STATUTORY INSTRUMENTS

1990 No. 540

BUILDING SOCIETIES

The Building Societies (General Charge and Fees) Regulations 1990

Made - - - -	*8th March 1990*
Laid before Parliament	*9th March 1990*
Coming into force -	*1st April 1990*

The Treasury, in exercise of the powers conferred on them by sections 2(2) and 116(2) of the Building Societies Act 1986(a) and of all other powers enabling them in that behalf, hereby make the following Regulations:

Citation and commencement

1. These Regulations may be cited as the Building Societies (General Charge and Fees) Regulations 1990 and shall come into force on 1st April 1990.

Interpretation

2. In these Regulations–

"the Act" means the Building Societies Act 1986;

"the accounting year 1990/91" means the period of 12 months ending on 31st March 1991;

"amalgamation" means an amalgamation under section 93 of the Act;

"operative date" means the date on which these Regulations come into force;

"registered", in relation to any time, means having the status of a society registered or deemed to be registered under the Act at that time;

"the relevant year" means the period of 12 months ending on 31st December 1989;

"society" means a building society; and

"transfer of engagements" means a transfer of engagements under section 94 of the Act.

General charge in respect of the Commission's accounting year 1990–91

3.—(1) Each society which is authorised on the operative date shall pay, with respect to the accounting year 1990–91 a sum determined in accordance with paragraph (3) below.

(2) Any society which is authorised during the accounting year 1990–91 only after the operative date shall pay with respect to that year a sum determined in accordance with paragraph (3) below unless–

(a) the society was registered on the amalgamation of two or more societies, and

(b) at least one of those other societies was a society to which paragraph (1) above applied.

(a) 1986 c.53.

(3) The sum payable under paragraph (1) or (2) above (as the case may be) is–

(a) in the case of any society a financial year of which ended in the relevant year a sum equal to £1,000 plus the sum determined in accordance with paragraph (5) below using the value of the society's assets as shown in its balance sheet as at the end of that financial year.

(b) in the case of any society to which sub-paragraph (a) above does not apply and which was formed on the amalgamation of two or more societies, financial years of which ended in the relevant year a sum equal to £2,000 plus the sum determined in accordance with paragraph (5) below using the aggregate value of the assets of each of those societies as shown in their respective balance sheets as at the end of those respective financial years.

(c) in the case of any society to which neither sub-paragraph (a) nor sub-paragraph (b) above applies, a sum equal to £1,000 plus the sum determined in accordance with paragraph (5) below using the value of the society's assets at the date of authorisation.

(4) Where, after 31st December 1989 and before the operative date, a society has transferred its engagements to an authorised society under section 94 of the Act, the transferee society shall in addition to any sum payable by it by virtue of the foregoing provisions of this regulation by virtue of this paragraph pay, with respect to the accounting year 1990–91 any sum which would have been payable by the transferor society had it been an authorised society on the operative date.

(5) The sum determined in accordance with this paragraph is the sum

(i) determined by applying 1.00168 per cent to the relevant assets; or

(ii) where the relevant assets exceed £20,000 million, determined by adding the sums determined by applying 0.00168 per cent to the first £20,000 million of the relevant assets and applying 0.00084 per cent to the excess of the relevant assets over £20,000 million.

Payment of the general charge

4.—(1) Any sums payable under regulation 3(1) and (4) above by a society shall be paid on the 1st May 1990 or upon the earlier occurrence of a specified event but if no specified event has occurred before that date the society may pay one half of the said sum on that date and defer the other half until the 1st October 1990 or the earlier occurrence of a specified event.

(2) Any sum payable under regulation 3(2) above by a society shall be paid on or before the day one month after the date on which the society is first authorised or upon the earlier occurrence of a specified event.

(3) In this regulation "specified event" in relation to a society by which a sum is payable under regulation 3 above means the earliest of any date on which

(a) an instrument of dissolution of the society is first signed;

(b) the society resolves that it be wound up voluntarily or by the Court;

(c) a petition for the winding up of the society is presented.

Fees in respect of societies' public files

5. Each society which–

(a) is registered on or after the operative date and before 1st April 1991 and

(b) is not in the course of dissolution or winding up on the operative date,

shall on the 1st May 1990, or in the case of a society first registered after the operative date, on applying for registration, pay a fee of £130 in respect of the Central Office's function under section 106 of the Act of maintaining the society's public file during the accounting year 1990–91.

Fees in respect of particular Commission functions

6.—(1) A society which applies for authorisation under section 9 of the Act shall upon making such application pay a fee of £1,000 in respect of the exercise of the Commission's functions under that section.

(2) A society which proposed to merge with another society, and–

(a) applies for consent under section 94(5) of the Act to proceed to undertake to fulfil the engagements of the other society pursuant to a board resolution, or

(b) applies for approval under paragraph 1 of Schedule 16 to the Act of the contents of a statement concerning matters relevant to the merger,

shall upon making such application pay a fee determined in accordance with paragraph (3) below in respect of the Commission's functions in relation to the application and any functions it may exercise subsequently under section 95 of the Act with respect to the proposed merger.

(3) The sum payable under paragraph (2) above shall be, where one of the societies concerned in the proposed merger is for the purposes of section 95 of the Act of disproportionate size to the other, £5,000 and in any other case £7,500 but a society which on making such application pays a fee of £3,000, in the case where one of the societies is of disproportionate size to the other, or £5,000 in any other case, shall not be required to pay the remaining £2,500 unless and until the Commission gives notice pursuant to paragraph 9(1)(b) of Schedule 16 to the Act to the society of its determination under paragraph 9(1)(a) of Schedule 16 to the Act.

(4) A society which applies for approval of a transfer statement under paragraph 4(2) of Schedule 17 to the Act in connection with a proposed transfer of business shall upon making such application pay a fee of £135,000 in respect of the Commission's functions in relation to the application and any functions it may exercise subsequently under section 97 of the Act and the applicable provisions of the Act (as referred to in that section) with respect to the proposed transfer of business prior to an application pursuant to section 97(4)(d) of the Act.

(5) Subject to paragraph (5) below, a society which applies for confirmation of a proposed transfer of business and its terms pursuant to section 97(4)(d) of the Act shall upon making such application pay a fee of £55,000 in respect of the Commission's functions in relation to the application and any functions it may exercise subsequently under section 97 of the Act and the applicable provisions of the Act (as referred to in that section) with respect to the proposed transfer of business.

(6) A society which, on its application for confirmation of a proposed transfer of business and its terms as described in paragraph (4) above, pays a fee of £15,000 shall not be required to pay the remaining £40,000 unless and until the Commission give notice pursuant to paragraph 8(1)(b) of Schedule 17 to the Act to the society of its determination under paragraph 8(1)(a) of Schedule 17 to the Act.

Fees in respect of particular Central Office functions

7. Any society which makes an application of a nature specified in Schedule 1 to these Regulations shall upon making such application pay the relevant fee specified in respect of the examination of the application by the Central Office.

Inspection and copying fees

8. Any person wishing to inspect or to be furnished with a copy of any document in the custody of the Central Office shall, at the time at which he makes the request to inspect or to be furnished with a copy, as the case may be, pay the relevant fee specified in Schedule 2 to these Regulations.

Revocation of regulations relating to preceding accounting year

9. The Building Societies (General Charge and Fees) Regulations 1989(a) are hereby revoked.

Stephen Dorrell
David Lightbown
Two of the Lords Commissioners of
Her Majesty's Treasury

8th March 1990

(a) S.I. 1989/355.

SCHEDULE 1

Regulation 6

Nature of application	*Fee payable*
1. For the registration of a society (other than a society established as the successor of societies which have applied for confirmation of an amalgamation) and of the society's memorandum and rules.	£3,000
2. For the registration of alterations to the memorandum of a society, by way of the substitution of a new document in place of the document already registered as its memorandum.	£1,900
3. For the registration of alterations to the memorandum of a society, otherwise than by way of the substitution of a new document in place of the document already registered.	£900
4. For the registration of alterations to a society's rules, by way of the substitution of a new document in place of the document already registered as its rules.	£1,900
5. For the registration of alterations to a society's rules, otherwise than by way of the substitution of a new document in place of a document already registered.	£900

SCHEDULE 2

Regulation 7

Facility sought	*Fee payable*
1. The inspection of any particular day of documents relating to a single society.	£3.50
2. The provision of a copy of the whole of or an extract from any document–	
(a) where the copy is a photocopy and is not certified as a true copy of a document in the custody of the Central Office (except as may be necessary for the examination of the copy)–	
(i) where the copy does not exceed 5 pages, or for the first 5 pages of a copy which exceeds 5 pages	£1.00
(ii) for every page of a copy after the fifth page	20p
(b) where the copy is not a photocopy and is not so certified–	
(i) where the copy does not exceed 216 words, or for the first 216 words of a copy which exceeds 216 words	£7.00
(ii) for each complete folio of 72 words by which a copy exceeds 216 words	£1.40
(c) where the copy, whether a photocopy or not, is certified as provided in sub-paragraph (a) above (as an addition to whatever fee would be payable if the copy were not so certified).	£3.50

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations supercede the Building Societies (General Charge and Fees) Regulations 1989 ("the 1989 Regulations"), which are revoked. They provide for a general charge to be paid by authorised building societies towards the expenses of the Building Societies Commission. The charge is levied with respect to the Commission's accounting year beginning on 1st April 1990 and ending on 31st March 1991, and is expected to raise £2.9 million. Each society is required to pay a sum of £1,000 plus a sum equal to 0.00168% of its assets, up to £20,000 million, and 0.00084 of its assets above that amount, or in the case of a society formed by a recent amalgamation, a sum of £2,000 plus a sum equal to the same percentage of the aggregated value of the uniting societies.

The Regulations also provide for fees to be paid by societies in respect of particular functions of the Building Societies Commission and the Central Office of the Registry of Friendly Societies under the Building Societies Act 1986, and fees to be paid by persons wishing to inspect or receive copies of documents in the custody of the Central Office. These fees are approximately 7% higher than those payable under the 1989 Regulations.

The fees in respect of functions related to both authorisation and mergers of societies have been increased to reflect the true cost of the service provided.