



# Dormant Bank and Building Society Accounts Act 2008

## 2008 CHAPTER 31

### PART 1

#### TRANSFER OF BALANCES IN DORMANT ACCOUNTS

##### *The general scheme*

#### **1 Transfer of balances to reclaim fund**

- (1) This section applies where—
  - (a) a bank or building society transfers to an authorised reclaim fund the balance of a dormant account that a person (“the customer”) holds with it, and
  - (b) the reclaim fund consents to the transfer.
- (2) After the transfer—
  - (a) the customer no longer has any right against the bank or building society to payment of the balance, but
  - (b) the customer has against the reclaim fund whatever right to payment of the balance the customer would have against the bank or building society if the transfer had not happened.
- (3) The reference in subsection (1) to an account that a person holds is to be read as including an account held by a deceased individual immediately before his or her death.

In such a case, a reference in subsection (2) to the customer is to be read as a reference to the person to whom the right to payment of the balance has passed.

*Status: Point in time view as at 12/03/2009.*

*Changes to legislation: There are currently no known outstanding effects for the Dormant Bank and Building Society Accounts Act 2008. (See end of Document for details)*

### Commencement Information

**II** S. 1 in force at 12.3.2009 by S.I. 2009/490, art. 2

## *Alternative scheme for smaller institutions*

### **2 Transfer of balances to charities, with proportion to reclaim fund**

(1) This section applies where—

- (a) a smaller bank or building society transfers to an authorised reclaim fund an agreed proportion of the balance of a dormant account that a person (“the customer”) holds with it,
- (b) the bank or building society transfers the remainder of that balance to one or more charities,
- (c) the charity, or each of the charities, either—
  - (i) is a charity that the bank or building society considers to have a special connection with it, or
  - (ii) undertakes to apply the money in question for the benefit of members of communities that are local to the branches of the bank or building society,
- (d) the reclaim fund consents to the transfer to it, and
- (e) the charity, or each of the charities, consents to the transfer to it.

(2) After the transfers—

- (a) the customer no longer has any right against the bank or building society to payment of the balance, but
- (b) the customer has against the reclaim fund whatever right to payment of the balance the customer would have against the bank or building society if the transfers had not happened.

(3) The reference in subsection (1) to an account that a person holds is to be read as including an account held by a deceased individual immediately before his or her death.

In such a case, a reference in subsection (2) to the customer is to be read as a reference to the person to whom the right to payment of the balance has passed.

(4) In subsection (1) “agreed proportion” means a proportion agreed between the bank or building society and the reclaim fund.

In agreeing that proportion, the reclaim fund must take account of the need for the fund to have access at any given time to enough money to enable it to meet whatever repayment claims it is prudent to anticipate.

(5) For the purposes of this section—

- (a) “repayment claim” means a claim made by virtue of subsection (2)(b);
- (b) a “smaller” bank or building society is one that meets the assets-limit condition (see section 3);
- (c) a charity has a “special connection” with a bank if (and only if) the purpose, or any of the main purposes, of the charity is to benefit members of communities that are local to the branches of the bank;

*Status: Point in time view as at 12/03/2009.*

*Changes to legislation: There are currently no known outstanding effects for the Dormant Bank and Building Society Accounts Act 2008. (See end of Document for details)*

- (d) a charity has a “special connection” with a building society if (and only if) the purpose, or any of the main purposes, of the charity—
  - (i) is to benefit members of communities that are local to the branches of the building society, or
  - (ii) is especially consonant with any particular purposes that the building society has.
- (6) The reference in subsection (5)(d)(ii) to particular purposes does not include the purpose mentioned in section 5(1)(a) of the Building Societies Act 1986 (c. 53) (making loans that are secured on residential property and substantially funded by members).

**Commencement Information**

**I2** S. 2 in force at 12.3.2009 by S.I. 2009/490, art. 2

**3 The assets-limit condition**

- (1) A bank or building society meets the assets-limit condition if the aggregate of the amounts shown in its balance sheet as assets on the last day of the latest financial year for which it has prepared accounts is less than £7,000 million.
- (2) In relation to a bank or building society that was a member of a group on the day referred to in subsection (1), that subsection has effect as if the aggregate of the amounts shown in its balance sheet as assets on that day also included the aggregate of the amounts shown in each group member's balance sheet as assets—
  - (a) on that day, or
  - (b) (in the case of a group member whose financial year did not end on that day) on the last day of its latest financial year to end before that day.
- (3) Where a balance sheet for a particular day shows amounts in a currency other than sterling, for the purposes of this section the amounts are to be converted into sterling at the London closing exchange rate for that currency and that day.
- (4) The Treasury may by order amend the figure in subsection (1).
- (5) An order under this section is subject to annulment in pursuance of a resolution of either House of Parliament.

**Commencement Information**

**I3** S. 3 in force at 12.3.2009 by S.I. 2009/490, art. 2

*Shareholding members of building societies*

**4 Effect of balance transfer on membership rights**

- (1) This section applies where a person (“the member”) holds a share in a building society represented by an account with the society, and either—
  - (a) a transfer is made to a reclaim fund with the result that section 1 applies in relation to the account, or

*Status: Point in time view as at 12/03/2009.*

*Changes to legislation: There are currently no known outstanding effects for the Dormant Bank and Building Society Accounts Act 2008. (See end of Document for details)*

- (b) transfers are made to a reclaim fund and one or more charities with the result that section 2 applies in relation to the account.
- (2) After the transfer or transfers the member is to be treated as having whatever share in the building society the member would have if the transfer or transfers had not happened (and accordingly as having whatever rights, including distribution rights, a holder of that share would have as such).
- (3) In subsection (2) “distribution rights” means rights to any distribution arising as mentioned in section 96 (amalgamation or transfer of engagements) or 100 (transfer of business) of the Building Societies Act 1986.
- (4) Subsection (2) ceases to apply where the balance of the account is paid out following a claim made by virtue of section 1(2)(b) or 2(2)(b).
- (5) But where the balance of the account is paid out following such a claim and, as soon as reasonably practical, the money is—
- (a) paid back into the account, or
  - (b) paid into another share account with the building society in the member's name,
- subsection (2) continues to apply until the account is credited with the money.
- (6) Where, after the transfer or transfers referred to in subsection (1), the building society is succeeded by another building society as a result of an amalgamation or transfer of engagements, a reference in subsection (2) or (5) to the building society is to be read, in relation to any time after the amalgamation or transfer of engagements, as a reference to the successor building society (or to the successor building society of the successor, in relation to any time after a subsequent amalgamation or transfer; and so on).

#### Commencement Information

**I4** S. 4 in force at 12.3.2009 by S.I. 2009/490, art. 2

### *Reclaim funds*

## 5 Functions etc of a reclaim fund

- (1) A “reclaim fund” is a company the objects of which are restricted by its articles of association to the following—
- (a) the meeting of repayment claims;
  - (b) the management of dormant account funds in such a way as to enable the company to meet whatever repayment claims it is prudent to anticipate;
  - (c) the transfer of money to the body or bodies for the time being specified in section 16(1), subject to the need for the company—
    - (i) to have access at any given time to enough money to meet whatever repayment claims it is prudent to anticipate,
    - (ii) to comply with any requirement with regard to its financial resources that is imposed on it by or under any enactment, and
    - (iii) to defray its expenses;

*Status: Point in time view as at 12/03/2009.*

*Changes to legislation: There are currently no known outstanding effects for the Dormant Bank and Building Society Accounts Act 2008. (See end of Document for details)*

- (d) objects that are incidental or conducive to, or otherwise connected with, any of the above (including in particular the prudent investment of dormant account funds).
- (2) Schedule 1 makes further provision about provision that must be made in the articles of association of a reclaim fund.
- (3) An alteration by a reclaim fund of its articles of association is ineffective if it would result in—
- (a) the company ceasing to have objects restricted to those mentioned in subsection (1);
  - (b) the company's articles of association not containing any provision that they are required to make under Schedule 1.
- (4) The Treasury may give a direction to a reclaim fund requiring it—
- (a) to give effect to any specified object that it has, or
  - (b) to comply with any specified obligation or prohibition imposed on it by a provision that its articles of association are required to make under Schedule 1.
- “Specified” means specified in the direction.
- (5) The Treasury shall lay before Parliament a copy of any direction given under subsection (4).
- (6) In this section—
- “company” has the meaning given by section 1(1) of the Companies Act 2006 (c. 46);
  - “dormant account funds” means money paid to a reclaim fund by banks and by building societies in respect of dormant accounts;
  - “repayment claims” means claims made by virtue of section 1(2)(b) or 2(2)(b).

#### **Commencement Information**

**I5** S. 5 in force at 12.3.2009 by S.I. 2009/490, art. 2 (with art. 3)

#### *Interpretation etc*

## **6 Interpretation of Part 1**

In this Part—

- “account” has the meaning given by section 9;
- “authorised”, in relation to a reclaim fund, means authorised for the purposes of the Financial Services and Markets Act 2000 (c. 8);
- “balance” has the meaning given by section 8;
- “bank” has the meaning given by section 7;
- “building society” means a building society incorporated (or deemed to be incorporated) under the Building Societies Act 1986 (c. 53);
- “charity” means a body, or the trustees of a trust, established for charitable purposes only;
- “dormant” has the meaning given by section 10;

*Status: Point in time view as at 12/03/2009.*

*Changes to legislation: There are currently no known outstanding effects for the Dormant Bank and Building Society Accounts Act 2008. (See end of Document for details)*

“financial year”—

- (a) in relation to a company (other than a building society) within the meaning of the Companies Act 2006, has the meaning given in section 390(1) to (3) of that Act;
- (b) in relation to an undertaking that is not a company within the meaning of that Act (and is not a building society), has the meaning given in section 390(4) of that Act;
- (c) in relation to a building society, has the meaning given in section 117 of the Building Societies Act 1986;

“group” means a parent undertaking and its subsidiary undertakings;

“parent undertaking” and “subsidiary undertaking” have the same meaning as in the Companies Act 2006 (see section 1162 of that Act);

“reclaim fund” has the meaning given by section 5(1).

#### Commencement Information

**I6** S. 6 in force at 12.3.2009 by S.I. 2009/490, art. 2

#### 7 “Bank”

- (1) Subject to subsection (4), “bank” means an authorised deposit-taker that has its head office, or one or more branches, in the United Kingdom.
- (2) In subsection (1) “authorised deposit-taker” means—
  - (a) a person who under Part 4 of FSMA 2000 has permission to accept deposits;
  - (b) an EEA firm of the kind mentioned in paragraph 5(b) of Schedule 3 to FSMA 2000 that has permission under paragraph 15 of that Schedule (as a result of qualifying for authorisation under paragraph 12(1) of that Schedule) to accept deposits.
- (3) A reference in subsection (2) to a person or firm with permission to accept deposits does not include a person or firm with permission to do so only for the purposes of, or in the course of, an activity other than accepting deposits.
- (4) “Bank” does not include—
  - (a) a building society;
  - (b) a person who is specified, or is within a class of persons specified, by an order under section 38 of FSMA 2000 (exemption orders);
  - (c) a credit union;
  - (d) a friendly society.
- (5) In this section—
  - “credit union” has the same meaning as in the Credit Unions Act 1979 (c. 34) (see section 1(1) of that Act);
  - “friendly society” has the same meaning as in the Friendly Societies Act 1992 (c. 40) (see section 116 of that Act);
  - “FSMA 2000” means the Financial Services and Markets Act 2000 (c. 8).

*Status: Point in time view as at 12/03/2009.*

*Changes to legislation: There are currently no known outstanding effects for the Dormant Bank and Building Society Accounts Act 2008. (See end of Document for details)*

**Commencement Information**

**I7** S. 7 in force at 12.3.2009 by S.I. 2009/490, art. 2

**8 “Balance”**

- (1) The balance of a person's account at any particular time is the amount owing to the person in respect of the account at that time, after the appropriate adjustments have been made for such things as interest due and fees and charges payable.
- (2) In relation to a time after a transfer has been made as mentioned in section 1(1) or transfers have been made as mentioned in section 2(1), the adjustments referred to in subsection (1) above include those that would fall to be made but for the transfer or transfers.

**Commencement Information**

**I8** S. 8 in force at 12.3.2009 by S.I. 2009/490, art. 2

**9 “Account”**

- (1) “Account” means an account that has at all times consisted only of money.
- (2) A reference in this Part to an account held with a bank or building society is to an account provided by the bank or building society as part of its activity of accepting deposits.
- (3) In relation to a building society, “account” includes an account representing shares in the society, other than—
  - (a) preferential shares, or
  - (b) deferred shares within the meaning given in section 119(1) of the Building Societies Act 1986 (c. 53).

**Commencement Information**

**I9** S. 9 in force at 12.3.2009 by S.I. 2009/490, art. 2

**10 “Dormant”**

- (1) An account is “dormant” at a particular time if—
  - (a) the account has been open throughout the period of 15 years ending at that time, but
  - (b) during that period no transactions have been carried out in relation to the account by or on the instructions of the holder of the account.
- (2) But an account is to be treated as not dormant if at any time during that period—
  - (a) the bank or building society in question was under instructions from the holder of the account not to communicate with that person about the account, or
  - (b) under the terms of the account—
    - (i) withdrawals were prevented, or

*Status: Point in time view as at 12/03/2009.*

*Changes to legislation: There are currently no known outstanding effects for the Dormant Bank and Building Society Accounts Act 2008. (See end of Document for details)*

- (ii) there was a penalty or other disincentive for making withdrawals in all circumstances.
- (3) For the purposes of subsection (1) an account is to be treated as remaining open where it is closed otherwise than on the instructions of the holder of the account.
- (4) For the purposes of subsection (2)(b)(i) withdrawals are prevented if they are prevented except as permitted by provision made under subsection (4)(d) of section 3 of the Child Trust Funds Act 2004 (c. 6) (requirements to be satisfied by child trust funds).
- (5) The Treasury may by order amend the figure in subsection (1)(a).
- (6) An order under this section may not be made unless a draft of the statutory instrument containing it has been laid before, and approved by a resolution of, each House of Parliament.

**Commencement Information**

**I10** S. 10 in force at 12.3.2009 by S.I. 2009/490, art. 2

*Supplemental*

**11 Customer's rights preserved on insolvency etc of bank or building society**

- (1) Where after a person has acquired a right to payment under section 1(2)(b) or 2(2)(b)—
- the bank or building society in question is dissolved or wound up, or
  - for any other reason the liability that the bank or building society would have to the person (but for the transfer referred to in section 1(1) or the transfers referred to in section 2(1)) is extinguished or reduced,
- the dissolution, winding-up, extinguishment or reduction is to be disregarded for the purposes of section 1(2)(b) or 2(2)(b).
- (2) Subsection (1)(b) does not apply to an extinguishment of liability by prescription under the law of Scotland.

**Commencement Information**

**I11** S. 11 in force at 12.3.2009 by S.I. 2009/490, art. 2

**12 Disclosure of information**

No obligation as to secrecy or other restriction on disclosure (however imposed) prevents a bank or building society from giving to an authorised reclaim fund information needed by the fund to enable it to deal with claims made by virtue of section 1(2)(b) or 2(2)(b).

**Commencement Information**

**I12** S. 12 in force at 12.3.2009 by S.I. 2009/490, art. 2



*Status: Point in time view as at 12/03/2009.*

*Changes to legislation: There are currently no known outstanding effects for the Dormant Bank and Building Society Accounts Act 2008. (See end of Document for details)*

### **13 Banks making transfers under section 2: information in directors' reports**

- (1) Where—
  - (a) the directors of a company that is a bank are required by section 415(1) of the Companies Act 2006 (c. 46) to prepare a report for a particular financial year, and
  - (b) in that year the company made transfers in relation to which section 2 applied, the report must identify each of the charities concerned and specify the amount transferred to each of them.
- (2) The requirements of subsection (1) are to be treated for the purposes of the Companies Act 2006 (c. 46) as requirements of that Act.

#### **Commencement Information**

**I13** S. 13 in force at 12.3.2009 by S.I. 2009/490, art. 2

### **14 Review and report to Parliament**

- (1) The Treasury shall carry out a review of—
  - (a) the operation of this Part, and
  - (b) the effectiveness of the efforts made by financial institutions to secure that those entitled to money in inactive accounts are made aware of the fact.
- (2) In reviewing the operation of this Part the Treasury shall in particular consider—
  - (a) how many banks and building societies have transferred balances as mentioned in section 1(1) or 2(1);
  - (b) how much money has been transferred and how promptly;
  - (c) how effective have been the arrangements for meeting claims made by virtue of section 1(2)(b) or 2(2)(b).

But the review shall not consider the activities of a reclaim fund in so far as they are regulated activities for the purposes of the Financial Services and Markets Act 2000 (c. 8).

- (3) The Treasury shall make arrangements to enable anyone with an interest in any aspect of the review to make representations, and shall consider all representations received.
- (4) The Treasury shall set out the results and conclusions of the review in a report and lay it before Parliament.
- (5) The report must be laid within three years from the date when a reclaim fund is first authorised.

#### **Commencement Information**

**I14** S. 14 in force at 12.3.2009 by S.I. 2009/490, art. 2

*Status: Point in time view as at 12/03/2009.*

*Changes to legislation: There are currently no known outstanding effects for the Dormant Bank and Building Society Accounts Act 2008. (See end of Document for details)*

### *Amendments*

## **15 Amendments to the Financial Services and Markets Act 2000**

The Financial Services and Markets Act 2000 is amended as set out in Schedule 2.

### **Commencement Information**

**I15** S. 15 in force at 12.3.2009 by S.I. 2009/490, art. 2

## **PART 2**

### **DISTRIBUTION OF MONEY UNDER THE GENERAL SCHEME**

#### *The distribution system: general*

## **16 Distribution of dormant account money by Big Lottery Fund**

- (1) Subject to the provisions of this Part, the Big Lottery Fund shall distribute dormant account money for meeting expenditure that has a social or environmental purpose.
- (2) In this Part “dormant account money” means money transferred to the Big Lottery Fund by a reclaim fund in pursuance of the object mentioned in section 5(1)(c), and also includes the proceeds of such money invested under—
  - (a) paragraph 20(1) of Schedule 4A to the National Lottery etc. Act 1993 (c. 39), or
  - (b) arrangements made under section 25(1).
- (3) The Fund may make grants or loans, or make or enter into other arrangements, for the purpose of complying with subsection (1).
- (4) A grant or loan may be subject to conditions (which may, in particular, include conditions as to repayment with interest).
- (5) For the purposes of this Part, distributing money for meeting expenditure of a particular description includes distributing money for the purpose of establishing, or contributing to, endowments (including permanent endowments) in connection with expenditure of that description.
- (6) Schedule 3 makes further provision about the functions of the Fund in relation to dormant account money.

### **Commencement Information**

**I16** S. 16 in force at 12.3.2009 by S.I. 2009/490, art. 2

## **17 Apportionment of dormant account money**

- (1) The apportionable income of the Big Lottery Fund in each financial year is to be apportioned as follows and distributed accordingly—

*Status: Point in time view as at 12/03/2009.*

*Changes to legislation: There are currently no known outstanding effects for the Dormant Bank and Building Society Accounts Act 2008. (See end of Document for details)*

- (a) a prescribed percentage for meeting expenditure in relation to England;
- (b) a prescribed percentage for meeting expenditure in relation to Wales;
- (c) a prescribed percentage for meeting expenditure in relation to Scotland;
- (d) a prescribed percentage for meeting expenditure in relation to Northern Ireland.

The four percentages must add up to 100%.

- (2) Expenditure within paragraphs (a), (b), (c) and (d) of subsection (1) is referred to in this Part as English expenditure, Welsh expenditure, Scottish expenditure and Northern Ireland expenditure respectively.
- (3) For the purposes of this section, the apportionable income of the Big Lottery Fund for a given financial year is—

$$A - B - C$$

where—

A is the amount of dormant account money received by the Fund in the year;

B is the amount of the expenses defrayed in the year under subsections (1) and (2) of section 26;

C is the amount paid in the year under subsection (3)(b) of that section.

- (4) In this section “prescribed” means prescribed by an order made by the Secretary of State.
- (5) Before making an order under this section the Secretary of State shall consult—
  - (a) the Welsh Ministers;
  - (b) the Scottish Ministers;
  - (c) the Department of Finance and Personnel in Northern Ireland;
  - (d) the Big Lottery Fund;
  - (e) such other persons (if any) as the Secretary of State thinks appropriate.
- (6) An order under this section may not be made unless a draft of the statutory instrument containing it has been laid before, and approved by a resolution of, each House of Parliament.

#### **Commencement Information**

**I17** S. 17 in force at 12.3.2009 by [S.I. 2009/490](#), [art. 2](#)

*Distribution for England, Wales, Scotland and Northern Ireland*

## **18 Distribution of money for meeting English expenditure**

- (1) A distribution of dormant account money for meeting English expenditure must be—

*Status: Point in time view as at 12/03/2009.*

*Changes to legislation: There are currently no known outstanding effects for the Dormant Bank and Building Society Accounts Act 2008. (See end of Document for details)*

- (a) made for meeting expenditure on or connected with the provision of services, facilities or opportunities to meet the needs of young people,
  - (b) made for meeting expenditure on or connected with—
    - (i) the development of individuals' ability to manage their finances, or
    - (ii) the improvement of access to personal financial services, or
  - (c) made to a social investment wholesaler.
- (2) In this section—
- “social investment wholesaler” means a body that exists to assist or enable other bodies to give financial or other support to third sector organisations;
- “third sector organisation” means an organisation that exists wholly or mainly to provide benefits for society or the environment.

**Commencement Information**

**I18** S. 18 in force at 12.3.2009 by S.I. 2009/490, art. 2

**19 Distribution of money for meeting Welsh expenditure**

- (1) The Welsh Ministers may by order made by statutory instrument make provision restricting the purposes for which, or the kinds of person to which, a distribution of dormant account money for meeting Welsh expenditure may be made.
- (2) Before making an order under this section the Welsh Ministers shall consult the Big Lottery Fund and such other persons (if any) as they think appropriate.
- (3) An order under this section may not be made unless a draft of the statutory instrument containing it has been laid before, and approved by a resolution of, the National Assembly for Wales.

**Commencement Information**

**I19** S. 19 in force at 12.3.2009 by S.I. 2009/490, art. 2

**20 Distribution of money for meeting Scottish expenditure**

- (1) The Scottish Ministers may by order made by statutory instrument make provision restricting the purposes for which, or the kinds of person to which, a distribution of dormant account money for meeting Scottish expenditure may be made.
- (2) Before making an order under this section the Scottish Ministers shall consult the Big Lottery Fund and such other persons (if any) as they think appropriate.
- (3) An order under this section may not be made unless a draft of the statutory instrument containing it has been laid before, and approved by a resolution of, the Scottish Parliament.

**Commencement Information**

**I20** S. 20 in force at 12.3.2009 by S.I. 2009/490, art. 2

*Status: Point in time view as at 12/03/2009.*

*Changes to legislation: There are currently no known outstanding effects for the Dormant Bank and Building Society Accounts Act 2008. (See end of Document for details)*

## 21 Distribution of money for meeting Northern Ireland expenditure

- (1) The Department of Finance and Personnel in Northern Ireland may by order make provision restricting the purposes for which, or the kinds of person to which, a distribution of dormant account money for meeting Northern Ireland expenditure may be made.
- (2) Before making an order under this section the Department of Finance and Personnel shall consult the Big Lottery Fund and such other persons (if any) as the Department thinks appropriate.
- (3) The power to make an order under this section is exercisable by statutory rule for the purposes of the Statutory Rules (Northern Ireland) Order 1979 (S.I. 1979/1573 (N.I. 12)).
- (4) An order under this section may not be made unless a draft of it has been laid before, and approved by a resolution of, the Northern Ireland Assembly.

### Commencement Information

**I21** S. 21 in force at 12.3.2009 by S.I. 2009/490, art. 2

*Powers of Secretary of State or appropriate national authority*

## 22 Directions to Big Lottery Fund

- (1) In exercising any of its functions under this Act the Big Lottery Fund shall comply with any direction given to it under this section.
- (2) Subject to subsection (5), the power to give a direction under this section is exercisable by the Secretary of State.
- (3) A direction under this section may, in particular—
  - (a) specify matters to be taken into account in determining the persons to whom the Fund distributes money;
  - (b) specify purposes for which (or matters to be taken into account in determining the purposes for which) the Fund may or may not distribute money;
  - (c) relate to the process used to determine what payments to make;
  - (d) relate to—
    - (i) the terms and conditions on which the Fund makes grants or loans, or
    - (ii) other arrangements under section 16(3).
- (4) A direction under this section may, in particular—
  - (a) relate to arrangements under section 25;
  - (b) relate to the management and control of money received by the Fund;
  - (c) relate to the employment of staff;
  - (d) relate to the form of accounts or methods and principles for the preparation of accounts;
  - (e) in so far as it relates to a matter specified in paragraphs (a) to (d)—
    - (i) relate to the persons to whom or the terms on which the Fund delegates functions;

*Status: Point in time view as at 12/03/2009.*

*Changes to legislation: There are currently no known outstanding effects for the Dormant Bank and Building Society Accounts Act 2008. (See end of Document for details)*

- (ii) require the Fund to obtain the Secretary of State's consent before taking action of a specified kind;
  - (iii) require the Fund to provide information to the Secretary of State.
- (5) A direction under this section may not be given by the Secretary of State in relation to Welsh, Scottish or Northern Ireland expenditure, but—
- (a) may be given by the Welsh Ministers in relation to Welsh expenditure;
  - (b) may be given by the Scottish Ministers in relation to Scottish expenditure;
  - (c) may be given by the Department of Finance and Personnel in Northern Ireland in relation to Northern Ireland expenditure.
- This subsection does not apply to a direction given by virtue only of subsection (4).
- (6) A direction under this section may not be inconsistent with —
- (a) section 16(1), or
  - (b) section 18 or an order under section 19, 20 or 21 (whichever is applicable).
- (7) Any minister, ministers or department proposing to give a direction under this section must consult the Big Lottery Fund before doing so.
- (8) The power of the Fund to appoint staff under paragraph 6 of Schedule 4A to the National Lottery etc. Act 1993 (c. 39), or to make payments under paragraph 18 of that Schedule (remuneration etc), has effect subject to any directions under subsection (4) (c).

**Commencement Information**

**I22** S. 22 in force at 12.3.2009 by [S.I. 2009/490](#), [art. 2](#)

**23 Power to prohibit distribution in certain cases**

- (1) The Secretary of State may by order prohibit the Big Lottery Fund from distributing dormant account money to a person specified in the order if the Secretary of State considers that the Fund is able (whether directly or indirectly) to control or materially to influence the policy of that person in carrying on any undertaking or performing any functions.
- (2) Before making an order under this section that—
- (a) relates to Welsh expenditure, Scottish expenditure or Northern Ireland expenditure, or
  - (b) would otherwise be likely, in the opinion of the Secretary of State, to affect persons in Wales, Scotland or Northern Ireland,
- the Secretary of State shall consult the Welsh Ministers, the Scottish Ministers or the Department of Finance and Personnel in Northern Ireland (as appropriate).
- (3) An order under this section is subject to annulment in pursuance of a resolution of either House of Parliament.
- (4) The Secretary of State may require the Fund to provide such information as is needed for the purpose of exercising his or her powers under this section.

*Status: Point in time view as at 12/03/2009.*

*Changes to legislation: There are currently no known outstanding effects for the Dormant Bank and Building Society Accounts Act 2008. (See end of Document for details)*

**Commencement Information**

**I23** S. 23 in force at 12.3.2009 by [S.I. 2009/490](#), [art. 2](#)

**24 Power to add or remove distributors**

- (1) The Secretary of State may by order amend this Act so that functions exercisable by the body or bodies currently specified in section 16(1) are exercisable instead by the body or bodies specified there as a result of the order.
- (2) The Secretary of State may exercise the power conferred by subsection (1) so as to remove from section 16(1) a body that has contravened or failed to comply with a requirement or prohibition imposed on it by or under section 22 or 23.

This is not to be read as limiting subsection (1).

- (3) An order under this section may—
  - (a) make consequential amendments to this Act;
  - (b) make transitional or supplemental provision (including provision amending this Act).
- (4) Where two or more bodies are specified in section 16(1) as a result of an order under this section, the order must provide that any amount transferred by a reclaim fund in pursuance of the object mentioned in section 5(1)(c) is to be apportioned between those bodies in the percentages specified in the order.
- (5) Functions conferred on a body as a result of an order under this section are exercisable notwithstanding anything to the contrary in any enactment or instrument relating to the functions of the body.
- (6) Before making an order under this section the Secretary of State shall consult—
  - (a) the Welsh Ministers;
  - (b) the Scottish Ministers;
  - (c) the Department of Finance and Personnel in Northern Ireland.
- (7) An order under this section may not be made unless a draft of the statutory instrument containing it has been laid before, and approved by a resolution of, each House of Parliament.

**Commencement Information**

**I24** S. 24 in force at 12.3.2009 by [S.I. 2009/490](#), [art. 2](#)

*Supplemental*

**25 Power of Big Lottery Fund to enter into arrangements**

- (1) The Big Lottery Fund may enter into arrangements with a body or person (including a reclaim fund) for money that may be or has been paid to the Big Lottery Fund to be held or invested, on its behalf, by that body or person.

*Status: Point in time view as at 12/03/2009.*

*Changes to legislation: There are currently no known outstanding effects for the Dormant Bank and Building Society Accounts Act 2008. (See end of Document for details)*

- (2) The Big Lottery Fund may enter into arrangements with a reclaim fund for payments that the Big Lottery Fund is required to make under section 26(3), (6), (8) or (10) to be made on its behalf by the reclaim fund.

#### Commencement Information

**I25** S. 25 in force at 12.3.2009 by S.I. 2009/490, art. 2

## 26 Expenses

- (1) The Big Lottery Fund may defray out of dormant account money any expenses incurred by it in consequence of this Act.
- (2) Where the Fund makes an appointment under paragraph 5 of Schedule 3 it may defray out of dormant account money any expenses incurred by the appointee in consequence of the appointment.
- (3) At such times as the Secretary of State determines to be appropriate, the Big Lottery Fund shall pay into the Consolidated Fund, out of dormant account money received by it, such amounts as the Secretary of State determines to be appropriate for defraying—
- (a) expenses incurred or to be incurred by the Secretary of State in respect of the giving of directions under section 22 in relation to English expenditure, and
  - (b) any other expenses incurred or to be incurred by the Secretary of State under this Act.
- (4) Amounts paid under subsection (3)(a) are to be paid out of money apportioned under section 17 for meeting English expenditure.
- (5) For the purposes of this section, a direction under section 22 is not to be regarded as a direction given in relation to English expenditure if it is given by virtue only of subsection (4) of that section.
- (6) At such times as the Welsh Ministers determine to be appropriate, the Big Lottery Fund shall pay to those ministers, out of money apportioned under section 17 for meeting Welsh expenditure, such amounts as they determine to be appropriate for defraying expenses incurred or to be incurred by them under this Act.
- (7) The power of the Treasury under section 120(3) of the Government of Wales Act 2006 (c. 32) to designate descriptions of sums received by the Welsh Ministers (with the result that they become payable to the Secretary of State) is not exercisable in relation to amounts payable to those Ministers under subsection (6) above.
- (8) At such times as the Scottish Ministers determine to be appropriate, the Big Lottery Fund shall pay into the Scottish Consolidated Fund, out of money apportioned under section 17 for meeting Scottish expenditure, such amounts as those ministers determine to be appropriate for defraying expenses incurred or to be incurred by them under this Act.
- (9) The power of the Treasury under section 64(5) of the Scotland Act 1998 (c. 46) to designate descriptions of receipts payable into the Scottish Consolidated Fund (with the result that they become payable to the Secretary of State) is not exercisable in relation to amounts payable into that Fund under subsection (8) above.



*Status: Point in time view as at 12/03/2009.*

*Changes to legislation: There are currently no known outstanding effects for the Dormant Bank and Building Society Accounts Act 2008. (See end of Document for details)*

- (10) At such times as the Department of Finance and Personnel in Northern Ireland determines to be appropriate, the Big Lottery Fund shall pay into the Consolidated Fund of Northern Ireland, out of money apportioned under section 17 for meeting Northern Ireland expenditure, such amounts as that Department determines to be appropriate for defraying expenses incurred or to be incurred by that Department under this Act.

**Commencement Information**

**I26** S. 26 in force at 12.3.2009 by [S.I. 2009/490](#), [art. 2](#)

*Interpretation*

**27 Interpretation of Part 2**

- (1) In this Part—

“dormant account money” has the meaning given by section 16(2);  
“English expenditure”, “Welsh expenditure”, “Scottish expenditure” and “Northern Ireland expenditure” have the meaning given by section 17(2);  
“financial year” means a period of 12 months ending with 31 March;  
“reclaim fund” has the meaning given by section 5(1).

- (2) A reference in this Part to the distribution of money is to be read as including a reference to making or entering into arrangements in accordance with section 16(3), and related expressions are to be read accordingly.

See also section 16(5).

**Commencement Information**

**I27** S. 27 in force at 12.3.2009 by [S.I. 2009/490](#), [art. 2](#)

**PART 3**

FINAL PROVISIONS

**28 Orders**

A power of the Treasury or the Secretary of State to make an order under this Act is exercisable by statutory instrument.

**29 Directions**

- (1) A direction under this Act must be given in writing.  
(2) A direction under this Act may be varied or revoked by a subsequent direction.

---

*Status: Point in time view as at 12/03/2009.*

*Changes to legislation: There are currently no known outstanding effects for the Dormant Bank and Building Society Accounts Act 2008. (See end of Document for details)*

---

### **30 Extent**

This Act extends to England and Wales, Scotland and Northern Ireland.

### **31 Commencement**

- (1) Parts 1 and 2 come into force in accordance with provision made by order of the Treasury.
- (2) An order under this section—
  - (a) may make different provision for different purposes;
  - (b) may make transitional or saving provision.

### **32 Short title**

This Act may be cited as the Dormant Bank and Building Society Accounts Act 2008.

**Status:**

Point in time view as at 12/03/2009.

**Changes to legislation:**

There are currently no known outstanding effects for the Dormant Bank and Building Society Accounts Act 2008.