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This political digest covers parliamentary issues relevant to the building society sector.

Your feedback on this edition is most welcome. Please email Rachel Le Brocq with your comments at rachel.lebrocq@bsa.org.uk . Also email Rachel with any issues you have a particular interest in, and would like her to track.

Update includes:

- Private Member's Bill – *Building Societies (Funding) and Mutual Societies (Transfers) Bill*
- Treasury Select Committee inquiry into *financial inclusion follow-up*
- Treasury Select Committee Inquiry: Unclaimed assets within the financial system
- Pensions Bill defeated amendments; unclaimed assets
- Parliamentary Questions - Various
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Private Member's Bill – Building Societies (Funding) and Mutual Societies (Transfers) Bill

A Private Member's Bill tabled by Sir John Butterfill MP (*Con, Bournemouth West*) - *Building Societies (Funding) and Mutual Societies (Transfers) Bill* – has successfully completed its stages in the House of Commons and now proceeds to the House of Lords.

The Bill, previously entitled the *Financial Mutuals (Arrangements) Bill*, received a name change at Committee Stage as well as a number of Government amendments.

The long title of the Bill now reads;

“A Bill to Make provision in relation to funding limits in respect of building societies; to provide consequential rights to building society members; and to make provision in connection with the transfer of the business of certain mutual societies.”

The Bill and its amendments can be viewed here

http://www.publications.parliament.uk/pa/pabills/200607/building_societies_funding.htm

Adjournment debate on financial education

Phil Willis MP (*Lib Dem, Harrogate and Knaresborough*) introduced an adjournment debate on financial education on 17 April 2007. Within the debate Mr Willis said *"if I could make one plea to the Minister tonight, it would be to move away from the idea that maths is a natural home for anything relating to personal finance. Financial capability is first and foremost about behaviours, not about numeracy."*

In response, the Minister for Schools, Jim Knight MP (*Lab, South Dorset*) said; *“we do not believe that it is appropriate to make it compulsory for every pupil to have a qualification demonstrating their financial capability.”*

The full debate can be viewed here

<http://www.publications.parliament.uk/pa/cm200607/cmhansrd/cm070417/debtext/70417-0022.htm>

Treasury Select Committee Inquiry: Unclaimed assets within the financial system

The Treasury Select Committee will be holding the following evidence sessions on its inquiry into unclaimed assets within the financial system:

Tuesday 15 May - Grant Thornton
Balance Foundation
Charity Bank
Skipton Building Society

Tuesday 5 June - British Bankers' Association
Building Societies Association
Unclaimed Assets Commission

The BSA will be represented by Adrian Coles, BSA Director-General and Iain Cornish, BSA Chairman 2007-08.

Pensions Bill defeated amendments: Unclaimed assets

The Government defeated amendments laid by Conservative MPs to use pensions unclaimed assets to create a 'lifeboat fund' to help those who lost their pension when their employers went bust. The amendment had also proposed a clause to allow the Secretary of State to change this to include all unclaimed assets over time.

Speaking within the debate on 18 April, Philip Hammond MP (*Con, Runnymede and Weybridge*), Shadow Secretary of State for Work and Pensions, said: "*The new clause would provide that the Secretary of State specified the classes of unclaimed assets to be collected by the agency. Our focus is on unclaimed pension assets, including the possibility of residual scheme assets. We think that there is an elegance and a justice in using unclaimed pension assets to deal with a pensions problem. However, the House should be aware that the new clause would enable the Secretary of State, over time, should he wish, to widen or change the scope of the classes of unclaimed assets that could be included.*"

The Government defeated the amendments by 22 votes. The full debate on the Pensions Bill can be viewed here

<http://www.publications.parliament.uk/pa/cm200607/cmhansrd/cm070418/debtext/70418-0006.htm#07041863000002>

PARLIAMENTARY QUESTIONS - VARIOUS

House of Lords Written Question - 23 April 2007 - National Savings and Investments

Baroness Noakes asked Her Majesty's Government: How much money is held with National Savings and Investments in accounts which are now dormant; and

what is the value of products sold by National Savings and Investments which are now unclaimed.

Lord Davies of Oldham: National Savings and Investments estimates that there is £993 million of unclaimed money held across all of their products, of which £435.7 million is held in dormant accounts. These figures have been calculated using definitions for unclaimed assets and dormant accounts that were agreed by the Government and the financial services industry and published in the 2005 Pre-Budget Report.

House of Commons Written Question - 16 April 2007 - Energy Performance Estimates (Green Mortgages)

Michael Gove MP (*Con, Surrey Heath*): To ask the Secretary of State for Communities and Local Government how many lenders offer a green mortgage in preparation for the introduction of energy performance estimates; and if she will make a statement.

Yvette Cooper MP (*Lab, Pontefract and Castleford*): We are aware of four lending bodies who currently offer 'green mortgage' products, others have said they are interested in developing products. As the Chancellor stated in the Budget, the Government expect the introduction of Energy Performance Certificates and other initiatives to provide the potential for the market for 'green' financial products to develop further.

House of Commons Written Question - 24 April 2007 - Companies: Savings

Iain Wright MP (*Lab, Hartlepool*): To ask the Secretary of State for Trade and Industry if he will take steps to ensure that money paid by employees into Christmas and holiday savings schemes administered by their employers is protected in the event that the company goes into administration.

Ian McCartney MP (*Lab, Makerfield*): As we have recently announced, the Christmas Savings Scheme industry (also known as the hamper industry) will be introducing safeguards for pre-payments made by customers through independently controlled, ring-fenced trust accounts. The trust accounts will be controlled by independent trustees, not by the companies, with money credited to customers in the event of the company going into insolvency. Employees taking part in Christmas savings schemes administered by employers who have signed up to these proposals will receive the same protection as any other customer. Although the scheme is voluntary, we would expect new players to this industry to comply with these standards.

EARLY DAY MOTIONS – VARIOUS

(Early Day Motion (EDM) = A motion which is laid to bring attention to an issue, but not debated)

New EDMs

EDM 1322 - *Housing (S.I., 2007, No. 992) (No. 2)* is sponsored by Frank Field MP (*Lab, Birkenhead*)

"That this House considers that the Home Information Pack Regulations 2007 (S.I. 2007, No. 992) dated 23rd March 2007, a copy of which was laid before this House on 29th March should have effect for a five-year period only."

The EDM, laid on 23 March, has 2 signatures to date and can be viewed here <http://edmi.parliament.uk/EDMi/EDMDetails.aspx?EDMID=33097&SESSION=885>

EDM 1363 - *Financial Services and Charges* is sponsored by Diane Abbott MP (*Lab, Hackney North and Stoke Newington*)

"That this House notes that too many financial service providers charge a premium to the poorest members of the community; notes that these charges include illegal overdraft fines, charges for using cash machines, and the higher amount paid by customers who have electricity and gas meters; observes that these charges greatly impinge on poorer communities; recognises that these forms of charges are in fact worsening levels of poverty and debt and for many people amount to a life sentence of hardship; and calls on the Government to look into ways in which the poorest members of society can be protected from the premium on their poverty."

The EDM, laid on 26 April, has 3 signatures to date and can be viewed here <http://edmi.parliament.uk/EDMi/EDMDetails.aspx?EDMID=33142&SESSION=885>

EDM 1264 - *Building and Buildings (S.I., 2007, No. 991)* is sponsored by David Cameron MP (*Con, Witney*)

"That a humble Address be presented to Her Majesty, praying that the Energy Performance of Buildings (Certificates and Inspections) (England and Wales) Regulations 2007 (S.I., 2007, No. 991), dated 23rd March 2007, a copy of which was laid before this House on 29th March, be annulled."

The EDM, laid on 16 April, has 13 signatures to date and can be viewed here <http://edmi.parliament.uk/EDMi/EDMDetails.aspx?EDMID=33043&SESSION=885>

Existing EDMs

EDM Title	EDM Number	Date Laid	Primary Sponsor	No. of MPs who have signed EDM
Bank Charges	105	15/11/06	Mike Hancock MP	38
Campaign to Protect Rural England against Land Banking	494	13/12/06	Greg Mulholland MP	52
Bank Charges No.2	500	13/12/06	Jim Sheridan MP	91
Green Mortgages	556	8/1/07	Colin Challen MP	70
New Business for Post Offices	660	17/1/07	Albert Owen MP	94
Bank Profits and Charges	909	20/2/07	Mike Weir MP	40
Mortgage Arrangement Fees	915	20/2/07	Steve Webb MP	53
Excessive Bank Profits	940	21/2/07	John McDonnell MP	31
Bank Accounts	956	22/2/07	Colin Breed MP	54
First Direct Bank Charges	960	22/2/07	Alan Meale MP	49
Barclaycard Job Losses in Manchester	1063	07/03/07	John Leech	5
Barclaycard Job Losses in Manchester No 2	1071	07/03/07	Tony Lloyd	25
Windfall Tax on High Bank Profits	1116	13/03/07	Hywel Williams	25
Shared Equity Mortgages	1163	19/03/07	Alan Meale	30

All EDMs can be viewed here <http://edmi.parliament.uk>

LEGISLATIVE UPDATE

Government Bills	
Consumers, Estate Agents and Redress Bill	<p>Introduced to the Lords - 16 November Second Reading - 4 December Grand Committee - 18 December, 9, 10 January Report Stage - 30 January Third Reading - 6 February Introduced to the Commons - 7 February Second Reading - 19 March Public Bill Committee - 17, 19, 24 April</p>
Fraud (Trials without jury) Bill	<p>Introduced to the Commons - 16 November Second Reading - 29 November Public Bill Committee - 12 December Report and Third Reading - 25 January Introduced to the Lords - 26 January</p>



	Second Reading - 20 March
Legal Services Bill	Introduced to the Lords - 23 November Second Reading - 6 December Committee of the Whole House - 9, 22, 23 January 6, 21 February, 6 March Report Stage - 16, 18 April, 8 May (provisional) Third Reading - 15 May (provisional)
Mental Health Bill	Introduced to the Lords - 16 November Second Reading - 28 November Committee of the Whole House - 8, 10, 15, 17, 29 January Report Stage - 19, 26, 27 February Third Reading - 6 March Introduced to the Commons - 7 March Second Reading - 16 April Public Bill Committee - 24, 26 April, 1 May (provisional)
Pensions Bill	Introduced to the Commons - 28 November Second Reading - 16 January Public Bill Committee - 23, 25, 30 January, 1, 6, 8 February Remaining Stages - 18 April Introduced to the Lords - 19 April Second Reading - 14 May (provisional)
Serious Crime Bill	Introduced to the Lords - 16 January Second Reading - 7 February Committee Stage - 7, 14, 21, 26, 27 March Report stage - 25 April, 30 April Third Reading - 9 May 2007 (provisional)
Private Members' Bills	
Financial Mutuals Arrangements Bill	Introduced to the Commons - 13 December Second Reading - 23 March Committee Stage - 25 April Report Stage - 27 April
Pensions (Unclaimed Assets)	Introduced to the Commons - 7 March Second Reading - 15 June

KEY DATES & FUTURE BUSINESS

Houses of Parliament Recess Dates

Whitsun - 24 May 2007 - 4 June 2007

Summer - 26 July 2007 and 8 October 2007