

Dormant Assets Bill [HL]

MARSHALLED
LIST OF AMENDMENTS
TO BE MOVED
ON REPORT

[Amendments marked ★ are new or have been altered]

Amendment
No.

Clause 29

LORD BASSAM OF BRIGHTON
BARONESS KRAMER
LORD HODGSON OF ASTLEY ABBOTTS
THE LORD BISHOP OF NEWCASTLE

- 1 Page 22, line 13, at end insert –
- “(1A) An order under this section may enable the creation of funds (to be known as “community wealth funds”) that may make grants and other payments to support the provision of social infrastructure to further the wellbeing of communities suffering from high levels of deprivation and low levels of social infrastructure.
 - (1B) The Secretary of State may –
 - (a) by order create one or more community wealth funds for a temporary period of at least 10 years, and
 - (b) at the end of that period review the efficacy of the community wealth funds with a view to creating community wealth funds on a permanent basis.
 - (1C) In subsection (1A), “social infrastructure” means –
 - (a) buildings or other assets owned or managed by organisations located in communities for the purposes of local residents’ meeting, socialising, accessing educational resources, or conducting other activities to improve their wellbeing, or
 - (b) organisations, whether incorporated or unincorporated, existing for the purposes set out in paragraph (a), (c), (d), (e), (f), (g), (i) or (j) of section 3(1) of the Charities Act 2011.”

Member’s explanatory statement

This amendment would enable orders under Clause 29 to create community wealth funds as a means of tackling deprivation and building social infrastructure in left-behind communities. It would mandate the Secretary of State to establish and review the effectiveness of one or more pilot schemes which would run over at least ten years.

BARONESS KRAMER
BARONESS BARKER

2 Page 22, line 13, at end insert –

- “(1A) Regulations made under this section must specify that any organisation in receipt of a distribution of dormant account money –
- (a) must demonstrate that any returns to private companies or individuals are commensurate with the overall aim of delivering public good, and
 - (b) must not be used to enhance investor returns.”

Member’s explanatory statement

This amendment would ensure that a distribution of dormant assets money must be to an organisation that has an overall aim of delivering public good and must not be used to enhance investor returns.

LORD PARKINSON OF WHITLEY BAY
LORD BASSAM OF BRIGHTON

3 Page 22, leave out lines 17 to 20 and insert “–

- (a) carry out a public consultation about the purposes for which, or the kinds of person to which, the money apportioned under section 17 for meeting English expenditure should be distributed, and
- (b) consult the Big Lottery Fund about a draft of the order.”

Member’s explanatory statement

The amendment would have the effect of adding to 18A(3) of the Dormant Bank and Building Society Accounts Act 2008 (as inserted by Clause 29) a new duty to carry out a public consultation before making a section 18A(1) order, in place of the duty in the current section 18A(3)(b). The consultation would relate to what, or who, should be supported by dormant assets money distributed in England.

BARONESS KRAMER
BARONESS MERRON
BARONESS LISTER OF BURTERSETT

4 Page 22, leave out lines 19 and 20 and insert –

- “(b) representatives of social enterprises and charities,
 - (c) persons who appear to the Secretary of State to represent the interests of people and communities subject to high levels of deprivation or inequality,
 - (d) relevant committees of Parliament, and
 - (e) any other person who the Secretary of State deems appropriate.
- (3A) The consultation under subsection (3) must have a duration of at least 12 weeks and seek views on –
- (a) the extent to which the dormant assets scheme, as it operates in England, is meeting its underlying policy objectives; and
 - (b) what additional assets or administrative or investment policy changes, if any, would improve the performance of the scheme.
- (3B) For the purposes of subsection (3A), “underlying policy objectives” includes (but is not limited to) improving the lives of people and communities subject to high levels of deprivation or inequality.”

Member's explanatory statement

This amendment strengthens the requirements of consultations carried out under Clause 29, ensuring (among other things) the involvement of social enterprises, charities, and parliamentary committees, and guaranteeing that such an exercise will last at least 12 weeks.

BARONESS LISTER OF BURTERSETT
LORD HODGSON OF ASTLEY ABBOTTS
LORD BLUNKETT

As an amendment to Amendment 4

- 5 In inserted subsection (3A), after paragraph (b) insert—
“(c) the merits of establishing a community wealth fund or funds under the scheme.”

Member's explanatory statement

This amendment adds a requirement to seek views on the merits of establishing a community wealth fund under the scheme as part of the consultation under Clause 29.

BARONESS KRAMER
BARONESS BARKER

- 6 Page 22, line 20, at end insert—
“(3A) An order under this section may not be made unless the Secretary of State has certified that dormant account money will be used to fund projects, or aspects of project, for which funds would be unlikely to be made available by a Government department.”

Member's explanatory statement

This amendment would require the Secretary of State to certify that dormant assets money would be additional to, and not replacing, Government spending.

After Clause 29

LORD PARKINSON OF WHITLEY BAY
LORD BASSAM OF BRIGHTON

- 7 Insert the following new Clause—
“Periodic review and report to Parliament
(1) The Secretary of State must carry out periodic reviews of the following matters—
(a) the operation of the dormant assets scheme and the alternative scheme under section 2 of the 2008 Act during the period to which the review relates;
(b) the effectiveness of the steps taken during that period (by institutions holding or providing assets within the scope of the dormant assets scheme or the alternative scheme) to reunite assets with their owners;
(c) any use made of the powers conferred by section 19 during that period;
(d) any use that may be made of those powers after that period.
(2) In reviewing the matters described in subsection (1)(a) the Secretary of State must consider—
(a) how many institutions have made transfers;
(b) how much money has been transferred;

After Clause 29 - continued

- (c) the effectiveness of the arrangements made with institutions for meeting repayment claims.
- (3) The steps referred to in subsection (1)(b) include anything done with a view to tracing, and verifying the identity of, either (or both) of the following, in relation to a particular asset—
 - (a) the person whose right to payment (or right to direct payment) is or would be extinguished by a transfer;
 - (b) where the asset is the proceeds of another asset, the owner or beneficiary of that other asset (before its conversion into proceeds).
- (4) In subsections (2) and (3)—
 - “transfer” means a transfer of an amount to an authorised reclaim fund as mentioned in section 1(1)(a) or 2(1)(a) of the 2008 Act or section 2(1)(a), 5(1)(a), 8(1)(a), 12(1)(a) or 14(1)(a) above;
 - “repayment claim” means a claim against an authorised reclaim fund relating to a right to payment arising as mentioned in section 1(2)(b) or 2(2)(b) of the 2008 Act or section 2(2)(b), 5(2)(b) or (3)(b), 8(2)(b), 12(2)(b) or 14(2)(b) above.
- (5) The matters within the scope of a review do not include the regulation by the Financial Conduct Authority of an authorised reclaim fund or any other institution.
- (6) The Secretary of State must—
 - (a) make arrangements to enable anyone with an interest in any aspect of a review to make representations,
 - (b) consider all representations received, and
 - (c) set out the results and conclusions of the review in a report and lay it before Parliament.
- (7) The report of a review must also include—
 - (a) information about the uses made by any authorised reclaim fund of its financial resources during such period as the Secretary of State considers appropriate,
 - (b) information about the uses made of dormant assets money for meeting English expenditure during such period as the Secretary of State considers appropriate,
 - (c) the text of any directions given by the Secretary of State under section 22 of the 2008 Act which have effect during the period mentioned in paragraph (b), and
 - (d) information about any policy and practice in relation to the additionality principle of—
 - (i) the body or bodies specified in section 16(1) of the 2008 Act, and
 - (ii) the Secretary of State, in exercising functions under Part 2 of that Act.
- (8) The report of a review may include information about the uses made of dormant assets money for meeting Welsh expenditure, Scottish expenditure or Northern Ireland expenditure during such period as the Secretary of State considers appropriate.

After Clause 29 - continued

- (9) In this section—
- (a) “the additionality principle” is the principle that dormant assets money should be used to fund projects, or aspects of projects, for which funds would be unlikely to be made available by a government department, the Welsh Ministers, the Scottish Ministers or a Northern Ireland department;
 - (b) “dormant assets money”, “English expenditure”, “Northern Ireland expenditure”, “Scottish expenditure” and “Welsh expenditure” have the same meaning as in Part 2 of the 2008 Act.
- (10) The first report under this section must be laid no more than 3 years after the day on which this Act is passed.
- (11) Any subsequent report must be laid no more than 5 years after the day on which the previous report was laid.”

Member’s explanatory statement

The amendment would require periodic reviews of the dormant assets scheme and the alternative scheme, with a report to Parliament on the results. A report would include certain additional information, on matters such as the expenditure of the reclaim fund, and the use made of dormant assets money, and the additionality principle, in England. Information about use of dormant asset money in the rest of the UK would be optional. For practical reasons information included about the use of dormant assets money, or the additionality principle in England, is likely to be information publicly available elsewhere.

LORD BASSAM OF BRIGHTON
BARONESS BOWLES OF BERKHAMSTED

8 Insert the following new Clause—

“Requirement to review the dormant assets scheme

- (1) Within three years of the day on which this Act is passed, and every five years thereafter, the Secretary of State must undertake a review of the dormant assets scheme, as it operates in England.
- (2) The review under subsection (1) must include consideration of—
 - (a) the performance of—
 - (i) Reclaim Fund Ltd and any other authorised reclaim fund, and
 - (ii) the Big Lottery Fund,
 in administering the scheme,
 - (b) the extent to which new dormant assets brought within scope of the scheme since—
 - (i) in the first review, the day on which this Act was passed, or
 - (ii) in each subsequent review, the day on which the previous review was published,
 have contributed to meeting the scheme’s underlying policy objectives,
 - (c) the contribution that the use of dormant assets has made to—
 - (i) people and communities subject to high levels of deprivation or inequality, and
 - (ii) developing the capacity of social enterprises and charities,

After Clause 29 - continued

- (d) the extent to which the dormant assets scheme meets the principle of additionality,
 - (e) the extent to which there is a public interest in specifying additional assets under section 19(1) and, if so, what those assets are, and
 - (f) the extent to which administrative, investment policy or other changes to the scheme would improve its performance.
- (3) When undertaking the review, the Secretary of State must seek and have regard to the views of persons who appear to the Secretary of State to represent the interests of—
- (a) social enterprises and charities, and
 - (b) communities that—
 - (i) have benefitted, or
 - (ii) may reasonably expect to benefit,
 from funding under the scheme.
- (4) Upon completion of each review, the Secretary of State must lay a report containing its findings before each House of Parliament.”

Member’s explanatory statement

This amendment would require periodic reviews of the dormant assets scheme, including consideration of the performance of authorised reclaim funds and the Big Lottery Fund, the impact of the scheme (and new assets brought within scope of it since the previous review), and whether new assets should be added to it.

BARONESS BARKER
BARONESS KRAMER

9 Insert the following new Clause—

“Capacity of the Oversight Trust

- (1) Within six months of the day on which this Act is passed the Secretary of State must lay before Parliament a review of the Oversight Trust.
- (2) The review in subsection (1) must include but is not limited to an assessment of—
 - (a) the capacity of the Oversight Trust to oversee the operations of companies that receive dormant assets money;
 - (b) whether the Oversight Trust has the appropriate resources to fulfil its objective;
 - (c) whether the Oversight Trust has the appropriate powers to fulfil its objective; and
 - (d) whether a duty should be placed on the Oversight Trust to monitor the distribution of dormant assets money, and whether it would have the resources to undertake this duty.
- (3) The review in subsection (1) must make a recommendation as to whether the Government should bring forward further legislation to improve the capacity and effectiveness of the Oversight Trust.”

Member's explanatory statement

This amendment would require the Government to undertake a review of the capacity of the Oversight Trust and make a recommendation as to whether further legislation is needed to improve its effectiveness.

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12 November 2021
