



Building Societies Act 1986

1986 CHAPTER 53

PART I

THE BUILDING SOCIETIES COMMISSION

1 The Building Societies Commission

- (1) For the purposes of this Act there shall be established a body of Commissioners to be called the Building Societies Commission (in this Act referred to as " the Commission ").
- (2) The Commission shall consist of not less than four and not more than ten members to be appointed by the Treasury and the Treasury shall appoint one member (to be known as the First Commissioner) to be the chairman, and another member to be the deputy chairman, of the Commission.
- (3) Any appointment under subsection (2) above may be on either a full-time or a part-time basis.
- (4) The general functions of the Commission shall be—
 - (a) to promote the protection by each building society of the investments of its shareholders and depositors ;
 - (b) to promote the financial stability of building societies generally;
 - (c) to secure that the principal purpose of building societies remains that of raising, primarily from their members, funds for making advances to members secured upon land for their residential use ;
 - (d) to administer the system of regulation of building societies provided for by or under this Act; and
 - (e) to advise and make recommendations to the Treasury or other government departments on any matter relating to building societies;

and the Commission shall have the other functions conferred on it by or under the subsequent provisions of this Act.

Status: This is the original version (as it was originally enacted).

- (5) The Commission shall have power to do anything which is calculated to facilitate the discharge of its functions, or is incidental or conducive to their discharge.
- (6) The functions of the Commission, and of its officers and employees, shall be performed on behalf of the Crown.
- (7) Schedule 1 to this Act has effect with respect to the Commission.

2 Financial provision for Commission

- (1) There shall be charged on building societies such a general charge towards the expenses of the Commission and such fees in respect of the exercise of its functions as are authorised under this section.
- (2) The Treasury may, by regulations, make provision for—
 - (a) a general charge to be levied, with respect to each accounting year of the Commission, on every authorised building society to be paid at such rate computed by reference to such criteria, at such time and in such manner as may be prescribed; and
 - (b) fees of such amounts as may be prescribed to be paid by building societies in respect of the exercise of the Commission's functions in relation to them.
- (3) The provision to be made from time to time under subsection (2) above, by way of the general charge and fees, shall be such as to produce an annual revenue of the Commission sufficient to meet its expenses properly chargeable to revenue account, taking one year with another.
- (4) Regulations under subsection (2) above may include—
 - (a) provision for any fees payable by societies to be reduced or for payment of any fees to be waived by the Commission in circumstances determined by or under the regulations; and
 - (b) such incidental, supplementary and transitional provision as appears to the Treasury to be necessary or expedient.
- (5) The power to make regulations under subsection (2) above is exercisable by statutory instrument which shall be subject to annulment in pursuance of a resolution of either House of Parliament.
- (6) The amounts received by the Commission under this section shall be applied as an appropriation in aid of money provided by Parliament for the expenses of the Commission under this Act, and in so far as not so applied, shall be paid into the Consolidated Fund.
- (7) In this section—
 - " authorised ", in relation to an accounting year of the Commission, means authorised at any time during that year ; and
 - " prescribed " means prescribed in regulations under subsection (2) above.

3 Accounts of Commission and audit

- (1) The Commission shall keep proper accounts and proper accounting records and shall prepare in respect of each accounting year a statement of accounts in such form as the Treasury may direct.

- (2) The statement of the accounts required by subsection (1) above may be combined with the statement of the accounts of the Chief Registrar which he is required to prepare as regards his functions.
- (3) The Commission shall send to the Treasury and to the Comptroller and Auditor General, before the end of the period of seven months after the end of each accounting year, a copy of the statement of accounts for that year.
- (4) The Comptroller and Auditor General shall examine, certify and report on every statement of accounts received by him from the Commission and shall lay a copy of the statement and of his report thereon before each House of Parliament.
- (5) In this Part " accounting year ", in relation to the Commission, means the period of twelve months ending with 31st March in any year, except that the Commission's first accounting year shall end on 31st March 1987.

4 Annual and other reports

- (1) It shall be the duty of the Commission to lay before the Treasury and before Parliament as soon as possible after the end of each accounting year a report on the discharge of its functions during that year.
- (2) The annual report shall include a record of the terms of every determination of the powers of a building society published by the Commission under section 39 during that year.
- (3) The Commission may lay before Parliament from time to time such other reports relating to the discharge of its functions, whether in relation to building societies generally or a particular building society, as it thinks fit.