



Transport (Scotland) Act 1989

1989 CHAPTER 23

PART III

GENERAL

Services and pensions

11 Provision of services for related companies

- (1) Subject to subsection (2) below, the Group may provide for any related company any of the services which they have power to provide for any of their subsidiaries.
- (2) The Group shall make proper commercial charges for any services provided under this section.
- (3) In this section and section 12 of this Act “related company” means any company which at any time has been a subsidiary of the Group.

12 Pensions for employees of related companies

- (1) The Secretary of State may make such orders under section 74 of the 1962 Act (power to make provision about pensions in the nationalised transport industry) in relation to related companies as he could make if those companies were subsidiaries of the Group.
- (2) In exercising, with respect to any pension scheme, the powers conferred by this section, the Secretary of State shall take into account any representations made by the persons administering the scheme.
- (3) Except on the application of a related company, no order shall be made by virtue of this section which has the effect of placing the related company or any of its subsidiaries in any worse position; but, for the purposes of this subsection, a related company or a subsidiary shall not be regarded as being placed in a worse position because an order provides that any changes in a pension scheme are not to be effected without the consent of the Secretary of State.

- (4) Any order such as is mentioned in subsection (3) above which is made otherwise than on the application of the related company shall not be invalid because it does not have the effect of securing that the related company and its subsidiaries are not placed in any worse position, but, except in so far as the related company approves the effect of the order, the Secretary of State shall as soon as may be make the necessary amending order.
- (5) Subsections (3) and (4) above have effect only in relation to orders made after such day as may be appointed for the purposes of this section by order made by statutory instrument made by the Secretary of State, and different days may be so appointed in relation to different related companies.
- (6) Where an order (the “first order”) applying to a related company has been made under the said section 74 and at the time when it was made the related company was a subsidiary of the Group, the order shall not apply to the related company when it ceases to be such a subsidiary except where an order made (at any time) by virtue of this section provides for the first order to continue to apply to the related company.
- (7) An order made by virtue of this section may, in particular, authorise the Group or any of its subsidiaries—
- (a) to transfer liabilities under a pension scheme in relation to some (but not all) of the participants in that scheme to another pension scheme; and
 - (b) to divide or apportion a pension fund held for the purposes of the first-mentioned scheme between that scheme and the other scheme.
- (8) In this section “participant”, in relation to a scheme, means—
- (a) in relation to a scheme under which benefits are or will be receivable as of right, a person who has pension rights under the scheme (whether he has contributed or not); and
 - (b) in relation to a scheme under which benefits are not or will not be receivable as of right, a person who (whether he is referred to in the scheme as a member, contributor or otherwise) has contributed under the scheme and has pension rights under it.

Finance

13 Financial provisions

- (1) The Secretary of State may from time to time give directions to the Group requiring the Group to make to him, out of the net proceeds of any disposals made in pursuance of the disposal programme, payments of such amount, at such times and by such methods, as may be specified in the directions.
- (2) Sums received under subsection (1) above shall be paid into the Consolidated Fund.
- (3) Any agreement or arrangements entered into by the Group or any subsidiary of theirs in connection with any disposal made in pursuance of the disposal programme may, with the approval of the Secretary of State, include provision—
- (a) for the maintenance to any extent of any concession, benefit or privilege enjoyed by—
 - (i) any person who is or has been employed by the Group (or any subsidiary of theirs); or

- (ii) a member of such a person's family; or
 - (b) for the making of any payment or the provision of any other concession, benefit or privilege in compensation for the loss, reduction or limitation of that concession, benefit or privilege;
- and the Group may make payments to any person in pursuance of or for the purpose of securing any such provision.
- (4) Without prejudice to the generality of section 1(2)(b) of this Act, the arrangements there mentioned may include provision for the making by the Group of payments in compensation for any loss, reduction or limitation of any such concession, benefit or privilege as is mentioned in subsection (3) above to the extent that provision in respect of the loss, reduction or limitation is not made by virtue of that subsection.

14 Dissolution of the Group

- (1) When it appears to the Secretary of State—
- (a) that the principal elements of the disposal programme have been implemented; and
 - (b) that the shipping companies have been transferred under section 7 of this Act, the Secretary of State may by order made by statutory instrument provide for the dissolution of the Group.
- (2) Any such order may provide for the disposal of any remaining property, rights or liabilities of the Group, and may contain such supplementary, incidental and consequential provisions as may appear to the Secretary of State to be necessary or expedient.
- (3) Without prejudice to the generality of subsection (2) above, any such order may in particular make provision—
- (a) for the preparation by such person or persons as may be specified in the order of a statement or statements of the Group's accounts for the period from the end of that dealt with in the last annual statement of accounts sent by the Group to the Secretary of State under section 24(3) of the 1962 Act down to the date of the dissolution of the Group;
 - (b) for the auditing of any such statement of accounts;
 - (c) for the making to the Secretary of State by such person or persons as may be specified in the order of a report or reports on the exercise and performance by the Group of their functions during any period not dealt with in the reports made by the Group under section 27(8) of the 1962 Act;
 - (d) making such amendments or repeals of any provision of the 1962 Act or the 1968 Act or of this Act or any other enactment (including an enactment contained in any local or private Act and any order, regulation or other instrument having effect by virtue of an Act) as appear to the Secretary of State to be required in consequence of the dissolution of the Group.
- (4) The Secretary of State may with the approval of the Treasury—
- (a) pay to any person upon whom duties are imposed by virtue of subsection (3)(a) to (c) above such remuneration, and such allowances in respect of expenses, as the Secretary of State may with the agreement of the Treasury determine; and
 - (b) incur expenditure in doing any other thing that falls to be done in preparation for or in connection with the dissolution of the Group.

- (5) On the dissolution of the Group, any sums received by the Secretary of State in consequence of the dissolution shall be paid into the Consolidated Fund.

Miscellaneous

15 Directions

- (1) It shall be the duty of the Group to give effect to any directions given to them by the Secretary of State under this Act.
- (2) Any direction given by the Secretary of State under any provision of this Act may be varied or revoked by a subsequent direction given under that provision.
- (3) Any direction given by the Secretary of State under this Act shall be in writing.

16 Interpretation

In this Act, unless the context otherwise requires—

- “the 1962 Act” means the Transport Act 1962;
- “the 1968 Act” means the Transport Act 1968;
- “company” means a body corporate;
- “the disposal programme” has the meaning given by section 1(4) of this Act;
- “employees' share scheme” means a scheme for encouraging or facilitating the holding of shares or debentures in a company by or for the benefit of—
 - (a) the bona fide employees or former employees of the company or of a subsidiary of the company; or
 - (b) the wives, husbands, widows, widowers or children or step-children under the age of 18 of such employees or former employees;
- “equity share capital” has the meaning given in the Companies Act 1985;
- “the Group” has the meaning given by section 1(1) of this Act;
- “subsidiary” means, in relation to a body corporate, a body corporate which is a subsidiary of the first-mentioned body corporate as defined by section 736 of the Companies Act 1985 (taking references in that section to a company as being references to a body corporate).

17 Expenses

The following are authorised by this section—

- (a) the payment out of money provided by Parliament of any expenditure incurred by the Secretary of State under section 14(4) of this Act;
- (b) any increase attributable to this Act in payments out of money so provided under any other enactment.

18 Short title and commencement

- (1) This Act may be cited as the Transport (Scotland) Act 1989.
- (2) This Act, except this section, shall come into force at the end of the period of two months after the day on which it is passed.