
STATUTORY INSTRUMENTS

2015 No. 623

The National Savings Regulations 2015

PART 2

Deposits in the National Savings Bank

CHAPTER 3

Deposits, withdrawals and transfers, etc.

Deposit books, transaction records and statements

21.—(1) No new deposit books may be issued by the Director of Savings, and no new entries in relation to transactions may be made in deposit books.

(2) A deposit book remains the property of the Director of Savings and must be delivered up when required.

(3) Following any transaction, other than a deposit made by electronic transfer, the Director of Savings must issue promptly to the depositor a statement which confirms the details of the transaction and indicates the balance of the account immediately after the transaction.

(4) The Director of Savings must issue promptly to each depositor—

- (a) an interim statement on request; and
- (b) an annual statement after 1st January each year.

(5) In this regulation—

“annual statement” means a statement which—

- (a) is for the calendar year ending with 31st December immediately preceding the issue of the statement; and
- (b) shows in relation to an account—
 - (i) interest that has been added;
 - (ii) all transactions; and
 - (iii) the balance of the account at the end of that calendar year;

“interim statement” means a statement which—

- (a) is for the period of less than 12 months beginning with 1st January and ending with the day before the day on which the statement is issued; and
- (b) shows in relation to an account—
 - (i) all transactions; and
 - (ii) the balance of the account at the end of that period;

“transaction”, in relation to a depositor’s account, means any deposit, withdrawal, transfer or repayment.

Withdrawals of ordinary deposits

22.—(1) Subject to regulation 3 (closure of ordinary deposit accounts), this regulation applies to applications to withdraw ordinary deposits.

(2) Subject to paragraph (3), an application to withdraw ordinary deposits may be made without notice at any savings bank office.

(3) Paragraph (2) is subject to the following—

- (a) an application to withdraw may be refused if, as regards a particular office, payment at that office would inconvenience the business of that office;
- (b) the depositor must attend in person to make the application and must produce the deposit book (if one was issued);
- (c) the depositor must sign a receipt in the approved form and, if required by the paying officer, make the signature in the paying officer's presence;
- (d) the deposit book may be retained by the paying officer for passing to the Director of Savings.

(4) The Director of Savings may direct that this regulation does not apply in relation to any account.

Investment deposits

23.—(1) This regulation applies to investment deposits.

(2) An investment deposit may be made—

- (a) by cheque, postal order or banker's draft sent to the principal office of the National Savings Bank; or
- (b) subject to paragraph (3), by electronic transfer.

(3) The first deposit in an investment account may not be made by electronic transfer without the prior approval of the Director of Savings.

(4) The minimum amount that may be deposited in an investment account is—

- (a) £20 if the deposit is made by cheque, postal order or banker's draft; or
- (b) £1 if the deposit is made by electronic transfer.

(5) The minimum balance of deposits required for an account is £1.

(6) The maximum amount of deposits that may be held in the name of a person, whether in one or more than one account, is £1,000,000, and where deposits are held jointly, each person in whose name those deposits are held is to be treated as credited with an equal share of those deposits.

(7) Where deposits are held in the name of one or more trustees, those deposits are to be ignored for the purposes of determining the amount credited to a person for the purpose of paragraph (6).

(8) The maximum amount of deposits that may be held in the name of a trustee, whether solely or jointly with another person, and whether in one or more than one account, is £1,000,000 in relation to each separate trust.

(9) For the purposes of paragraph (8), trusts are to be treated as separate to the extent that they differ as respects—

- (a) the identity of the trustees;
- (b) the powers of the trustees;
- (c) the identity of the beneficiaries; or
- (d) the respective interests of the beneficiaries.

- (10) No account may contain investment deposits in excess of £2,000,000.
- (11) Paragraphs (5) to (10) do not apply in relation to individual savings accounts.
- (12) Paragraphs (5) to (11) do not apply in relation to an investment account of any description for which terms and conditions have been set under section 9A(1) of the 1971 Act⁽¹⁾.
- (13) Nothing in paragraphs (6) to (10) operates to prevent—
- (a) the receipt or crediting of an amount allowed to a depositor as interest on deposits;
 - (b) the receipt or crediting of an amount transferred from an investment deposit account of another depositor (in the National Savings Bank) who has died;
 - (c) the crediting of any amount—
 - (i) by the Director of Savings under regulation 92 of the National Savings (No. 2) Regulations 2015⁽²⁾; or
 - (ii) paid under article 21 of the National Savings Stock Register (Closure of Register to Gilts) Order 1998⁽³⁾, or an amount received or credited in contravention of article 21 from being treated as having been lawfully received or credited for a period the Director of Savings considers appropriate, provided that—
 - (aa) at the time the amount was received or credited the Director of Savings was unaware of the contravention; and
 - (bb) the Director of Savings considers it just and reasonable that the amount be treated in this way;
 - (d) the receipt of an amount for, or the crediting of an amount to, an account of the Accountant General of the Court of Judicature of Northern Ireland;
 - (e) the receipt or crediting of an amount to an individual savings account transferred by an account manager under the 1998 Regulations;
 - (f) the crediting of any amount transferred from an investment deposit account in which it is prohibited to make deposits—
 - (i) as a result of regulations made under section 8(3)(d) of the 1971 Act⁽⁴⁾ (regulations prohibiting the making of deposits in investment accounts of a prescribed description); or
 - (ii) as a result of terms and conditions set under section 9A(1) of the 1971 Act⁽⁵⁾ having equivalent effect.
- (14) In calculating for the purposes of this regulation the amount held in the name of a person, the Director of Savings must not take into account a deposit of a trustee on behalf of that person in relation to an account opened under regulation 13 in the joint names of the trustee and that person.

Withdrawals of investment deposits

- 24.**—(1) This regulation applies to applications to withdraw investment deposits.
- (2) The Director of Savings may, if the Director of Savings considers it expedient, dispense with any (or all) requirements in these Regulations in order to—
- (a) vary the procedure for making an application to withdraw;
 - (b) vary the method of making payment; or

(1) Section 9A was inserted by the Finance Act 2003 (c. 14), section 208(11).

(2) S.I. 2015/624.

(3) S.I. 1998/1446.

(4) Section 8(3) was inserted by the Finance Act 2003 (c. 14), sections 208(1), (8) and (10).

(5) Section 9A was inserted by the Finance Act 2003 (c. 14), section 208(11).

- (c) make payment in any manner the Director of Savings considers appropriate.
- (3) An application to withdraw must be made to the principal office of the National Savings Bank in the approved form, and must be signed by the depositor or by a person entitled to make the application.
- (4) An application to withdraw may include a request—
- (a) that payment be made to the depositor (or person entitled to receive payment under these Regulations)—
 - (i) by electronic transfer to an account specified in the application; or
 - (ii) by crossed warrant; or
 - (b) that any amount payable be used—
 - (i) to make a deposit in another account in the name of the depositor in the National Savings Bank; or
 - (ii) to purchase, in the name of the depositor, securities issued under the auspices of the Director of Savings to raise money under section 12 of the National Loans Act 1968⁽⁶⁾,
- and is to be treated by the Director of Savings as authority to give effect to that request.
- (5) The Director of Savings may—
- (a) refuse an application to withdraw to the extent that it relates to a deposit not yet received in cleared funds;
 - (b) limit the number of crossed warrants which may be issued to or under the direction of the same applicant in any calendar year;
 - (c) refuse an application to withdraw where it is for an amount less than a specified amount fixed for this purpose by the Director of Savings; or
 - (d) refuse a request under paragraph 4(b).
- (6) An application to withdraw must be accompanied by the deposit book relating to the deposits (if one was issued).
- (7) Where an application to withdraw is made by more than one person, the applicants may request that the sum withdrawn be paid to any one or more of them to the exclusion of the others.
- (8) In relation to a society or body corporate, an application to withdraw may include a request that the sum withdrawn be paid to any officer of the society or body corporate or, where the society is a branch, to any officer of the central body or of any other branch.
- (9) Where, pursuant to an application under paragraph (4)(a), a payment by electronic transfer is initiated—
- (a) a determination of the authority to make the payment does not deprive any person of a full discharge under these Regulations, where the payment is made in the normal course on being initiated;
 - (b) receipt of the payment by the banker or other person with whom the specified account is kept shall be equivalent to receipt by a person entitled to payment of deposits from the investment account concerned.
- (10) The death of a person who has made an application to withdraw shall not of itself terminate the authority under paragraph (4), but where the Director of Savings receives notice that the applicant has terminated the authority or has died—

⁽⁶⁾ 1968 c. 13; section 12 was amended by the Finance Act 1982 (c. 39) sections 152(1) and 152(2) and the Postal Services Act 2011 (c. 5) section 91(1), (2), Schedule 12, Part 3, paragraph 8.8(a) and (b).

- (a) where payment was requested by crossed warrant, the Director must not issue the warrant; or
 - (b) if a crossed warrant has already been issued, or where payment was requested by electronic transfer, the Director of Savings must take reasonable steps to prevent payment being made.
- (11) No application to withdraw may include a request for payment in cash.

Deposits to individual savings accounts

25.—(1) An investment deposit may be made to the credit of an individual savings account opened under this regulation.

(2) An individual savings account may be opened by a person who has attained the age of sixteen years and who—

- (a) is resident in the United Kingdom;
- (b) though not resident in the United Kingdom, has general earnings from overseas Crown employment subject to United Kingdom tax within the meaning given by section 28 of the Income Tax (Earnings and Pensions) Act 2003(7); or
- (c) though not resident in the United Kingdom, is married to, or is a civil partner of, a person to whom paragraph (b) applies.

(3) No deposit may be made to the credit of an individual savings account at any time when the depositor does not fulfil any of the conditions specified in paragraph (2)(a), (b) and (c).

(4) An application to open an individual savings account must be made in the approved form, and the depositor must provide any documents or other information required by the Director of Savings.

(5) A deposit to an individual savings account must be made—

- (a) by cheque sent to the principal office of the National Savings Bank or to any other savings bank office determined by the Director of Savings, accompanied by an application in the approved form;
- (b) by electronic transfer;
- (c) by the transfer of an amount under these Regulations from another account in the National Savings Bank; or
- (d) under instructions given by the authorised telephone procedure.

(6) The minimum deposit to an individual savings account must be £10, but the Director of Savings may accept a lesser amount.

(7) A depositor may not open more than one individual savings account in any financial year.

Withdrawals from individual savings accounts

26.—(1) This regulation applies to applications to withdraw deposits from individual savings accounts, and regulation 24 (withdrawals of investment deposits) does not apply to such applications.

(2) The Director of Savings may, if the Director of Savings considers it expedient, dispense with any (or all) requirements in these Regulations in order to—

- (a) vary the procedure for making an application to withdraw;
- (b) vary the method of making payment; or
- (c) make payment in any manner the Director of Savings considers appropriate.

(3) An application to withdraw must be made—

(7) 2003 c. 1; no relevant amendments.

- (a) to the principal office of the National Savings Bank in the approved form, signed by the depositor or by a person entitled to make the application; or
 - (b) if payment is to be made to the home bank account or by crossed warrant, by the authorised telephone procedure.
- (4) An application to withdraw must request that payment be made to the depositor (or person entitled to make the application)—
- (a) by electronic transfer to a specified account in that depositor's or person's name; or
 - (b) by crossed warrant drawn in favour of that depositor or person,
- and is to be treated by the Director of Savings as authority to give effect to that request.
- (5) The Director of Savings may—
- (a) refuse an application to withdraw to the extent that it relates to a deposit not yet received in cleared funds;
 - (b) limit the number of crossed warrants which may be issued to or under the direction of the same applicant in a calendar year;
 - (c) refuse to issue a crossed warrant where the amount to be withdrawn is less than a specified amount fixed for this purpose by the Director of Savings.
- (6) Where, pursuant to an application under paragraph (4)(a), a payment by electronic transfer is initiated—
- (a) a determination of the authority to make the payment shall not deprive any person of a full discharge under these Regulations, where the payment is made in the normal course on being initiated;
 - (b) receipt of the payment by the banker or other person with whom the specified account is kept shall be equivalent to receipt by a person entitled to payment of deposits from the investment account concerned.
- (7) The death of a person who has made an application to withdraw shall not of itself terminate the authority under paragraph (4), but where the Director of Savings receives notice that the applicant has terminated the authority or has died—
- (a) where payment was requested by crossed warrant, the Director must not issue the warrant; or
 - (b) if a crossed warrant has already been issued, or where payment was requested by electronic transfer, the Director of Savings must take reasonable steps to prevent payment being made.
- (8) No application to withdraw may include a request for payment in cash.

Authorised telephone procedure in relation to individual savings accounts

27.—(1) This regulation applies where, in relation to an individual savings account, these Regulations allow the use of the authorised telephone procedure.

- (2) The procedure is only be available where a depositor requests this—
 - (a) on opening an account; or
 - (b) in the approved form signed by the depositor, delivered to the principal office of the National Savings Bank.
- (3) Only the depositor may give telephone instructions.
- (4) A request under paragraph (2) may be withdrawn in the approved form, signed by the depositor, delivered to the principal office of the National Savings Bank.

(5) Where a request is made under regulation (2), the depositor must provide to the Director of Savings in the approved form—

- (a) a password, being any combination of letters, or letters and numbers, of the length and character required by the Director of Savings; and
- (b) additional information of a personal nature relating to the depositor as may be agreed between the depositor and the Director of Savings for the purpose of verifying the depositor's identity.

(6) The Director of Savings must arrange for the password and additional information to be recorded in an appropriately secure manner, having regard to the purpose for which they are to be used.

(7) The password or additional information may be changed at the depositor's request, which must be in the approved form (subject to the requirements of paragraph (5)), and the change must be recorded in accordance with paragraph (6).

(8) The telephone instructions must require—

- (a) the calling of an approved number by the depositor; and
- (b) on connection, taking instructions from the depositor in an approved manner.

(9) The Director of Savings must make reasonable arrangements (having regard to anticipated demand) to enable telephone instructions to be given on the days and between the hours the Director of Savings may approve, but the Director of Savings shall not be liable for any loss or damage arising from the failure of any person to be (or remain) connected for any reason.

(10) Where the Director of Savings is satisfied that a person seeking to give telephone instructions in relation to an individual savings account is the depositor for that account, the Director of Savings must act upon those instructions.

(11) The Director of Savings may make an audio recording of any telephone call in which telephone instructions are likely to be given.

Withdrawals by minors over sixteen years of age

28. An application to withdraw deposits made by or in the name of a minor may be made by that person once they have attained the age of sixteen years.

Withdrawals in the case of bankrupt sole depositors

29. Where it appears to the Director of Savings that—

- (a) a bankruptcy order has been made against a person who is a sole depositor;
- (b) a trustee has been appointed in the bankruptcy of a sole depositor; or
- (c) an order for the administration in bankruptcy of the estate of a deceased sole depositor has been made,

the Director of Savings may, on application by the Official Receiver or trustee, pay the deposits held in the name of the depositor to the Official Receiver or trustee.

Authority for payment to a third party (not in relation to an individual savings account)

30. A depositor, in relation to deposits not in an individual savings account, may, subject to the approval of the Director of Savings, authorise any person to make an application to withdraw deposits, or to receive payment of deposits.

Authority for payment to third party from an individual savings account

31.—(1) This regulation applies to payments of deposits from individual savings accounts by crossed warrants (under regulation 26).

(2) The authority for a person other than the person named in a warrant to receive payment must be either—

- (a) a power of attorney duly executed in the presence of a witness; or
- (b) an authority in the approved form, or a letter, signed in the presence of a person authorised for that purpose by the Director of Savings (but the Director of Savings may dispense with the requirement for a signature).

(3) Where a power of attorney, authority or letter authorises payment to be made to a firm, or to a body corporate or corporation sole, any person who is a member or officer of the firm or body corporate or corporation sole and who is able to demonstrate this to the satisfaction of the Director of Savings may present and receive payment under the warrant.

Transfers of deposits

32.—(1) A depositor may apply to transfer deposits held in the depositor's name—

- (a) into the name of any other depositor; or
- (b) into an account to be opened in the name of any person entitled to make deposits.

(2) An application to transfer deposits must be made in the approved form and be accompanied by the deposit book relating to the deposits (if one was issued), unless directed otherwise by the Director of Savings.

(3) The Director of Savings may effect the transfer on being satisfied as to the title of the applicant to transfer the deposits.

(4) The death of an applicant shall not of itself terminate the authority for a transfer to be made; but if the Director of Savings receives notice before the transfer is effected that the applicant has died, the transfer must not be made.

(5) In relation to the account of a deceased depositor—

- (a) the legal personal representative of the depositor, or
- (b) any person entitled to payment under these Regulations of any amount held in the name of the depositor at the time of the depositor's death,

may apply to transfer the amount into that person's name or that of another person.

Operation of a nomination

33.—(1) Subject to paragraph (2), on the death of a nominator the Director of Savings must pay to the amount due to the nominee according to the directions of the nomination.

(2) Paragraph (1) is subject to the following—

- (a) if the nominee is under the age of sixteen years, the Director of Savings must not make a payment to that nominee until the nominee has attained that age; but the Director of Savings may, upon it being shown that it is expedient to do so, pay the amount (or any part of it) to a person who the Director of Savings is satisfied will apply it for the maintenance or otherwise for the benefit of that nominee;
- (b) if the nominee is a person who lacks capacity and for whom there is no deputy, the Director of Savings may pay the amount (or any part of it) to any person undertaking to maintain the nominee;

(c) where it appears to the Director of Savings that the estate of the nominator, apart from the amount nominated, is insufficient—

(i) to meet the funeral expenses, or

(ii) to satisfy any claims of creditors of the nominator of which the Director of Savings has notice (including, in a case where the nominator was domiciled in Scotland, claims under the Succession (Scotland) Act 1964⁽⁸⁾ and in relation to jus relictii, jus relictæ or legitim),

the Director of Savings may pay the amount (or any part of it) towards satisfaction of the funeral expenses or any such claims.

(3) Where a person who is a nominee dies after the nominator has died but before the payment of an amount due to that person as nominee has been made, these Regulations apply as if that payment had been made before that person's death and had been paid into an account with the National Savings Bank in that person's name.

(4) Where a nominee to whom a payment may be made under this regulation has not attained the age of sixteen years, the nominee's receipt for the payment is a valid receipt without the signature of any other person, and no rule of law which would, apart from this paragraph, necessitate the signature of another person has effect.

⁽⁸⁾ 1964 c. 41.