

HOUSING AND REGENERATION ACT 2008

EXPLANATORY NOTES

STRUCTURE OF THE ACT

Part 2 – Regulation of Social Housing

Chapter 4 – Registered providers

Restructuring and dissolution

Section 163 - Industrial and provident society: restructuring

473. *Subsection (1)* specifies that the effect of this section is restricted to non-profit registered providers that are industrial and provident societies.
474. *Subsections (2) and (3)* re-enact paragraph 12(2) of Schedule 1 to the 1996 Act.
475. *Subsection (2)* provides that the Financial Services Authority, which is the registrar for industrial and provident societies, may register resolutions passed by an industrial provident society for the purposes of the restructuring provisions identified in subsection (3), only if the regulator has consented in writing to the resolution, and a copy of that consent accompanies the resolution sent to the Financial Services Authority.
476. *Subsection (3)* identifies the restructuring provisions for industrial and provident societies for the purposes of this section as the following sections of the Industrial and Provident Societies Act 1965:
- section 50 which is for the amalgamation of two or more societies,
 - section 51 which is for the transfer of engagements from one society to another,
 - section 52 which is for the conversion into, amalgamation with or transfer of engagements to, a company by an industrial and provident society.
477. *Subsection (4)* broadly replicates the effect of paragraph 12(3) of Schedule 1 to the 1996 Act. It provides that where a resolution is registered by the Financial Services Authority, any body that is created by the resolution, or to which there is a transfer of engagements as a result of the resolution, will be:
- registered by the regulator as a registered provider, and be designated as a non-profit provider in accordance with section 115, and that
 - for the purposes of the regulator’s functions and powers, pending the completion of the registration process by the regulator of the new body, the new body will be treated as if it were registered already as a non-profit organisation.