
STATUTORY INSTRUMENTS

1974 No. 2045

**TRANSPORT
PENSIONS AND COMPENSATION**

**The British Transport (Male Wages Grades
Pensions) (Amendment) Order 1974**

<i>Made</i>	- - - -	<i>5th December 1974</i>
<i>Laid before Parliament</i>		<i>6th December 1974</i>
<i>Coming into Operation</i>		<i>31st December 1974</i>

The Secretary of State for the Environment makes this Order in exercise of powers conferred by section 74 of the Transport Act 1962 and now vested in him⁽¹⁾ and of all other enabling powers:—

1.—(1) This Order shall come into operation on 31st December 1974 and may be cited as the British Transport (Male Wages Grades Pensions) (Amendment) Order 1974.

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

2. The Rules of the British Transport Commission (Male Wages Grades) Pension Scheme as set out in the Schedule to the British Transport Commission (Male Wages Grades Pensions) Regulations 1954⁽²⁾, as amended⁽³⁾, (and as those Rules and that Scheme now have effect subject to the provisions of any Orders made under section 74 of the Transport Act 1962) shall be further amended as follows:—

(1) After Rule 17B there shall be inserted the following Rule:—

“Additional flat-rate supplement to basic pension

(a) This Rule applies to every person who on the 31st March 1974 is entitled, or who at any time after that date becomes entitled, to receive any age or ill-health retirement pension under the provisions of Rule 14, 15, 16(b) or 17(b).

(b) A person to whom this Rule applies shall be entitled to receive with effect from the 31st March 1974 or the date on which entitlement to his basic pension arises, whichever is later,

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

(2) (1954 I, p. 175).

(3) S.I. 1957/1455, 1960/784, 1968/1249, 1972/51 (1957 I, p. 177; 1960 I, p. 430; 1968 II, p. 3379; 1972 I, p. 127).

a supplementary pension at a flat rate of 28p a week, to be paid as an addition to his basic pension and to be payable so long as his basic pension continues.

- (c) For the purposes of Rule 31 the said supplementary pension shall be disregarded but, save as aforesaid, the provisions of these Rules about pensions payable under these Rules shall apply in relation to the said supplementary pension as they apply in relation to the any pension payable under any of the Rules mentioned in paragraph (a) of this Rule.
 - (d) Where a person to whom this Rule applies is entitled under the provisions of this Rule to receive the said supplementary pension in respect of a period before the date of the coming into operation of the British Transport (Male Wages Grades Pensions) (Amendment) Order 1974, payment of the said pension to or for the benefit of that person for that period and for any further period between that date and the commencement of the first of the four-weekly periods specified in Rule 20 which begins after that date shall be made as soon as possible after that date.
 - (e) In making any calculation of the sum to be paid to or for the benefit of any person in respect of the said supplementary pension for a fraction of a week such a pension shall be treated as accruing due at the rate of 5p a day, except a Sunday which for the purpose of this paragraph shall be disregarded.
 - (f) In this Rule “basic pension”, in relation to a person to whom this Rule applies, means the pension, or the aggregate of the pensions, payable to or for the benefit of that person under any one or more of Rules 14, 15, 16(b) and 17(b).
 - (g) The supplementary pension payable to or for the benefit of a person under this Rule shall be additional to any supplementary pension payable to or for the benefit of that person under Rule 17A or 17B or under both of those Rules.”.
- (2) After Rule 19 there shall be inserted the following Rule:—

“Alternative benefits on termination of employment

- (a) A member whose employment in the service terminates on or after the 6th April 1975, at a time when he has completed not less than 5 years of membership, including years of deemed membership (if any), but has not yet attained minimum pensionable age, shall have an option, exercisable not later than 3 months after the termination of his employment, to receive benefit under this Rule instead of under Rule 19 or Rule 16 and (where applicable) Rule 17.
- (b) Where a member exercises this option, he may, with the consent of the British Railways Board and of the Central Committee, remain a member of this Scheme without further contributions and, subject to the provisions of this Rule, may, on the attainment by him of minimum pensionable age, or on the occurrence of any other event which would have entitled him to benefit under these Rules if his employment in the service had not terminated, receive in respect of his completed years of membership as at the date of such termination benefits such as are provided for in the foregoing provisions of these Rules.
- (c) No benefit shall be payable from this Scheme, except under this Rule, to or in respect of a person who remains a member of this Scheme under paragraph (b) above.
- (d) Where a person remains a member of this Scheme under paragraph (b) above, then, subject to paragraph (f) below—
 - (i) in the case of a person who on or before the date of his leaving his employment in the service has attained the age of 55 years, he shall have a further option, exercisable at the same time as the option conferred by paragraph (a) above or at any time thereafter but before the benefit under paragraph (b) above begins to be payable to him, to convert that benefit into a reduced pension payable to him during his lifetime from the date of his leaving his employment in the service if he has exercised the further

- option at the same time as the option conferred by paragraph (b) above or from the date on which he exercised the further option if he has exercised it later,
- (ii) in any other case he shall have a further option, exercisable on his attaining the age of 55 years or at any time thereafter but before the benefit under paragraph (b) above begins to be payable to him, to convert that benefit into a reduced pension payable to him during his lifetime from the date on which he exercised the further option, the amount of such reduced pension to be determined by the Actuary by reference to the member's pension rights in this Scheme based on his completed years of membership as at the date when he leaves his employment in the service.
- (e) If at any time after his employment in the service terminates but before any benefit begins to be payable to him under paragraph (b) or (d) above, a person who remains a member of this Scheme under paragraph (b) above—
- (i) enters employment which is approved by the British Railways Board and the Central Committee for the purposes of this Rule,
- (ii) becomes, in connection with that employment, a member of a pension scheme in respect of which there are reciprocal arrangements for the receipt and payment of transfer values, and
- (iii) by notice in writing given by him to the British Railways Board and to the Central Committee not later than 3 months after the date on which he becomes such a member requests the payment of a transfer value to that scheme from this Scheme, then there may be paid from this Scheme a transfer value, assessed by the Actuary, in respect of his accrued pension rights therein, excluding, however, any rights attributable to years of deemed membership of this Scheme before his employment in the service was terminated.
- (f) Where a transfer value is paid under paragraph (e) above—
- (i) there shall be certified by the Actuary the proportion of the transfer value which represents the member's own contributions,
- (ii) in so far as the amount of the transfer value exceeds the sum of the contributions actually paid to this Scheme by the member with compound interest thereon at 3½ % it shall be deemed to be a contribution by the employer to the pension scheme receiving the transfer value.
- (iii) the member shall not thereafter be entitled to exercise the further option provided for in paragraph (d) above, and
- (iv) no further benefit shall be payable to or in respect of the member from this Scheme under this Rule.”.

Signed by authority of the Secretary of State.

5th December 1974

Fred Mulley
Minister for Transport
Department of the Environment

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EXPLANATORY NOTE

This Order amends the Rules of the British Transport Commission (Male Wages Grades) Pension Scheme by adding two new rules. The first of these new Rules (Rule 17C) makes provision for a further supplementary pension of 28p a week for persons who on the 31st March 1974 are, or who subsequently become, entitled to receive a basic pension from the Scheme. This supplementary pension will be payable from the 31st March 1974 or the date of the commencement of the basic pension, whichever is later. The other new Rule (Rule 19A) enables members whose employment in the service is terminated after they have completed 5 years of membership but before attaining minimum pensionable age to receive from the Scheme a deferred pension payable at minimum pensionable age instead of a return of contributions. In certain circumstances the pension may be payable earlier. Provision is also made by new Rule 19A for the payment of a transfer value in a case where the member enters new employment.