STATUTORY INSTRUMENTS

2015 No. 623

NATIONAL DEBT

The National Savings Regulations 2015

Made - - - -	*10th March 2015*
Laid before Parliament	*13th March 2015*
Coming into force - -	*6th April 2015*

The Treasury in exercise of the powers conferred by sections 2, 3(2), 4, 6(1), 7(2), 8, 9(1) and 15(3) of the National Savings Bank Act 1971(**1**), section 33 of the Finance Act 1962(**2**), sections 426 and 427 of the Financial Services and Markets Act 2000(**3**) and section 140(2) of the Finance Act 2002(**4**) make the following Regulations:

PART 1

Introductory Provisions

Citation, commencement and extent

1.—(1) These Regulations may be cited as the National Savings Regulations 2015 and come into force on 6th April 2015.

(2) These Regulations extend to Great Britain and Northern Ireland, the Isle of Man and the Channel Islands.

Interpretation

2. In these Regulations—

"the 1971 Act" means the National Savings Bank Act 1971(**5**);

(**1**) 1971 c. 29; section 2 was amended by the Finance Act 1989 (c. 26), section 184(1) and the Trustee Savings Bank Act 1985 (c. 58) sections 4(3), 7(3) and Schedule 4; section 3(2) was amended by the Finance Act 1982 (c. 39), section 151, Schedule 20, paragraph 2; section 4 was amended by the Finance Act 1982 (c. 39), section 151, Schedule 20, paragraph 3 and the Finance Act 2000 (c. 17), section 152(1); section 6(1) was amended by the Finance Act 1982 (c. 39), section 151, Schedule 20, paragraph 5; section 8 was amended by the Finance Act 1982 (c. 39), section 151, Schedule 2, paragraph 1 and Schedule 20, paragraph 1, and the Finance Act 2003 (c. 14), section 208(1), (8), (9) and (10); section 9(1) was amended by SI 1984/539.
(**2**) 1962 c. 44.
(**3**) 2000 c. 8; section 427 amended by S.I. 2014/892.
(**4**) 2002 c. 23.
(**5**) 1971 c. 29.

"the 1998 Regulations" means the Individual Savings Account Regulations 1998(**6**);

"account manager" has the meaning given in the 1998 Regulations;

"approved" means approved by the Director of Savings;

"bond" means a premium savings bond issued by the Treasury through the department of the Postmaster General or under the auspices of the Director of Savings, for the purpose of raising money under section 1 of the National Loans Act 1939(**7**) or section 12 of the National Loans Act 1968(**8**);

"cash payment advice" means, in relation to a withdrawal to be made by payment in cash, an advice in writing in the approved form setting out the amount to be withdrawn, the savings bank office at which the payment is to be made, the name of the payee and any evidence required by the Director of Savings under regulation 46;

"certificate" means a certificate issued under the name of a war savings certificate or a national savings certificate by the Treasury through the department of the Postmaster General or under the auspices of the Director of Savings for the purpose of raising money authorised to be raised by any Act;

"charitable society" means a penny savings bank, or a charitable or provident institution or society, and includes a charitable donation or bequest for the maintenance, education, or benefit of the poor;

"the Commissioners" means the National Debt Commissioners;

"declaration in the approved form" means the declaration by a depositor required under regulation 6;

"deposit" means a deposit in the National Savings Bank, including part of a deposit as the context requires;

"depositor" means a person in whose name deposits have been made in the National Savings Bank;

"deputy", in the application of these Regulations to England and Wales, means a deputy appointed by the Court of Protection with power to make decisions in relation to the affairs of a person who lacks capacity;

"electronic transfer" means transferring money by electronic or automated processes, which do not involve the delivery or collection of a payable instrument or the delivery of cash, to a bank or building society account to which payment is capable of being made by those processes;

"friendly society" means a friendly society (or a branch of that society) registered under the Friendly Societies Act 1974(**9**) and a reference to an incorporated friendly society means a society incorporated under the Friendly Societies Act 1992(**10**);

"individual savings account" means an account of investment deposits made under regulation 25;

"investment deposit" has the same meaning as in the 1971 Act;

"name", in relation to an unincorporated body of persons, includes any description which the Director of Savings considers sufficient to identify the body;

"officer", in relation to a society or body corporate, includes the solicitor of the society or body;

(**6**) S.I. 1998/1870.
(**7**) 1939 c. 117; repealed by the National Loans Act 1968 (c. 13) section 24(4), Schedule 6, Part I, reference retained to cover any outstanding bonds issued under the repealed provision.
(**8**) 1968 c. 13; section 1 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).
(**9**) 1974 c. 46.
(**10**) 1992 c. 40.

"ordinary deposit" has the same meaning as in the 1971 Act;

"person who lacks capacity" means a person who lacks capacity within the meaning given by (or in) the Mental Capacity Act 2005(**11**);

"principal office of the National Savings Bank", in relation to any description of account, means the office of the National Savings Bank which is designated as the principal office for that description of account by the Director of Savings;

"the register", in relation to stock, means the part of the National Savings Stock Register kept by the Director of Savings;

"savings bank" means the National Savings Bank;

"savings bank business" means the receipt and repayment of deposits in the National Savings Bank and business incidental to such receipt and repayment;

"savings bank office" means a place at which savings bank business is transacted;

"stock" means stock or securities registered in the register;

"Treasury security" means a security issued by the Treasury under the auspices of the Director of Savings for the purpose of raising money under the National Loans Act 1968(**12**);

"Treasury Solicitor" means the Solicitor for the affairs of Her Majesty's Treasury;

PART 2

Deposits in the National Savings Bank

CHAPTER 1

Closure of or restrictions in relation to certain accounts

Closure of ordinary deposit accounts

3.—(1) No ordinary account may be opened, and no ordinary deposit may be made.

(2) An application to withdraw from an ordinary account must be for the balance of the account at the date of withdrawal including accrued interest not yet credited to the account.

(3) Where no application to withdraw from an ordinary account in accordance with paragraph (2) was made before 12th May 2008, the Director of Savings may transfer that balance and accrued interest to an investment account in the name of the depositor.

(4) Where the Director of Savings is unable for any reason to transfer the balance due on an ordinary account in accordance with paragraph (3), the Director of Savings may transfer the balance and accrued interest to a special Director's account.

Closure of certain individual savings accounts

4.—(1) No deposit may be made in a relevant ISA.

(2) The Director of Savings may transfer the balance in a relevant ISA at the date of transfer including accrued interest not yet credited to the account to a Direct ISA opened in the name of the depositor.

(3) In this regulation—

(**11**) 2005 c. 9.
(**12**) 1968 c. 13.

"Direct ISA" means an individual savings account for which terms and conditions have been set under section 9A(1) of the 1971 Act(**13**);

"relevant ISA" means an individual savings account other than a Direct ISA.

CHAPTER 2

Accounts and transactions

Transaction of savings bank business

5. Savings bank business is to be transacted at the places determined, and by the persons authorised, by the Director of Savings.

Declaration by a depositor

6.—(1) A depositor on opening an account, and where required afterwards by the Director of Savings, must—

(a) make and sign a declaration in the approved form setting out—

(i) the depositor's full name and address and, if required, date of birth and occupation; and

(ii) the particulars of each account the depositor already has with the National Savings Bank (including any joint account in which the depositor's name appears); and

(b) if required, provide a specimen signature.

(2) Paragraph (1)(a)(ii) does not apply where the depositor is to be or is described in an account as a trustee under regulations 12 or 13.

(3) This regulation does not apply to an account where—

(a) the account is opened under an enactment which dispenses with the making of a declaration; or

(b) the Director or Savings directs that the making of a declaration is not required.

Declaration by a depositor who is a trustee

7.—(1) Where an account is opened or held by a trustee, otherwise than under regulation 13, the declaration in the approved form must include the particulars of each account with the National Savings Bank in which is held money belonging to the same trust fund.

(2) For the purposes of paragraph (2), money held in the name of the trustee in another account is deemed to belong to the same trust fund, unless that account differs as respects—

(a) the purposes of the trust;

(b) the powers of the trustee;

(c) the identity of any beneficiary; or

(d) the respective interests of any beneficiary.

(3) The declaration in the approved form required to be made by a trustee under regulation 13 must include the particulars of each account with the National Savings Bank held in the trustee's name in relation to which that trustee is a trustee for the same, and no other, beneficiary (including a joint account opened under regulation 13).

(4) This regulation does not apply to an account where—

(a) it is opened under an enactment which dispenses with the making of a declaration; or

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

(b) the Director or Savings directs that the making of a declaration is not required.

Depositors generally

8.—(1) A deposit may be made by and in the name of a person who has attained the age of sixteen years and who is not under any legal disability otherwise than by reason of age.

(2) No account may be opened in the name of a person who is not an individual, except an account opened—

(a) in the name of a trustee; or

(b) under regulations 17 to 20.

Accounts of minors under sixteen years of age

9.—(1) A deposit may be made on behalf and in the name of a minor under the age of sixteen years by that minor's parent, guardian or grandparent.

(2) The declaration in the approved form must be made by the person opening the account, and must include the required information in relation to both that person and the minor.

(3) Having attained the age of sixteen years the minor must, on being required to do so, make a declaration in the approved form and, if required, provide a specimen signature.

(4) As long as the minor is under the age of sixteen years, the Director of Savings must only communicate with, accept instructions from, and pay deposits to a person appearing to the Director of Savings to be a person responsible for that minor.

(5) Where the conditions in paragraph (6) are satisfied in relation to an account—

(a) paragraph (4) does not apply; and

(b) paragraph (3) and regulations 8 and 28 have effect as if each reference to "sixteen years" were a reference to "seven years".

(6) The conditions are that—

(a) the application to open the account was received by the Director of Savings in the approved form before 28th November 2011; and

(b) the minor attained the age of seven years before 21st May 2012.

Accounts of persons who lack capacity

10.—(1) A deposit may be made on behalf and in the name of a person who lacks capacity by that person's deputy.

(2) The declaration in the approved form must be made by the deputy who must specify the capacity in which the deputy acts.

(3) An application to withdraw or transfer deposits held in the name of a person who lacks capacity must be made by that person's deputy.

(4) Where a depositor is a person who lacks capacity and there is no deputy by whom an application to withdraw or transfer deposits might be made, the Director of Savings may, upon it being shown that it is expedient to do so, pay the deposits to a person the Director of Savings is satisfied is a proper person to receive payment.

Joint accounts

11.—(1) Subject to paragraph (2), a deposit may be made jointly in the names of two or more persons entitled to make deposits.