

1974 No. 2001

## TRANSPORT

## PENSIONS AND COMPENSATION

**The British Railways Board (Central Trust)  
Order 1974**

<i>Made</i>	- - -	<i>2nd December 1974</i>
<i>Laid before Parliament</i>		<i>11th December 1974</i>
<i>Coming into Operation</i>		<i>1st January 1975</i>

The Secretary of State for the Environment, in exercise of powers conferred by section 74 of the Transport Act 1962(a), and now vested in him (b), and of all other enabling powers, hereby makes the following Order:—

*Commencement, citation and interpretation*

1.—(1) This Order shall come into operation on 1st January 1975, and may be cited as the British Railways Board (Central Trust) Order 1974.

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

“the Board” means the British Railways Board;

“the Central Trust” means the trust constituted by a deed executed by the Board on 22nd November 1974 for establishing a central fund for the purposes of receiving, holding, investing and applying payments made under section 5 of the Railways Act 1974(c) (which relates to the funding of railway pension schemes) and other payments made and assets transferred in connection with pension schemes in the railway industry, “the Central Trust deed” means that deed and “the trustees of the Central Trust” means the trustees for the time being of the Central Trust;

“the persons administering”, in relation to a pension scheme, means the persons responsible for administering the scheme under the terms applicable thereto, and includes the trustees (if any) of the scheme;

“Scheduled pension scheme” means a pension scheme (being a scheme for providing pensions or other benefits wholly or mainly for or in respect of employees or former employees of the Board, or of any subsidiary of the Board, or of any person or body whose undertaking now forms part of the undertaking of the Board or of a subsidiary of the Board) specified in the Schedule to this Order, and “the Scheduled pension schemes” means all the schemes so specified;

(a) 1962 c. 46.  
(c) 1974 c. 48.

(b) S.I. 1970/1681 (1970 III, p. 5551).

“term” in relation to a pension scheme to which this Order applies, includes any rule or provision of the scheme, or of any statutory provision relating to the scheme, or of any deed or other instrument made for the purposes of the scheme.

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

*Application of Order*

2.—(1) This Order applies to the Central Trust and to the Scheduled pension schemes.

(2) Every pension scheme to which this Order applies shall be construed and have effect as if the relevant provisions of this Order were terms of, or applicable to, the scheme, any other terms thereof, whether expressed or implied, to the contrary notwithstanding.

*Transfer to Central Trust of certain pension scheme assets and liabilities*

3.—(1) All moneys and other assets belonging to or from time to time received in respect of each of the Scheduled pension schemes and all contributions from time to time falling to be made to such schemes by or in respect of the members thereof shall be paid or transferred to the Central Trust, to the intent that all such moneys, assets and contributions may be invested by the trustees of the Central Trust in accordance with the powers and provisions of the Central Trust deed relating to investment and that such moneys, assets and contributions, together with the investments for the time being representing the same, shall be held and applied by the trustees of the Central Trust for the benefit of the members of, and the persons entitled to benefit under, each Scheduled pension scheme in accordance with the terms of such scheme.

(2) The liability of the persons administering each of the Scheduled pension schemes to pay pensions and other benefits to the persons from time to time entitled thereto under the terms of such scheme shall be transferred to the trustees of the Central Trust and become their liability.

(3) The references in paragraph (1) above to paying or transferring moneys or other assets, or to paying contributions, shall be construed, in a case where the persons required to make the payment or transfer, or to pay the contributions, are the same persons as the trustees of the Central Trust, as references to appropriating, applying or crediting such moneys, assets or contributions, and the reference in paragraph (2) above to the transfer of liability shall be construed, in a case where the persons administering a Scheduled pension scheme are the same persons as the trustees of the Central Trust, as a reference to the placing of the liability on those persons as such trustees.

*Saving of rights of members and beneficiaries*

4. Nothing in this Order shall affect the conditions of membership of any person in a Scheduled pension scheme or the terms of the entitlement of any person to benefit from a Scheduled pension scheme.

*Guarantee by Board*

5. The Board shall, by making payments or credits to the Central Trust or by making payments direct to the persons from time to time entitled to benefit

from a Scheduled pension scheme (being in either case payments or credits additional to those otherwise required to be made by the Board), secure that no person who is, or may at any time be, entitled to benefit from a Scheduled pension scheme is placed in a worse position by reason of the provisions of this Order.

*Fred Mulley,*

Signed by authority of  
the Secretary of State

Minister for Transport,  
Department of the Environment.

2nd December 1974.

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THE SCHEDULE  
*Railway Pension Schemes*

1. Schemes of the Board with respect to pensions and other benefits payable—
  - (a) under section 99 of the Transport Act 1947(a) and paragraph 17(1)(b) of Schedule 7 to the Transport Act 1962, or
  - (b) under paragraph 15 of Schedule 7 to the Transport Act 1962, or
  - (c) under the customary practices of the Board as those practices exist immediately before 1st January 1975.
2. The British Transport Commission (Male Wages Grades) Pension Scheme.
3. The British Railways Interim Pension Scheme introduced with effect from 1st January 1967.
4. Certain pensions or other benefits payable under or by analogy with the provisions of the regulations made under section 101 of the Transport Act 1947, section 81 of the Transport Act 1962 or section 135 of the Transport Act 1968(b) together with certain other pension payments (all of which are set out or referred to in Appendix 4 to the Schedule to the Central Trust deed).
5. The British Transport Police Force Supplementary Benefit Scheme.
6. The British Transport Commission Schemes of Supplementation of 1953, 1955, 1956 and 1961.
7. The British Railways Board Schemes of Supplementation of 1963, 1966, 1969, 1971, 1972, 1973 and 1974.
8. Pension benefits payable under or by analogy with the provisions of paragraph 25(a) of the Appendix to Minute G.181 dated 31st January 1973 of the Railway Staff Joint Council (General Section).
9. Pension benefits payable under or by analogy with the provisions of paragraph 2(a) of Appendix A to the Memorandum of Agreement dated 12th February 1972 and made between the Board of the one part and the Transport Salaried Staffs' Association and the British Transport Officers' Guild of the other part which relates to Arrangements for dealing with redundancy of Management Staff.

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(a) 1947 c. 49.

(b) 1968 c. 73.

## EXPLANATORY NOTE

*(This Note is not part of the Order.)*

This Order provides for the transfer of the assets and liabilities of certain railway pension schemes to the trustees of a central trust established by the British Railways Board in connection with the funding of pension scheme obligations under section 5 of the Railways Act 1974. The rights of the members of, and the beneficiaries from, the various pension schemes are preserved and provision is made to protect them against any possible worsening of their position.

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