
 S T A T U T O R Y I N S T R U M E N T S

1976 No. 2117

TRANSPORT

PENSIONS AND COMPENSATION

**The British Railways Board (Funding of Pension Schemes)
(No. 3) Order 1976**

Made - - - - - 10th December 1976

*Laid before the
House of Commons* - 10th December 1976

Coming into Operation 1st January 1977

The Secretary of State for Transport, with the approval of the Treasury, hereby makes this Order in exercise of his powers under sections 5 and 6 of the Railways Act 1974(a) and of all other enabling powers:—

Commencement citation

1. This Order shall come into operation on 1st January 1977, and may be cited as the British Railways Board (Funding of Pension Schemes) (No. 3) Order 1976.

Interpretation

2.—(1) In this Order—

“the Act” means the Railways Act 1974;

“the No. 1 Order” means the British Railways Board (Funding of Pension Schemes) (No. 1) Order 1974(b);

“obligation” shall be construed in accordance with section 6(3) of the Act;

“the prescribed obligations owed by the Railways Board”, in connection with a pension scheme, means all the obligations from time to time owed by the Railways Board in connection with that scheme, other than any obligation excluded by section 5(2) of the Act;

“the Railways Board” means the British Railways Board.

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

Variation of No. 1 Order

3. The No. 1 Order is hereby varied by substituting—

(a) in Article 4(1) of that Order for the words “the sum of £334,856,094” the words “the sum of £334,854,370”;

(a) 1974 c. 48.

(b) S.I. 1974/2005 (1974 III, p. 7011).

(c) 1889 c. 63.

- (b) for the Schedule to that Order the Schedule set out in Schedule 1 to this Order (which makes certain changes in the amounts applicable to the British Railways (Wages Grades) Pension Fund, the B.R. (1974) Pension Fund, the London Midland and Scottish Railway (L.N.W.) Supplementary Pension Fund and Locomotive Foremen's Pension Fund, and the North British Railway Insurance Society).

Further Funding of obligations

4.—(1) For the purposes of funding the prescribed obligations owed by the Railways Board in connection with the pension schemes listed in column (1) of Schedule 2 to this Order the Railways Board shall provide the sum of £12,116,946 which shall be apportioned between those schemes in the manner set out in that Schedule, the sum apportioned to each scheme specified in column (1) of that Schedule being set against that scheme in column (2) of that Schedule.

(2) The debt of the Railways Board constituted by a sum apportioned as aforesaid shall be paid off by the Board during the period beginning on the 1st April 1979 and ending on the 1st April 1986 by instalments of the amounts set against that sum in columns (3) to (10) (inclusive) of Schedule 2 to this Order, the instalments specified in each of those columns being payable by the Railways Board on the date stated at the head of that column.

(3) Interest on the outstanding amount of each such debt shall be payable by the Railways Board at the rate of 16 per cent per annum, the first payment of interest to be made on the 31st March 1977 and the subsequent payments to be made at three monthly intervals thereafter.

(4) For the purposes of section 5(5)(a) of the Act the minimum amount of the principal of the debt of the Railways Board constituted by virtue of this Order in relation to a pension scheme specified in column (1) of Schedule 2 to this Order shall be the sum set against that scheme in column (11) of that Schedule.

Funding to be supplemental to that provided for by previous Orders and to be partial only

5.—(1) In relation to the B.R. (1974) Pension Fund the funding of obligations provided for by Article 4 of this Order is supplemental to that provided for by the No. 1 Order and by the British Railways Board (Funding of Pension Schemes) (No. 2) Order 1975(a) and, together with funding provided for by those Orders, is partial only.

(2) In relation to the other pension schemes listed in Schedule 2 to this Order the funding of the obligations provided for by Article 4 of this Order is partial only.

8th December 1976.

William Rodgers,
Secretary of State for Transport.

We approve the making of this Order.

10th December 1976.

Donald R. Coleman,
David Stoddart,
Two of the Lords Commissioners
of Her Majesty's Treasury.

(a) S.I. 1975/2063 (1975 III, p. 7563).

SCHEDULE 1

REVISED SCHEDULE TO THE NO. 1 ORDER
"THE SCHEDULE"

(1) Pension Scheme	(2) Sum apportioned to each scheme	Amounts of instalments and dates of payment									(11) Minimum Amount of debt £
		(3) 1.4.1979	(4) 1.4.1980	(5) 1.4.1981	(6) 1.4.1982	(7) 1.4.1983	(8) 1.4.1984	(9) 1.4.1985	(10) 1.4.1986		
British Railways Superannuation Fund:	£	£	£	£	£	£	£	£	£	£	£
New Section	115,083,930	7,281,360	9,375,888	11,819,120	14,637,525	17,904,758	21,695,622	26,063,058	92,067,144		
Amalgamated Sections	24,817,173	1,570,183	2,021,855	2,548,724	3,156,497	3,861,056	4,678,534	5,620,343	19,853,738		
British Railways (Wages Grades) Pension Fund	61,181,975	3,870,984	4,984,496	6,283,389	7,781,735	9,518,691	11,534,026	13,855,882	48,945,580		
British Transport Police Force Superannuation Fund	4,464,000	282,437	363,682	458,453	567,776	694,509	841,553	1,010,963	3,571,200		
Railway Clearing System Superannuation Fund	1,255,000	79,404	102,245	128,889	159,623	195,253	236,593	284,219	1,004,000		
Great Northern Railway Superannuation Fund	426,000	26,953	34,706	43,750	54,183	66,277	80,310	96,476	340,800		
Great Western Railway Supplemental Pension Reserve Fund	7,033,000	444,978	572,979	722,289	894,527	1,094,194	1,325,861	1,592,764	5,626,400		
B.R. (1974) Pension Fund	119,731,016	7,575,381	9,754,486	12,296,375	15,228,588	18,627,752	22,571,691	27,115,483	96,043,193		
London Midland & Scottish Railway (LNW) Provident and Pension Society	758,000	47,959	61,754	77,847	96,410	117,930	142,898	171,664	41,538		
London Midland and Scottish Railway (LNW) Insurance Society	5,000	316	407	514	636	778	943	1,132	274		
London Midland and Scottish Railway (LNW) Supplementary Pension Fund and Locomotive Foremen's Pension Fund	414	26	33	43	53	65	78	93	55		
North British Railway Insurance Society	862	54	70	89	110	134	163	195	110		
Lancashire & Yorkshire Railway Pension Fund Society	65,000	4,113	5,296	6,676	8,267	10,113	12,254	14,719	3,562		
London Midland & Scottish Railway Midland Friendly Society	12,000	759	978	1,232	1,526	1,867	2,262	2,718	658		
London Midland and Scottish Railway (North Staffordshire Section) Friendly Society	21,000	1,329	1,711	2,157	2,671	3,267	3,959	4,755	1,151		
TOTAL	334,854,370	21,186,236	27,280,586	34,389,547	42,590,127	52,096,644	63,126,747	75,834,464	267,499,403"		

Article 4

SCHEDULE 2

PENSION SCHEMES FOR WHICH FUNDING IS PROVIDED BY THIS ORDER

(1) Pension Scheme	(2) Sum apportioned to each scheme	Amount of instalments and date of payment								(11) Minimum Amount of debt
		(3) 1.4.1979	(4) 1.4.1980	(5) 1.4.1981	(6) 1.4.1982	(7) 1.4.1983	(8) 1.4.1984	(9) 1.4.1985	(10) 1.4.1986	
B.R. (1974) Pension Fund ...	£ 12,083,071	£ 664,569	£ 761,234	£ 978,729	£ 1,244,556	£ 1,534,550	£ 1,884,959	£ 2,283,700	£ 2,730,774	£ 9,408,077
Great Western Railway Salaried Staff	2,625	144	166	213	270	333	410	496	593	144
Supplemental Pension Fund ...	31,250	1,719	1,969	2,531	3,219	3,969	4,875	5,906	7,062	1,719
Thos. Bantock & Co. Superannuation Fund										
TOTAL	12,116,946	666,432	763,369	981,473	1,248,045	1,538,852	1,890,244	2,290,102	2,738,429	9,409,940

EXPLANATORY NOTE

(This Note is not part of the Order.)

This Order varies the British Railways Board (Funding of Pension Schemes) (No. 1) Order 1974 by reducing by £1,724 the sum to be provided by the British Railways Board pursuant to that Order and by making certain small changes in the sums apportioned to four of the pension schemes to which that Order applies.

These changes comprise—

- (a) a reduction of £586 and £1,138 in the sums apportioned to the London Midland and Scottish Railway (LMS) Supplementary Pension Fund and Locomotive Foremen's Pension Fund and to the North British Railway Insurance Society respectively (these being closed pension funds where the commitments have now diminished), and
- (b) an increase of £322,975 in the sum apportioned to the British Railways (Wages Grades) Pension Fund and a corresponding reduction of the same amount in the sum apportioned to the B.R. (1974) Pension Fund (this adjustment reflecting the credit falling to be made to the former fund from the latter fund under Article 3(6) of the British Railways (Alteration of Pension Schemes) Order 1967 (S.I. No. 929)),

together with consequential adjustments in the instalments payable and in the minimum amount of debt apportioned to the British Railways (Wages Grades) Pension Fund.

This Order also prescribes the sum of £12,116,946 as the sum to be provided by the British Railways Board, and to be paid by the Board in instalments during the period beginning on the 1st April 1979 and ending on the 1st April 1986, for the purpose of effecting a partial funding of the Board's obligations in connection with certain of their pension schemes listed in Schedule 2 to this Order. The apportionment of this sum between the various pension schemes and the requirements as to the amounts of the instalments, the dates for their payment, the rate of interest and the dates for the payment of interest are also provided for in the Order (Article 4 and Schedule 2). The funding of obligations provided for by this Order is supplemental to that provided for by the British Railways Board (Funding of Pension Schemes) (No. 1) Order 1974 and the British Railways Board (Funding of Pension Schemes) (No. 2) Order 1975.

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