
STATUTORY INSTRUMENTS

1970 No. 477

**The British Transport (Amalgamation of
Railways' Pension Funds) (No. 1) Order 1970**

Commencement, citation and interpretation

1.—(1) This Order shall come into operation on the 6th April 1970, and may be cited as the British Transport (Amalgamation of Railways' Pension Funds) (No. 1) Order 1970.

(2) In this Order, unless the context otherwise requires—

“the amalgamated fund” has the meaning given in Article 2 of this Order;

“the amalgamation date” means the 6th April 1970;

“the Board” means the British Railways Board;

“existing fund” means a pension fund specified in column (1) of Schedule 1 to this Order;

“the Management Committee” has the meaning given in Article 6 of this Order;

“the Minister” means the Minister of Transport;

“section”, in relation to the amalgamated fund, means one of the sections of that fund specified in column (2) of Schedule 1 to this Order;

“Sectional Committees” has the meaning given in Article 4 of this Order and “a Sectional Committee” means one of those committees.

(3) References in this Order to a section of the amalgamated fund as corresponding to an existing fund are references to the section specified in column (2) of Schedule 1 to this Order opposite to the name of that fund in column (1) of that Schedule.

(4) Unless the context otherwise requires, references in this Order to the provisions of any enactment or instrument shall be construed as references to those provisions as amended, re-enacted or modified by or under any subsequent enactment or instrument.

(5) The Interpretation Act 1889 shall apply for the interpretation of this Order as it applies for the interpretation of an Act of Parliament.

Amalgamation of pension funds

2.—(1) On the amalgamation date the four existing pension funds specified in column (1) of Schedule 1 to this Order shall be amalgamated and become one pension fund to be known as the British Railways Superannuation Fund (which pension fund is in this Order referred to as “the amalgamated fund”).

(2) The amalgamated fund shall be vested in the Board and shall consist of the four sections specified in column (2) of the said Schedule, each section corresponding to the existing fund specified in column (1) of the said Schedule opposite to the name of that section in column (2) of that Schedule.

(3) On and after the amalgamation date the Board shall, subject to the provisions of this Order, hold all the assets of the existing funds as assets of the amalgamated fund on trust and subject to provisions which correspond, as respects each of the said sections, to the provisions which were,

immediately before the amalgamation date, applicable to the existing fund to which such section corresponds.

Members and beneficiaries of the amalgamated fund

3. On the amalgamation date all persons who immediately before that date—
- (a) were contributing or non-contributing members of an existing fund shall become contributing or non-contributing members (as the case may be) of the corresponding section of the amalgamated fund,
 - (b) were in receipt of, or contingently entitled to, benefit from an existing fund shall become entitled immediately or contingently (as the case may be) to the same benefit from the corresponding section of the amalgamated fund,
 - (c) were eligible for admission, or had rights of readmission, to an existing fund shall be similarly eligible for admission, or have similar rights of admission, to the corresponding section of the amalgamated fund;

and all the persons aforesaid shall have the same rights against and the same obligations towards the amalgamated fund as they had against or towards their existing fund.

Application of existing statutory provisions etc

- 4.—(1) Subject to the provisions of this Order, on and after the amalgamation date,
- (a) all statutory provisions, rules and other instruments which immediately before that date had effect as respects an existing fund (including, in particular, but without prejudice to the generality of the foregoing, the provisions conferring powers to alter the rules or scheme of the fund) shall have the like effect as respects the corresponding section of the amalgamated fund;
 - (b) the committees of management of the existing funds shall continue in existence as committees for the management of the corresponding sections of the amalgamated fund (in this Order referred to as “Sectional Committees”) and the existing provisions relating to their appointment, constitution and functions shall remain effective;
 - (c) the existing members of the said committees shall continue in office as members of the corresponding Sectional Committees until new appointments fall to be made under the provisions aforesaid.

(2) Without prejudice to the generality of paragraph (1) of this Article, the provisions of the British Transport Reorganisation (Pensions of Employees) (No. 1) Order 1964⁽¹⁾ (so far as applicable) and of Articles 3 and 4 of the British Transport (Pensions of Employees) (No. 1) Order 1969⁽²⁾ shall on and after the amalgamation date apply in relation to the amalgamated fund as they apply immediately before that date to each of the existing funds.

Investment

5.—(1) The provisions of this Article shall have effect with respect to the investment of the amalgamated fund with a view, among other things, to securing uniform powers of investment for the whole of the fund.

(2) The Board shall have power to invest in securities in which trustees are for the time being authorised by law to invest trust funds and in such other securities and investments as the Board may, with the consent of the Minister, determine.

(1) (1964 II, p. 3034).

(2) (1969 III, p. 5668).

(3) Where immediately before the amalgamation date assets of any of the existing funds are in the form of deposits with the Board (having been applied by the Board to the general purposes of the Board's undertaking) the Board may continue to hold as trustees for the amalgamated fund the whole or any part of such assets in that form until such time or times as the Board otherwise determine and, so long as any such assets are held by the Board in the form of such deposits, the Board shall credit the amalgamated fund with interest at such rate (not being less than 5 per cent. per annum) as they may from time to time determine on the assets for the time being so held.

(4) If in any half year the total sum received by the amalgamated fund by way of dividends, net rent, interest and underwriting commission falls short of a sum equal to 2 per cent. of the total amount of that fund, the Board shall pay or credit to the amalgamated fund a sum equal to the difference between the said two sums. This provision shall have effect as respects the period between the amalgamation date and the 30th June 1970 as if "1 per cent." were substituted for "2 per cent."

(5) For the purposes of the last foregoing paragraph the amount of the amalgamated fund shall be taken as the total of the balances held in the accounts of the fund at the commencement of the half year concerned or, as respects the period between the amalgamation date and the 30th June 1970, the aggregate of the balances held in the existing funds immediately before the amalgamation date, and the expression "net rent" shall mean rent after deduction of all expenses incurred in connection with the collection of the said rent or the management of the properties in respect of which the rent is payable, and the expression "half year" shall mean any period of 6 months ending on the 30th June or the 31st December in any year.

(6) The provisions of paragraph (4) of this Article shall have effect in place of such provisions applicable to any of the existing funds as require the Board to credit that fund with such sums as will amount, together with dividends and interest received, to a sum equal to interest at the rate of 4 per cent. per annum on the total capital amount of the fund concerned.

(7) The Board may charge the assets of the amalgamated fund as security for money borrowed for the purposes of the fund.

(8) As to all immovable property held by the amalgamated fund (whether situate in England or any other part of the United Kingdom, the Isle of Man or the Channel Islands and whether purchased alone or jointly or in common with any other person or corporation), the Board shall have and may exercise or join in exercising, except as provided in the next following paragraph, all the powers of management, or superintending the management thereof, referred to in section 102 of the Settled Land Act 1925, and also generally all the powers conferred upon a tenant for life or the trustees of a settlement under the said Act, and, by way of extension of such powers, power to carry out with moneys forming part of the amalgamated fund any improvements of any kind to land or buildings (whether referred to in the said Act or not and including the erection, demolition and reconstruction of any buildings), and may grant or join in granting leases of any kind for any term not exceeding 999 years and on such terms and conditions as may be thought desirable, and may grant or join in granting options.

(9) Nothing in the last preceding paragraph of this Article shall be construed or have effect so as to enable the Board to borrow money otherwise than in accordance with section 19 of the Transport Act 1962.

Management Committee

6.—(1) There shall be a Committee for the management and general direction of the amalgamated fund (in this Order referred to as "the Management Committee") which shall be constituted and exercise its functions in accordance with the provisions of Schedule 2 to this Order, and each Sectional Committee shall exercise its functions subject to such management and general direction by the Management Committee.

(2) In addition to its functions of management and general direction of the amalgamated fund the Management Committee shall (subject as hereinafter provided) have power to review and alter

decision of any Sectional Committee and to deal with any other matters referred to it by a Sectional Committee.

(3) The Management Committee shall not have power to review or alter the decision of any Sectional Committee on claims made on the amalgamated fund by members of, or beneficiaries under, the section in question or on questions of fact arising in connection with such members or beneficiaries or on matters of procedure affecting that section.

(4) The approval of employments in respect of which there are reciprocal arrangements for the preservation of pension rights shall be a function of the Management Committee.

General meetings, officers, accounts

7.—(1) The provisions of Schedules 3, 4 and 5 to this Order shall have effect with respect to general meetings of members of the amalgamated fund, the officers of the amalgamated fund and the accounts (including audit of accounts) of the amalgamated fund.

(2) It shall not be necessary after the amalgamation date to hold separate meetings of the members of the several sections of the amalgamated fund under the provisions applicable thereto by virtue of Article 4 of this Order, but matters specifically relating to a section (including, in particular, the appointment of contributors' or members' committee-men to the Sectional Committee and the alteration of the rules or scheme of the section) may be dealt with at a General Meeting of members of the amalgamated fund. Where such matters are so dealt with, they shall be determined by the members of the section in question voting as a separate group at the General Meeting, and any specific provisions or rules applicable to that section by virtue of Article 4 of this Order and relating to voting by members in general meeting or otherwise to the taking by them of decisions on the matters aforesaid shall have effect in relation to such determination by the members of that section voting as a separate group as aforesaid, but where in any year the election of contributors' or members' committee-men to a Sectional Committee is to take place at the Annual General Meeting of the amalgamated fund, the names of the candidates nominated, together with their consents in writing to act, shall be forwarded to the Secretary of the amalgamated fund during the first ten days of May in that year.

(3) It shall not be necessary after the amalgamation date to appoint separate secretaries, actuaries or auditors of the several sections of the amalgamated fund but the secretary, the actuary or actuaries and the auditors of the amalgamated fund may act in such capacities in relation to each such section and may exercise the functions of those officers under the provisions applicable to such section by virtue of Article 4 of this Order.

(4) The provisions relating to the preparation and audit of the accounts and applicable to the existing funds immediately before the amalgamation date shall cease to have effect on that date.

Guarantee of solvency

8.—(1) Those provisions, applicable to the existing funds, which relate to actuarial valuations and payments by the Board to secure the solvency of the funds, shall cease to have effect on the amalgamation date.

(2) The Board shall make such payments to the amalgamated fund, in addition to any other sums which are due to the amalgamated fund, as shall be certified by the actuary of the fund to be necessary to provide from the amalgamated fund the benefits prescribed by the rules of all the sections of the fund.

(3) For the purpose of determining the payments required under paragraph (2) of this Article, each section shall be considered separately and a surplus in one section shall not be offset against a deficiency in another section.

(4) For the purposes of paragraph (3) of this Article the part of the LNER section of the amalgamated fund which relates to persons admitted to the London and North Eastern Railway Superannuation Fund before the 1st June 1957 and the remaining part of that section shall be regarded as separate sections of the amalgamated fund.

Management expenses

9.—(1) The cost of the acquisition or disposal of investments of the amalgamated fund shall be borne by the fund except in so far as the Board may decide to bear such cost.

(2) All other costs, charges and expenses whatsoever incurred in or in connection with the management of the amalgamated fund shall be borne by the Board.

Protection against worsening of position

10. No person, other than the Board, shall be placed in a worse position by reason of the operation of this Order and the provisions of this Order shall have effect subject to this requirement.

Sealed with the Official Seal of the Minister of Transport the 20th March 1970.

L.S.

Fred Mulley
Minister of Transport