



Currency Act 1983

CHAPTER 9

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ELIZABETH II



Currency Act 1983

1983 CHAPTER 9

An Act to amend the Coinage Act 1971 and the law relating to issuing and writing off bank notes.

[28th March 1983]

BE IT ENACTED by the Queen's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:—

Coinage

1.—(1) For section 1 of the Coinage Act 1971 (which determines the standards of certain coins) there is substituted—

“Standards of certain coins.

1.—(1) The following provisions of this section have effect with respect to coins made at the Mint.

Amendments of Coinage Act 1971 in connection with changes in the coinage. 1971 c. 34.

(2) Gold coins and coins of silver of the Queen's Maundy money shall, if of a denomination mentioned in Schedule 1 to this Act, be of the weight and fineness specified there, but in the making of the coins a remedy (that is, a variation from the standard weight and fineness so specified) shall be

allowed of an amount not exceeding that specified in that Schedule.

(3) Gold coins and coins of silver of the Queen's Maundy money shall, if of any other denomination, be of such weight and fineness as may be specified in a proclamation under section 3 of this Act.

(4) Coins other than gold coins and coins of silver of the Queen's Maundy money shall be of such weight, composition and dimensions as may be specified in a proclamation under that section.

(5) In the making of the coins to which subsections (3) and (4) above apply, such remedy shall be allowed as may be specified in the proclamation.

(6) The variation from the standard weight of any coin (other than a gold coin of a denomination mentioned in Schedule 1 to this Act) specified for that coin in accordance with this section shall be measured as the average of a sample of not more than one kilogram of that coin.

(7) In subsection (5) above "remedy" means—

(a) in relation to gold coins and coins of silver of the Queen's Maundy money, a variation from the standard weight and fineness specified in the proclamation of an amount not exceeding that so specified ;

(b) in relation to other coins, a variation from the standard weight, composition or dimensions so specified of an amount not exceeding that so specified."

(2) Part II of Schedule 1 to the Act of 1971 (standards for cupro-nickel and bronze coins) shall cease to have effect ; but, until other standards are determined by proclamation under section 3 of that Act with respect to coins of any denomination mentioned in that Part, coins of that denomination shall continue to be circular and of the standards specified in that Part (subject to the remedy allowed).

(3) Section 2 of the Act of 1971 (extent to which coins are legal tender) is amended as follows—

(a) for subsection (1) there are substituted the following subsections—

" (1) Gold coins shall be legal tender for payment of any amount, but shall not be legal tender if their weight has become less than that specified in Schedule 1 to this Act, or in the proclamation under which they are made, as the least current weight.

(1A) Subject to any provision made by proclamation under section 3 of this Act, coins of cupro-nickel, silver or bronze shall be legal tender as follows—

- (a) coins of cupro-nickel or silver of denominations of more than 10 pence, for payment of any amount not exceeding £10 ;
- (b) coins of cupro-nickel or silver of denominations of not more than 10 pence, for payment of any amount not exceeding £5 ;
- (c) coins of bronze, for payment of any amount not exceeding 20 pence.

(1B) Other coins, if made current by a proclamation under section 3 of this Act, shall be legal tender in accordance with the provision made by that proclamation or by any later proclamation made under that section.” ;

(b) in subsection (2) for the words “ subsection (1) ” there are substituted the words “ subsection (1A) ” ; and

(c) after subsection (2) there is inserted the following subsection—

“ (3) In this section “ coins ” means coins made by the Mint in accordance with this Act and not called in by proclamation under section 3 of this Act.”

(4) Section 3 of the Act of 1971 (power to regulate coinage by proclamation) is amended as follows—

(a) for paragraph (c) there is substituted—

“ (c) determine the weight and fineness of any gold coins or coins of silver of the Queen’s Maundy money, other than those of a denomination mentioned in Schedule 1 to this Act, the remedy to be allowed in making them and (for gold coins) their least current weight ;

(cc) determine the weight and composition of any coins, other than gold coins or coins of silver of the Queen’s Maundy money, and the remedy (if any) to be allowed in making them ;

(cd) provide for the variation from the standard weight specified in Schedule 1 to this Act for a gold coin of a denomination mentioned in that Schedule to be measured in the manner specified in the proclamation ; ” ;

(b) in paragraph (d) the words from “ other than ” to the end are omitted ;

(c) after paragraph (d) there is inserted—

“(dd) determine the percentage of impurities which coins other than gold coins and coins of silver of the Queen’s Maundy money may contain;”;

(d) in paragraph (f) the words from “and be legal tender” to the end are omitted; and

(e) after paragraph (f) there is inserted—

“(ff) direct that any coin shall be legal tender for payment of any amount not exceeding such amount as may be specified in the proclamation or for payment of any amount (without limit);”;

(f) the section as so amended is renumbered so as to become subsection (1) and after that subsection there is inserted the following subsection—

“(2) So far as it relates to the matters mentioned in paragraph (ff) of subsection (1) above, a proclamation under this section may make different provision in relation to different parts of the United Kingdom.”

(5) Where provision is made by a proclamation under section 3 of the Act of 1971 as to the percentage of impurities which coins of a particular denomination may contain, any coin of that denomination made before the date of the proclamation shall be treated as if that provision had been in force when that coin was made.

(6) In section 6(2) of the Act of 1971 (standard trial plates), in the Table (which sets out descriptions of coins and the composition of plates), for the first entry there is substituted—

“Gold coins of a denomination mentioned in Schedule 1 to this Act.....	Eleven-twelfths fine gold and one-twelfth alloy.
Other gold coins	Gold of the standard fineness specified in the proclamation under which the coins are made.”

(7) In section 12(2) of the Act of 1971 (interpretation of references to silver coin in enactments mentioned in Schedule 2 to that Act) for the words “section 3(c)” there are substituted the words “section 3(cc)” and after the words “not being coin of” there is inserted the word “gold.”

Bank of England note issue

2.—(1) The Bank shall not cause the limit on the amount of the fiduciary note issue to be exceeded.

(2) For the purposes of this section, the limit is £13,500 million or such other amount as may from time to time be specified in a direction given by the Treasury.

(3) The amount specified in a direction under subsection (2) above shall not be greater than the former limit by more than 25 per cent.

(4) In subsection (3) above “the former limit” means the limit which was in force under this section at the beginning of the period of two years ending with the day on which the direction is given.

(5) A direction under subsection (2) above shall be given by a minute of the Treasury a copy of which shall be laid before each House of Parliament.

(6) The Treasury may by order made by statutory instrument direct that subsection (3) above shall not apply in relation to any direction under subsection (2) above which is given during a specified period not exceeding two years beginning with the day on which the order is made.

(7) A draft of any statutory instrument containing an order under subsection (6) above shall be laid before Parliament.

(8) In the application of subsection (3) above in relation to a direction given during a period of two years beginning with the day on which this Act is passed, “the former limit” means £13,500 million.

(9) Section 2 of the Currency and Bank Notes Act 1954 (which is superseded by this section) shall cease to have effect.

3.—(1) This section applies to bank notes which, by virtue of section 1(5) of the Currency and Bank Notes Act 1954, have ceased to be legal tender and have not been legal tender for ten years.

(2) Where any bank notes to which this section applies have not been presented for payment, the Bank may write off the amount of the notes from the total amount of notes issued from the issue department of the Bank.

(3) Where any amount is written off under this section—

(a) the amount so written off shall be deducted from the amount included in the next weekly account rendered by the Bank under section 6 of the Bank Charter Act 1844 c. 32.

Limit on amount of Bank of England fiduciary note issue.

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1844 as the amount of bank notes issued by the issue department of the Bank ; and

(b) a return of the amount so written off shall be forthwith sent to the Treasury who shall lay a copy of the return before each House of Parliament.

(4) No writing off of an amount under this section shall affect the liability of the Bank to pay any bank note which was included in that amount.

1892 c. 48. (5) Section 6 of the Bank Act 1892 (which is superseded by this section) shall cease to have effect.

1928 c. 13. (6) In section 6 of the Currency and Bank Notes Act 1928 (which directs the payment to the Treasury of the annual profits of the issue department of the Bank including the amount of notes written off less the amount of those presented for payment) after the words "section six of the Bank Act 1892, as amended by this Act" there shall be inserted the words "or under section 3 of the Currency Act 1983".

Supplementary

Short title,
interpretation,
repeals and
extent.

4.—(1) This Act may be cited as the Currency Act 1983.

(2) In this Act—

“the Bank” means the Bank of England ; and

“bank notes” means notes of the Bank payable to bearer on demand.

(3) The enactments mentioned in the Schedule to this Act (which include a spent provision) are hereby repealed to the extent specified in the third column of that Schedule.

(4) This Act extends to Northern Ireland.

SCHEDULE

Section 4.

ENACTMENTS REPEALED

Chapter	Short title	Extent of repeal
55 & 56 Vict. c. 48.	The Bank Act 1892.	Section 6.
18 & 19 Geo. 5. c. 13.	The Currency and Bank Notes Act 1928.	Section 5. Section 7.
2 & 3 Eliz. 2. c. 12.	The Currency and Bank Notes Act 1954.	Section 2. In section 3, the definitions of “bullion” and “coin”.
1971 c. 24.	The Coinage Act 1971.	In section 3, in paragraph (d), the words from “other than” to the end and, in paragraph (f), the words from “and be legal tender” to the end. In Schedule 1, Part II.

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