shall—
 - (a) prepare and adopt a strategic plan for Scotland,
 - (b) review and modify any such plan that it has adopted, or
 - (c) replace any such plan that it has adopted by preparing and adopting another.
 - (2) In this paragraph “strategic plan for Scotland” means a statement containing the Fund’s policies for the distribution of dormant account money for meeting Scottish expenditure.
 - (3) A strategic plan for Scotland must include—
 - (a) a statement of any directions under section 22 given to the Fund by the Scottish Ministers;
 - (b) a statement of the Fund’s assessment of the needs in Scotland that the Fund has power to deal with, in whole or in part, by distributing dormant account money;

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

- (c) a statement of the Fund’s priorities in dealing with those needs by the distribution of dormant account money.
- (4) A strategic plan for Scotland must be such as to demonstrate how the Fund is complying with any directions to which sub-paragraph (3)(a) applies.
- (5) Before adopting a strategic plan for Scotland, the Fund shall—
 - (a) consult such other bodies as it thinks fit for the purpose of identifying the needs mentioned in sub-paragraph (3)(b) and formulating the policies to be adopted for dealing with those needs;
 - (b) prepare a draft of the proposed plan;
 - (c) send a copy of the draft to the Scottish Ministers;
 - (d) after consultation with the Scottish Ministers, make such modifications to the draft as it considers necessary or expedient.
- (6) Where the Fund adopts a strategic plan for Scotland—
 - (a) the Fund shall send copies of the document containing the plan to the Scottish Ministers;
 - (b) the Scottish Ministers shall lay a copy of the document before the Scottish Parliament.

Strategic plans for Northern Ireland

- 4 (1) If instructed to do so by the Department of Finance and Personnel in Northern Ireland (“the Department”), the Big Lottery Fund shall—
 - (a) prepare and adopt a strategic plan for Northern Ireland,
 - (b) review and modify any such plan that it has adopted, or
 - (c) replace any such plan that it has adopted by preparing and adopting another.
- (2) In this paragraph “strategic plan for Northern Ireland” means a statement containing the Fund’s policies for the distribution of dormant account money for meeting Northern Ireland expenditure.
- (3) A strategic plan for Northern Ireland must include—
 - (a) a statement of any directions under section 22 given to the Fund by the Department;
 - (b) a statement of the Fund’s assessment of the needs in Northern Ireland that the Fund has power to deal with, in whole or in part, by distributing dormant account money;
 - (c) a statement of the Fund’s priorities in dealing with those needs by the distribution of dormant account money.
- (4) A strategic plan for Northern Ireland must be such as to demonstrate how the Fund is complying with any directions to which sub-paragraph (3)(a) applies.
- (5) Before adopting a strategic plan for Northern Ireland, the Fund shall—
 - (a) consult such other bodies as it thinks fit for the purpose of identifying the needs mentioned in sub-paragraph (3)(b) and formulating the policies to be adopted for dealing with those needs;
 - (b) prepare a draft of the proposed plan;
 - (c) send a copy of the draft to the Department;

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

- (d) after consultation with the Department, make such modifications to the draft as it considers necessary or expedient.
- (6) Where the Fund adopts a strategic plan for Northern Ireland—
 - (a) the Fund shall send copies of the document containing the plan to the Department;
 - (b) the Department shall lay a copy of the document before the Northern Ireland Assembly.

PART 2

DELEGATION ETC

Delegation to other bodies or persons, or to committees

- 5 (1) The Big Lottery Fund may appoint any other body or person to exercise on its behalf any of its dormant account functions—
- (a) in any particular case, or
 - (b) in cases of any particular description.
- (2) The persons who may be appointed by the Fund under sub-paragraph (1) include a member, employee or committee of the Fund.
- (3) The following bodies may accept an appointment under this paragraph (in addition to any that may do so apart from this sub-paragraph)—
- (a) a body that distributes money under section 25(1) of the National Lottery etc. Act 1993 (c. 39);
 - (b) a charity or a charitable, benevolent or philanthropic institution;
 - (c) a body established by or under an enactment;
 - (d) a body established by Royal Charter.
- (4) A body appointed by virtue of sub-paragraph (1) to exercise a function on behalf of the Fund may itself appoint any of its members or employees, or a committee, to exercise the function in its place, but only if—
- (a) the terms of the appointment so permit, and
 - (b) the body has power apart from this paragraph to appoint a member or (as the case may be) an employee or committee of the body to exercise some or all of its functions.
- (5) The Fund may establish a committee for the purpose of exercising on its behalf any of its dormant account functions.
- (6) A body falling within any paragraph of sub-paragraph (3) may establish a committee for the purpose of exercising on behalf of the Fund any of the Fund's dormant account functions.
- (7) A committee established under sub-paragraph (6)—
- (a) must consist of or include one or more members, or one or more employees, of the body establishing the committee, but
 - (b) may include persons who are neither members nor employees of that body.

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

Interpretation of paragraph 5

- 6 (1) In paragraph 5—
- “charity” means a body, or the trustees of a trust, established for charitable purposes only;
- “charitable, benevolent or philanthropic institution” means a body, or the trustees of a trust, that is established—
- (a) for charitable purposes (whether or not those purposes are charitable within the meaning of any rule of law),
- (b) for benevolent purposes, or
- (c) for philanthropic purposes,
- and is not a charity;
- “dormant account functions” means functions relating to, or connected with, the distribution of dormant account money (including the function of making decisions as to the persons to whom distributions are to be made).
- (2) For the purposes of paragraph 5—
- (a) the trustees of a trust are to be regarded as a body;
- (b) a reference to a member of a body, in the case of a body of trustees, is to be read as a reference to any of the trustees.
- (3) A reference in paragraph 5 to a member of a body includes the chairman or deputy chairman of the body (or the holder of any corresponding office in relation to it).

Provision supplementing paragraph 5

- 7 (1) The Big Lottery Fund may make payments in respect of expenditure (which may include expenditure of a capital nature) of a body or person to whom it delegates a function under paragraph 5(1).
- (2) Paragraph 5(5) is not to be read as preventing the Fund from—
- (a) establishing a committee otherwise than in accordance with that provision, or
- (b) authorising a committee (whether or not established in accordance with that provision) to exercise a function of the Fund.
- (3) A power conferred on a body by paragraph 5 is so conferred—
- (a) to the extent that the body would not have the power apart from that paragraph, and
- (b) notwithstanding anything to the contrary in any enactment or instrument relating to the functions of the body.

New functions for existing devolved expenditure committees

- 8 (1) The functions of the committee established under paragraph 7(1)(a) of Schedule 4A to the National Lottery etc. Act 1993 (c. 39) are to include exercising the functions of the Big Lottery Fund under this Act in relation to English expenditure.
- (2) The functions of the committee established under paragraph 7(1)(b) of that Schedule are to include exercising the functions of the Fund under this Act in relation to Welsh expenditure.

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

- (3) The functions of the committee established under paragraph 7(1)(c) of that Schedule are to include exercising the functions of the Fund under this Act in relation to Scottish expenditure.
- (4) The functions of the committee established under paragraph 7(1)(d) of that Schedule are to include exercising the functions of the Fund under this Act in relation to Northern Ireland expenditure.

PART 3

REPORTS AND ACCOUNTS

Annual reports

- 9 (1) As soon as possible after the end of every financial year, the Big Lottery Fund shall prepare a report on the exercise during that year of its functions under this Act.
- (2) The report shall set out any directions given to the Fund under section 22 that had effect during the financial year to which the report relates.
- (3) The report shall set out the Fund's policy and practice in relation to the principle that dormant account money should be used to fund projects, or aspects of projects, for which funds would be unlikely to be made available by—
 - (a) a Government department,
 - (b) the Welsh Ministers,
 - (c) the Scottish Ministers, or
 - (d) a Northern Ireland department.
- (4) Every report under this paragraph shall be—
 - (a) given by the Fund to the Secretary of State and laid by him or her before Parliament;
 - (b) given by the Fund to the Welsh Ministers and laid by them before the National Assembly for Wales;
 - (c) given by the Fund to the Scottish Ministers and laid by them before the Scottish Parliament;
 - (d) given by the Fund to the Department of Finance and Personnel in Northern Ireland and laid by that Department before the Northern Ireland Assembly.

Accounts

- 10 (1) The Big Lottery Fund shall—
 - (a) keep proper accounting records relating to the exercise of its functions under this Act, and
 - (b) prepare in respect of each financial year a statement of accounts relating to the exercise of those functions.
- (2) The Fund shall send a copy of a statement under sub-paragraph (1)(b)—
 - (a) to the Secretary of State;
 - (b) to the Welsh Ministers;
 - (c) to the Scottish Ministers;

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

- (d) to the Department of Finance and Personnel in Northern Ireland;
 - (e) to the Comptroller and Auditor General.
- (3) A copy of a statement must be sent under sub-paragraph (2) within such period, beginning with the end of the financial year to which the statement relates, as the Secretary of State may direct.
- (4) The Comptroller and Auditor General shall—
- (a) examine, certify and report on a statement received under this paragraph;
 - (b) lay a copy of the statement and the report on it before Parliament, before the National Assembly for Wales, before the Scottish Parliament and before the Northern Ireland Assembly.
- 11 In Schedule 4A to the National Lottery etc. Act 1993 (c. 39) (the Big Lottery Fund), in sub-paragraph (1) of paragraph 21 (accounts)—
- (a) in paragraph (a), after “records” there is inserted “relating to the exercise of its functions under this Act”;
 - (b) for paragraph (b) there is substituted—
 - “(b) prepare in respect of each financial year a statement of accounts relating to the exercise of those functions.”

PART 4

MISCELLANEOUS POWERS

Power to solicit applications

- 12 (1) The Big Lottery Fund has power to solicit applications from other bodies or persons for dormant account money.
- (2) In determining whether a decision of the Fund concerning its distribution of dormant account money was unlawful, it is immaterial whether or not the Fund, or any person acting on its behalf, solicited an application from a body or person for such money.

Power to consult

- 13 In determining how to distribute dormant account money the Big Lottery Fund may—
- (a) consult any person;
 - (b) take account of opinions expressed to it or information submitted to it.

Power to publish information etc

- 14 (1) The Big Lottery Fund may make or participate in arrangements for—
- (a) publishing information relating to the effect of a provision of this Act;
 - (b) publishing information relating to the distribution of dormant account money or the expenditure of dormant account money that has been distributed;
 - (c) encouraging participation in activities relating to the distribution of dormant account money.
- (2) The reference in section 25E of the National Lottery etc. Act 1993 (distribution of funds: publicity) to a body which distributes money under section 25(1) of that Act is

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

to be read as including the Big Lottery Fund in its capacity as distributor of dormant account money.

Power to give advice

- 15 The Big Lottery Fund may give advice about—
- (a) the distribution of dormant account money;
 - (b) inviting, making or considering applications for grants and loans out of dormant account money;
 - (c) the use of dormant account money that has been distributed.