

SAVINGS BANK ACT**Principal Act****Act. 1935-11***Commencement* 29.6.1935*Assent* 29.6.1935

Amending enactment	Relevant current provisions	Commencement date
Act. 1960-01	s. 9(1)	
1968-33	ss. 11A-11B	
LN. 1971/020	ss. 9(3), 12, 13(3)	
Act. 1976-26	ss. 11A-11B	
1979-08	s. 14(2)	
1981-01	s. 11A(1)	
1984-09	s. 14(2)	8.11.1984

English sources:

Savings Bank Act 1887 (50 & 51 Vict. c.40)

Savings Bank Act 1920 (10 & 11 Geo. 5 c.12)

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AN ACT RELATING TO THE GOVERNMENT SAVINGS BANK.

Short title.

1. This Act may be cited as the Savings Bank Act.

Interpretation.

2. In this Act, unless the context otherwise requires, –

“Director” means the Director of Postal Services;

“expenses incurred in the execution of this Act” means the cost of any work or service done by or in connection with the Savings Bank, including such sum on account of administrative or other overhead expenses as may, with the approval of the Governor, be reasonably assigned to that work or service;

“revenue” used in relation to the Savings Bank does not include moneys received on deposit;

“Savings Bank” means the Government Savings Bank deemed to be constituted under section 3.

Appointment of Savings Bank.

3. The Government Savings Bank and all offices thereof subsisting at the time when this Act comes into operation shall be deemed to be constituted and appointed under this Act.

Management and control.

4. Subject to the provisions of section 11, the Savings Bank shall be under the management and control of the Director who may, subject to the provisions of this Act and any rules made thereunder, take such steps as may be desirable for the encouragement of thrift, for the proper management of the Savings Bank, and otherwise for the promotion of the objects and purposes of this Act.

Establishment and closure of branch savings bank.

5. The Director may, with the approval of the Governor, open branch savings banks in Gibraltar and may, with the like approval, close any branch savings bank.

Employment of officers.

6. The Director may, with the approval of the Government, engage such officers as may be necessary for the execution of this Act, and for that purpose may employ for part of their time officers in the service of the Government.

Deposits and repayments.

7. Deposits of money to be paid into the Savings Bank shall be received and repaid under such conditions as may be prescribed.

Security of Government.

8. The repayment of all moneys deposited in the Savings Bank together with interest thereon is guaranteed by the Government, and accordingly if at any time or times the assets of the Savings Bank shall be insufficient to pay the lawful claims of every depositor, the Governor shall cause such deficiency to be met out of the Consolidated Fund, and the Financial and Development Secretary shall certify such deficiency to the Governor without delay.

Interest.

9.(1) Interest shall be payable on deposits at such rates as may be fixed from time to time by the Governor with the prior approval of a Secretary of State:

Provided that -.

- (a) where the rate of interest is increased not less than one month's notice, or
- (b) where such rate is decreased, not less than three month's notice,

Shall be given in the Gazette.

(2) Such interest shall not be payable on any amount less than £1 or on any fraction of £1 and shall not commence to accrue until the first day of the month next following the day of deposit, and shall cease on the last day of the month preceding that in which such deposit shall be withdrawn.

(3) Interest on deposits shall, subject to the provisions of subsection (2), be calculated to the 31st day of March in every year and shall then be added to and become part of any principal money remaining on deposit.

Expenses

10. All expenses incurred in the execution of this Act shall be met from the moneys in the Savings Bank.

Disposal of moneys.

11.(1) Subject to the provisions of this Act, moneys in the Savings Bank shall not be applied in any way to the purposes of Gibraltar but, except so far as any sums may be prescribed to be kept in hand for the general purposes of the Savings Bank, shall be deposited in the Treasury and shall, as far as practicable, be invested on behalf of the Savings Bank, under the direction of the Financial and Development Secretary, in such securities or be employed at interest in such manner as shall be approved from time to time by the Governor, or, in the case of moneys remitted to London for investment, by a Secretary of State, and any such investment may at any time be changed into other like securities:

Provided that not more than one-third of such moneys shall at any time be or remain invested in securities of the Government of Gibraltar.

(2) Any sums of money that may from time to time be required for the repayment of any deposit or deposits under the authority of this Act, or for the payment of interest thereon or expenses incurred in the execution of this Act, may be raised by the sale of the whole or part of such securities:

Provided that any sums of money which may be required for such purposes, may, with the approval of the Governor, be advanced to the Savings Bank by the Financial and Development Secretary out of the Consolidated Fund until they can be raised by the sale of such securities, and such advances shall bear interest at the rate from time to time payable to depositors.

Unclaimed deposits.

11A.(1) Where the amount standing to the credit of a depositor's account is less than £25 and for a period of seven years no money is or has been deposited therein or withdrawn therefrom, the Director shall—

- (a) cause to be published in the Gazette a notice to the effect that unless a claim to such amount is established to the satisfaction of the Director on or before a specified day (which day shall not be less than six months after the publication of the said notice) the said amount shall be transferred to the Consolidated Fund;
- (b) at the time of the publication of such notice, and in addition thereto, cause copies of it to be exhibited at the Head Office of the Savings Bank and at every office open for the transaction of Government Savings Bank business with the public; and

- (c) where the amount standing to the credit of the depositor's account is more than £1 but less than £25, not later than seven days after the publication of the notice, send to the depositor at the address shown in the record of the Director relating to such depositor (where the record contains adequate details of the address) notice in writing of the action he is proposing to take.

(2) If no claim is established as aforesaid, the Director shall at any time after the day specified in the notice, transfer to the Consolidated Fund the amount standing to the credit of such account.

(3) Any amount transferred to the Consolidated Fund under subsection (2) shall cease to earn interest from the date of the transfer.

Payments from lapsed deposits.

11B.(1) If at any time after an amount standing to the credit of a depositor has been transferred to the Consolidated Fund under section 11A, any claimant establishes to the satisfaction of the Director a claim to the whole or any part thereof, the Director shall certify in writing the sum to which such claimant appears to be entitled.

(2) The Accountant General on production of such certificate from the Director shall cause the sum certified thereon to be paid to the claimant from the Consolidated Fund.

Accounts.

12. Annual accounts of the revenue and expenditure of the Savings Bank and of deposits received and repaid and interest credited to depositors during the year ended on the 31st day of March together with a statement of the assets and liabilities of the Savings Bank, shall, after being audited and certified by the Principal Auditor, be laid by the Financial and Development Secretary before the Governor not later than the 31st day of August ensuing in every year and shall as soon as practicable thereafter be published in the Gazette and submitted to the Secretary of State.

Surpluses and deficits.

13.(1) If in any year the revenue of the Savings Bank shall be insufficient to defray the interest due to depositors and all expenses incurred in the execution of this Act, such deficiency shall be met out of the Consolidated Fund.

(2) If in any year the revenue of the Savings Bank shall be more than sufficient to defray the interest due to depositors and all expenses incurred

in the execution of this Act, then the Governor may direct the transfer of the surplus, or any portion thereof to the Consolidated Fund:

Provided that no such transfer shall be made unless the assets of the Savings Bank will thereafter exceed the liabilities by not less than fifteen per cent of the liabilities to depositors.

(3) If on the 31st day of March in any year the assets of the Savings Bank exceed the liabilities by more than fifteen per cent of the liabilities to depositors then the Governor, with the prior consent of a Secretary of State, may direct that the surplus over fifteen per cent or any portion thereof shall be transferred to the Consolidated Fund.

Power to make rules.

14.(1) The Governor may make rules for the management and regulation of the Savings Bank.

(2) In particular and without prejudice to the generality of the foregoing powers, such rules may –

- (a) prescribe limits of deposits;
- (b) prescribe the modes of making deposits;
- (c) prescribe the modes of withdrawing deposits and interest;
- (d) prescribe the times at which deposit books shall be returned to the Savings Bank by depositors;
- (e) regulate deposits by minors, guardians, trustees, married women, friendly societies and other charitable bodies;
- (f) prescribe conditions for the withdrawal of moneys by minors, guardians, trustees, married women, friendly societies and other charitable bodies;
- (g) prescribe the modes of dealing with the deposits of deceased persons or persons suffering from mental disorder;
- (h) provide for the nomination by a depositor not being under sixteen years of age of any person or persons to whom any sum or sums payable to such depositor at his decease is or are to be paid at such decease notwithstanding the production of any will of the deceased nominator or letters of administration to his estate;

- (i) provide for the manner in which any such nomination may be revoked by the depositor, and for the circumstances in which it is to be treated as having ceased to be operative, and for the payment of the specified amount to any nominee so nominated;
- (j) direct that any person acting as witness to a nomination shall be disqualified from taking thereunder;
- (k) authorise the Director to treat as a depositor in the Savings Bank any person named as nominee in any nomination who dies after the death of the nominator but before receiving payment of the sum to be paid to him under the nomination;
- (l) provide that where any person to whom any sum being the whole or any part of the deposit of a deceased depositor, is payable is unable by reason of any incapacity whatsoever to give a legal discharge therefor the sum may be paid to any person undertaking to maintain the incapacitated person;
- (m) provided that where there is no nomination, and a deposit of a deceased person does not exceed £1,000, such deposit may be paid or distributed among such persons as may be prescribed without the production of probate of the will of the depositor or letters of administration to his estate;
- (n) prescribe penalties not exceeding a fine of £100 for the breach of any such rule;
- (o) provide for the forfeiture of deposits made in wilful contravention of this Act;
- (p) authorize the Director to enter into an arrangement with the Post Office Savings Bank of the United Kingdom of Great Britain and Northern Ireland or with a government savings bank of any British possession, or any Foreign country, for the transfer of any sums standing to the credit of depositors from such savings bank to the Savings Bank, and vice versa, and prescribe conditions for such transfer.

(3) Rules made in pursuance of this section shall be of the same effect as if they were contained in this Act.

Names of depositors, etc., not to be disclosed.

15.(1) No person appointed to carry this Act into effect shall disclose the name of any depositor or the amount which may have been deposited or

withdrawn by any depositor except in due course of law, or to such person or persons as may be appointed to assist in carrying this Act into operation.

(2) A person who contravenes the provisions of this section is guilty of an offence and is liable on summary conviction to a fine of £100.

Settlement of disputes.

16. If any dispute shall arise between the Director or the officer managing and controlling any branch savings bank and any individual depositor therein, or any executor, administrator, next-of-kin of a depositor, or any creditor or assignee of a depositor who may become bankrupt or insolvent, or any person claiming to be such executor, administrator, next-of-kin, creditor or assignee, or to be entitled to any money deposited in such saving bank, then and in every such case, the matter in dispute shall be referred to an arbitrator to be appointed by the Governor, and whatever award, order or determination may be made by such arbitrator shall be binding and conclusive on all parties, and shall be final to all intents and purposes, without any appeal.

Non-liability of Government.

17. When any payment is made or act done by the Director or any person acting under his authority in accordance with this Act and the rules for the time being made thereunder, the Government, the Director and such person shall not be liable in respect of any claim on the part of any person in connection with such payment or act, but any person may nevertheless recover any sum lawfully due to him from the person to whom the Director has paid the same.

18. *Omitted.*