

CHAPTER xc.

An Act to authorise the metropolitan borough A.D. 1922. councils of Shoreditch Bermondsey Finsbury Greenwich Hammersmith Southwark and Stoke Newington to establish Superannuation Funds and for other purposes. [4th August 1922.]

WHEREAS the metropolitan boroughs of Shoreditch Bermondsey Finsbury Greenwich Hammersmith Southwark and Stoke Newington in the administrative county of London are metropolitan boroughs constituted under the London Government Act 1899 and are under the management and control of the respective mayors aldermen and councillors of the said boroughs (hereinafter collectively referred to as "the Councils"):

And whereas under and by virtue of the Superannuation (Metropolis) Act 1866 and the London Government Act 1899 the Councils are empowered to grant allowances in the nature of superannuation allowances or gratuities to persons who shall have served in an established capacity as officers of the Councils:

And whereas it has been the custom of the Councils to grant superannuation allowances to their officers and servants on retirement under the provisions of the Superannuation (Metropolis) Act 1866 aforesaid:

And whereas by the London (Existing Officers) Scheme 1900 it is provided that subject to the provisions of the Superannuation (Metropolis) Act 1866 in computing

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A.D. 1922. the time of the service for the purposes of that Act of an officer of the Council of a metropolitan borough who has been transferred by or under the London Government Act 1899 to that Council from any other authority and who before the transfer was an officer to whom the Superannuation (Metropolis) Act 1866 applied any period during which the officer was in the service of that other authority shall be included:

And whereas in pursuance of the aforesaid scheme certain of the officers transferred to and now in the service of the Councils are to the extent defined by such scheme entitled to the benefits conferred by the Superannuation (Metropolis) Act 1866:

And whereas doubts may arise as to whether certain persons transferred to or appointed by the Councils are officers acting in an established capacity within the meaning of the Superannuation (Metropolis) Act 1866 and as to the powers and duties of the Councils with reference to such persons and it is expedient that provision should be made with reference thereto as in this Act set forth:

And whereas it is expedient that a uniform practice should so far as possible be established for the granting by the Councils of superannuation allowances to the whole of the employees transferred to or appointed by the Councils as aforesaid in manner provided by this Act:

And whereas in relation to the promotion of the Bill for this Act the requirements of the Borough Funds Acts 1872 and 1903 have been observed:

And whereas the objects aforesaid cannot be attained without the authority of Parliament:

May it therefore please Your Majesty that it may be enacted and be it enacted by the King's most Excellent Majesty by and with the advice and consent of the Lords Spiritual and Temporal and Commons in this present Parliament assembled and by the authority of the same as follows (that is to say):—

PART I.

Introductory.

Short title and commencement of Act. 1. This Act may be cited as the Shoreditch and other Metropolitan Borough Councils (Superannuation)

[12 & 13 Geo. 5.] Shoreditch and other [Ch. xc.] Metropolitan Borough Councils (Superannuation)

Act. 1922.

Act 1922 and shall come into operation as from the A.D. 1922. first day of January one thousand nine hundred and twenty-three.

2. This Act is divided into Parts as follows:—

Division of Act into Parts.

Part I.—Introductory.

Part II.—Superannuation and gratuities.

Part III.—Financial.

- 3. In this Act unless the context otherwise Interpretarequires the expression—tion.
 - "Council" means with respect to each of the metropolitan boroughs to which this Act applies the Council of that borough;
 - "General rate" means the rate or rates levied and collected in the respective metropolitan boroughs to which this Act applies and defined by section 10 of the London Government Act 1899 as the general rate;
 - "Employee" means every person (whether officer or servant) in the employment of the Council and placed on the permanent establishment by resolution of the Council passed or to be passed;
 - "Service" means service under the Council or as regards an employee transferred to the Council from any other authority by or under the London Government Act 1899 also service under such authority and includes temporary service under the Council before the commencement of this Act where such service has been continuous and of not less than five years' duration;
 - "Aggregate service" means service as above defined together with any service continuous therewith under an authority or authorities other than the Council or their predecessors which shall be aggregated and reckoned in accordance with the provisions of the section of this Act whereof the marginal note is "Service under other authorities";
 - "Salary or wages" means all the salary or wages of any employee computed on the footing of

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continuous whole-time employment and all fees poundage and other payments paid or made to him as such by the Council for his own use also the money value of any apartments rations or other allowance in kind appertaining to his employment but does not include casual payments or gratuities or payments in respect of overtime or any war bonus granted as such;

"Joint appointment" includes any employment the tenure whereof is determined by the death removal resignation or incapacity of the holder of another employment under the Council;

"Superannuation fund" means a fund to be established and administered by the Council in the manner described and provided in the section of this Act whereof the marginal note is "Superannuation fund";

"Statutory borrowing power" means any power whether or not coupled with a duty of borrowing or continuing on loan or re-borrowing money or of redeeming or paying off or creating or continuing payment of or in respect of any annuity rentcharge rent or other security representing or granted in lieu of consideration money for the time being existing under any Act of Parliament public or local passed or to be passed or under any Provisional Order confirmed by Act of Parliament passed or to be passed or under any order or sanction of any Government department made or given or to be made or given by authority of any Act of Parliament passed or to be passed;

"Statutory security" means any security in which trustees are for the time being by or under any Act of Parliament passed or to be passed authorised to invest trust money and any mortgage bond debenture debenture stock stock or other security authorised by or under any Act of Parliament passed or to be passed of any county council or municipal corporation or other local authority as defined by section 34 of the Local Loans Act 1875 but does not include annuities rentcharges or securities transferable by delivery

or any securities of the Council.

PART II.

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SUPERANNUATION AND GRATUITIES.

- 4.—(1) Subject to the provisions of this Act every Title to employee who shall have completed ten years' service or superannuaten years' aggregate service and shall become incapable of tion allowdischarging the duties of his employment with efficiency by reason of permanent ill-health or infirmity of mind or body (other than permanent incapacity due to an injury in respect of which he is entitled to compensation under the Workmen's Compensation Act 1906 or any Act extending amending or replacing the same) or who shall have attained the age of sixty years and have completed service or aggregate service as aforesaid of forty years or who shall have attained the age of sixty-five years shall be entitled on resigning or otherwise ceasing to hold his employment to receive during life a superannuation allowance according to the scale by this Act provided Save as is otherwise by this Act provided every such superannuation allowance shall be paid out of the superannuation fund.
- (2) Where an employee has attained the age of sixty-five years he shall cease to hold his employment Provided that the Council may with the consent of the employee by resolution extend the period of employment of any such employee for one year and so from time to time as they may deem expedient. Provided also that no contribution shall be made by the Council or by any employee to the superannuation fund in respect of any service for any part of any period of service under any such extension and any such period shall be disregarded in calculating any superannuation allowance out of the superannuation fund.

5. Notwithstanding anything in this Act—

(i) Any superannuation allowance granted to any employee who at the commencement of this Act shall have attained the age of fifty-five years; and

(ii) Any superannuation allowance granted during the period of three years after the commencement of this Act; and

Incidence of certain allowances.

A.D. 1922.

- (iii) Any addition to any superannuation allowance arising by reason of any addition made to the actual number of years of service or of aggregate service under the section of this Act of which the marginal note is "Increase of allowance in special cases"; and
- (iv) Any gratuity granted under the section of this Act of which the marginal note is "Gratuities"; and
- (v) Any gratuity granted under the provisions of the section of this Act of which the marginal note is "Return of contributions with interest in certain cases";

shall be paid out of the general rate and not out of the superannuation fund.

Scale of superannua-tion allow ances.

6. Subject to the provisions of this Act the superannuation allowance to be made to an employee under this Act shall be made out of the superannuation fund and shall be on the following scale (that is to say):—

After ten years' service or aggregate service tensixtieths of the average amount of his salary or wages during the five years ending on the quarter day which immediately precedes the day on which the employee ceases to hold his employment;

After eleven years' service or aggregate service elevensixtieths of such average amount;

And so on up to a maximum after forty or more years' service or aggregate service of forty-sixtieths of such average amount:

Provided that in the case of an employee transferred to the Council from an authority superseded by the Council to whom a compensation allowance has been granted under the London Government Act 1899 in respect of an office or employment abolished by the Council there shall be paid to him as a superannuation allowance the amount by which a superannuation allowance calculated as provided in this section or on the maximum annual salary or wages which he would have received had his office not been abolished whichever may be the greater would exceed the annual amount of such compensation allowance.

[12 & 13 Geo. 5.] Shoreditch and other [Ch. xc.] Metropolitan Borough Councils (Superannuation) Act, 1922.

7.—(1) All periods of service by an employee (other A.D. 1922. than an employee to whom a compensation allowance Service has been granted under the London Government Act under other 1899) rendered before his appointment by the Council authorities. or their predecessors under and as an officer of any authority or authorities to which the Metropolis Management Acts 1855 to 1893 the Vestries Acts 1818 to 1853 the Elementary Education Act 1870 the Public Health (London) Act 1891 the Public Health Acts the Public Libraries Acts 1892 and 1893 the Baths and Washhouses Acts 1846 to 1882 the Burial Acts the Local Government Act 1888 the Local Government Act 1894 the Union Assessment Committee Acts the Valuation (Metropolis) Act 1869 the Municipal Corporations Act 1882 the Poor Law Officers' Superannuation Act 1896 the London Government Act 1899 or one or more of such Acts apply or have applied and whether the duties or powers of such authority or authorities shall have been transferred to the Council or not shall be aggregated and reckoned for the purposes of this Act whether the whole time of such employee has been devoted to such service or not:

Provided that no such period of service shall be so aggregated and reckoned which has been or may be reckoned for the purpose of superannuation allowances or gratuities under any of the aforesaid Acts:

Provided further that no such period of service shall be so aggregated and reckoned in a case where an employee is unable to prove to the reasonable satisfaction of the Council within a period of six months from the commencement of this Act that he has been in the service or employment of any such authority or authorities.

- (2) An employee appointed prior to the passing of this Act shall be entitled by notice in writing within six months thereafter to require that all or any period or periods of service under any authority or authorities whereof the duties or powers have not been transferred to the Council shall not be so aggregated and reckoned.
- (3) In the case of an employee appointed subsequently to the passing of this Act no such period of service shall be so aggregated and reckoned unless such

A.D. 1922. employee declares prior to his appointment and proves to the satisfaction of the Council within a period of three months from the date of such appointment that he has been in the service or employment of any such authority or authorities and the Council on the application of such employee in such case shall at their discretion direct whether the whole or any part of any such period of service shall or shall not be so aggregated and reckoned and in respect of every five years or part of five years of any such period of service which shall be so aggregated and reckoned such employee shall contribute annually to the superannuation fund one-half per centum of his salary or wages in addition to the contribution provided by the section of this Act the marginal note whereof is "Contributions by employees."

Forfeiture for fraud &c.

8. An employee who is dismissed or resigns or otherwise ceases to hold his employment in consequence of any offence of a fraudulent character or of grave misconduct involving pecuniary loss to the Council shall forfeit all claim to any superannuation allowance under this Act Provided that in the case of any such employee the Council may if they see fit return to him out of the superannuation fund a sum equal to the amount of all his contributions thereto under this Act or to such part thereof as the Council shall think fit.

Return of contributions with interest in certain cases.

9. An employee who has not become entitled to a superannuation allowance and who loses his employment through permanent incapacity due to injury in respect of which he is entitled to compensation under the Workmen's Compensation Act 1906 or any Act extending amending or replacing the same or for any cause whatever other than his own misconduct incapacity or voluntary resignation shall be entitled to receive out of the superannuation fund a sum equal to the amount of all his contributions to such fund together with compound interest thereon calculated to the date of his loss of employment or resignation at the rate of three per centum per annum by half-yearly rests.

In any such case of loss of employment as in this section mentioned the Council may also if they see fit grant to the employee a gratuity not exceeding twice the amount of his salary or wages during the year [12 & 13 Geo. 5.] Shoreditch and other [Ch. xc.] Metropolitan Borough Councils (Superannuation) Act, 1922.

ending on the quarter day which immediately precedes the day on which he ceases to hold his employment:

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Provided that when such loss of employment occurs in a case in which the death resignation or insanity of one of the holders of a joint appointment vacates the office of the other the employee whose employment is so vacated shall if he has attained the age of fifty years or has served for not less than twenty years be entitled unless he is re-appointed to employment and except where in the case of husband and wife the joint appointment is terminated owing to the misconduct of one of them to receive during life a superannuation allowance according to the scale prescribed by this Act.

10. In the event of an employee voluntarily Return of resigning his employment or being dismissed for incapacity (fraud or misconduct not being alleged) before he has under the provisions of this Act become entitled to a superannuation allowance the Council shall pay to him out of the superannuation fund a sum equal to the amount of the contributions made by such employee under this Act.

contributions in certain cases.

11.—(1) In the event of an employee dying before Return of becoming entitled to or receiving a superannuation contribuallowance under this Act the Council shall pay to his tions in case legal personal representative out of the superannuation fund a sum equal to the amount of the contributions made by such employee under this Act together with compound interest thereon calculated to the date of his death at the rate of three per centum per annum by half-yearly rests.

(2) In any case in which any employee shall die after he has become entitled to a superannuation allowance under this Act and before he shall have received by way of superannuation allowance an aggregate amount equal to the amount of his contributions under this Act together with compound interest on such contributions calculated to the date of his retirement at the rate of three per centum per annum by half-yearly rests the Council shall pay to his legal personal representative out of the superannuation fund the difference between the total amount which such employee has received by way of superannuation allowance and the

A.D. 1922. aggregate amount of his contributions under this Act and of compound interest on such contributions at the rate and calculated as aforesaid up to the date of his retirement.

Notice of certain proposals.

12. At least one month's notice in writing shall be given to every member of the Council of the time at which any proposal to return contributions to an employee who has been dismissed or resigns in accordance with the provisions of the section of this Act whereof the marginal note is "Forfeiture for fraud &c." or any proposal to grant a gratuity under this Act will be considered.

Allowance not assignable. 13. Every superannuation allowance granted under this Act shall be payable to or in trust for the employee and shall not be assignable or chargeable with his debts or other liabilities.

Contributions by employees.

- 14.—(1) Subject to the provisions of this Act every employee shall as from the date when this Act comes into operation contribute to the superannuation fund a percentage amount of his salary or wages according to the scale provided by this Act which amount shall be deducted from the salary or wages payable to him by the Council and shall be carried to the credit of and form part of the superannuation fund.
- (2) The percentage amounts to be deducted as aforesaid for the purposes of the superannuation fund shall be as follows (that is to say):—
 - In the case of employees with less than five years' service or aggregate service at the passing of this Act or appointed after the passing of this Act four per centum:
 - In the case of employees with five and less than fifteen years' service or aggregate service at the passing of this Act four and a half per centum:
 - In the case of employees with fifteen and less than twenty years' service or aggregate service at the passing of this Act five per centum:
 - In the case of employees with twenty and less than twenty-five years' service or aggregate service at the passing of this Act five and a half per centum:

In the case of employees with twenty-five or more A.D. 1922. than twenty-five years' service or aggregate service at the passing of this Act six per centum.

- (3) Nothing in this Act shall require any employee to make any contribution for the purposes of this Act in respect of any period previous to the commencement of this Act.
- 15.—(1) The Council shall establish and administer Supera superannuation fund to which shall be carried and annuation credited in each year:—

fund.

- (A) The amounts deducted in such year under the provisions of this Act from the salaries and wages of employees contributing to the superannuation fund other than employees who at the commencement of this Act shall have attained the age of fifty-five years:
- (B) A sum equal in amount to the sum which during such year has been contributed to the superannuation fund by employees (in this Act referred to as "the equivalent contribution") and such further sums if any as the Council may become liable to carry and contribute thereto under the provisions of this Act:
- (c) All dividends and interest arising in such year out of the investment or use of the superannuation fund or any part thereof.
- (2) The equivalent contribution as to every employee shall be made out of the separate fund (if any) out of which the wages or salary of such employee are payable and if there shall be no such separate fund then out of the general rate.
- (3) The amounts deducted in each year from the salary or wages of any employee who at the commencement of this Act shall have attained the age of fifty-five years shall be credited in such year to the general rate.
- 16.—(1) Within six months after the first day of Actuarial January one thousand nine hundred and twenty-three investigaand at the expiration of every subsequent period of five years the condition of the superannuation fund shall contribube submitted by the Council to an actuary being a tions, Fellow either of the Institute of Actuaries or of the

tions and deficiency

A.D. 1922. Faculty of Actuaries in Scotland appointed by them who shall consider the same and shall make an actuarial valuation of the fund and on the basis of such valuation shall certify what sum if any in addition to the equivalent contribution should in his opinion be contributed by the Council to the superannuation fund in each year so that such additional sum shall at all times be as nearly constant and vary as little as may be and so that without further recourse to the general rate the superannuation fund shall be solvent (having regard to the then existing and prospective liabilities and to any exercise by the Council of the powers of the Council under the third and fourth subsections of this section) and for the then ensuing quinquennial period the sum so certified shall be contributed by the Council to the superannuation fund accordingly Such additional sum so far as the same shall be attributable to employees of the Council at the commencement of this Act may be calculated so as to cast upon the Council an annual charge for a period of sixty years from such commencement.

- (2) Two copies of each valuation and certificate of any actuary made under the provisions of this section shall be forwarded to the Minister of Health.
- (3) On any or every occasion on which any such valuation shall show a deficit in the superannuation fund the Council may by resolution increase to such extent as shall be certified by the actuary to be necessary to avoid a further deficit in such fund the rate of contributions to such fund provided for by the section of this Act of which the marginal note is "Contributions by employees" but nothing in this subsection shall allow any increase beyond the original rate fixed by this Act to be made in the rate of contribution of any employee who is at the date of the resolution a contributor to such fund.
- (4) On any or every occasion on which any such valuation shall show a surplus of the superannuation fund the Council may by resolution decrease to such extent as shall be certified by the actuary to be possible - without risk of causing a deficit in such fund the rate of contributions to such fund provided for by the section of this Act of which the marginal note is "Contributions by employees."

17. The Council may use for the purpose of any statutory borrowing power possessed by them any moneys forming part of the superannuation fund and not for the time being required for payments to be made under this Act subject to the following conditions:—

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Use of moneys cf superannua tion fund.

- (A) The moneys so used shall be repaid to the superannuation fund within the period by the methods and out of the fund rate or revenue within by and out of which a loan raised under the statutory borrowing power would be repayable:
- (B) Interest shall be paid to the superannuation fund on any moneys so used and for the time being not repaid to the fund Such interest shall be calculated at a rate per centum per annum to be determined by the Council and equal as nearly as may be to the rate of interest which would be payable on a loan raised on mortgage under the statutory borrowing power and shall be paid out of the fund rate or revenue which would be applicable to the payment of interest on a loan raised under the statutory borrowing power:
- (c) The statutory borrowing power for the purpose of which the moneys are so used shall be deemed to be exercised by such use as fully in all respects as if a loan of the same amount had been raised in exercise of the power.
- 18.—(1) As soon as may be after the commence- Notice of ment of this Act a copy of the provisions of this Act provisions shall be sent or delivered to each employee to whom the provisions of this Act apply.

of this Act ployees.

- (2) A copy of the provisions of this Act shall as soon as may be after his appointment be sent or delivered to every employee who may be appointed subsequently to the commencement of this Act.
- 19. The surplus of the annual income of the super- Investment annuation fund above the expenditure thereout shall be of surplus invested in statutory securities or in such other securities income. as may be authorised by the Minister of Health or be used in the manner hereinbefore provided and the income arising from time to time from such investment or use shall be paid into that fund.

A.D. 1922.

Transfer to general

superannua-

tion fund.

20. In the event of any general Act being passed in the present or any future session of Parliament providing for the establishment of a superannuation scheme which would include any employee to whom this Act applies and such a fund or scheme being established any such employee then in service may within one year from the establishment of such scheme or fund by written request to the Council be transferred to such scheme or fund on such terms and conditions as may be agreed upon between him and the Council and approved by the Minister of Health and as from the date of such transfer of any such employee all obligations of such employee to contribute to and all claims of such employee on the superannuation fund shall cease.

Saving for existing employees.

21. Any employee in the employment of the Council at the time of the passing of this Act may at any time within three months after the commencement of this Act signify in writing to the Council his intention not to avail himself of the provisions of this Act and in that event it shall not be obligatory on him notwithstanding anything in this Act to make any contributions or submit to any deductions from his salary or wages under this Act nor shall he be entitled to receive any superannuation allowance or other benefit under this Act Any employee who has given such notice as aforesaid shall if subject immediately before the date of the passing of this Act to the provisions of the Superannuation (Metropolis) Act 1866 or the Poor Law Officers' Superannuation Act 1896 remain subject thereto as if this Act had not been passed and those provisions shall for the purpose of this enactment continue in force notwithstanding the provisions of the section of this Act whereof the marginal note is "Acts of 1866 and 1896" to cease to apply."

Arbitration.

22. Any question which may arise between the Council and any employee as to the right to or the amount of superannuation allowance or the amount of the contribution of such employee shall in default of agreement be referred to and determined by an arbitrator to be agreed upon between the Council and such employee or failing such agreement appointed by the Minister of Health and subject as aforesaid the provisions of the Arbitration Act 1889 shall apply to any such reference.

23. The Council may on the retirement from service A.D. 1922. of any employee possessing professional or other peculiar qualifications not ordinarily to be acquired in such service allowance and of special value therein by special resolution direct in special that such number of years (not exceeding ten) as the cases. Council shall by such resolution specify be added to the actual number of years of service or aggregate service of such employee for the purpose of calculating his superannuation allowance under this Act.

24. The Council may grant to any employee who Gratuities. is not entitled to a superannuation allowance under this Act on his retiring from service for any cause except misconduct such gratuity as the Council may by special resolution determine not exceeding a sum equal to twice the amount of the salary or wages of such employee during the year ending on the quarter day which immediately precedes his retirement.

25. No person who is not an employee at the Medical commencement of this Act shall be deemed to be an examinaemployee for the purposes of this Act or shall contribute tion. to the superannuation fund unless he shall be approved as a contributor to the superannuation fund by the Council after such medical examination of such person as the Council may from time to time direct.

26. Except as hereinbefore provided the Super- Acts of 1866 annuation (Metropolis) Act 1866 and the Poor Law and 1896 to Officers' Superannuation Act 1896 shall cease to apply cease to to the Council and its employees as from the commence. apply. ment of this Act but this provision shall not affect the payment of any superannuation allowance granted before the commencement of this Act nor any right or liability acquired or accrued nor anything duly done or suffered before the commencement of this Act.

27. The provisions of sections 3 to 26 inclusive of Application this Act shall be registered under the Friendly Societies of Friendly Act 1896 as if the same were as to each of the Councils Societies the rules of a friendly society registered under that Act Act 1896. in respect of the superannuation fund to be established by that Council and shall have effect as such rules and the provisions of that Act (except the proviso to subsection (1) of section 8 and section 41) so far as they are applicable and are not inconsistent with the provisions

A.D. 1922. of this Act shall apply (A) as if the Council were the trustees of such society as to the superannuation fund to be established by such Council (B) as if the superannuation fund to be established by such Council were the funds of such society (C) as if the contributors to such fund were the members of such society and (D) as if the accounts of such fund as audited by the district auditor appointed by the Ministry of Health were the annual return of the receipts and expenditure funds and effects required by section 27 of the said Act.

Saving in respect of Exchequer grants.

28. Nothing in this Act shall entitle a Council to any payment out of moneys provided by Parliament towards any contribution made by them to a superannuation fund.

PART III.

FINANCIAL.

Costs of Act.

29. The costs charges and expenses of the metropolitan boroughs to which this Act applies preliminary
and incidental to the preparing applying for obtaining
and passing of this Act as taxed by the taxing officer of
one of the Houses of Parliament shall be paid by the
Councils of those boroughs in equal shares out of their
respective general rates.

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