
STATUTORY INSTRUMENTS

1967 No. 929

TRANSPORT

PENSIONS AND COMPENSATION

The British Railways (Alteration
of Pension Schemes) Order 1967

<i>Made</i>	- - - -	<i>20th June 1967</i>
<i>Laid before Parliament</i>		<i>29th June 1967</i>
<i>Coming into Operation</i>		<i>13th August 1967</i>

The Minister of Transport, in exercise of her powers under section 74 of the Transport Act 1962 and of all other enabling powers, hereby makes the following Order:—

Commencement, Citation and Interpretation

1.—(1) This Order shall come into operation on the 13th August 1967, and may be cited as the British Railways (Alteration of Pension Schemes) Order 1967.

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

“the Board” means the British Railways Board;

“funded scheme” means a pension scheme (not being an insurance scheme) where the pensions are payable out of a fund held by any person for the purposes of the scheme;

“insurance scheme” means a pension scheme where the pensions are provided by means of contracts or policies made or effected with an insurance company carrying on life assurance business within the meaning of the Insurance Companies Act 1958 (including contracts or policies made or effected with such a company for the purposes of implementing any form of private superannuation fund);

“the Male Wages Grades Scheme” means the pension scheme established by the British Transport Commission (Male Wages Grades Pensions) Regulations 1954(1), as amended(2), (as that scheme now has effect subject to the provisions of any Order made by the Minister under section 74 of the Transport Act 1962);

“the Minister” means the Minister of Transport;

(1) (1954 I, p. 175).

(2) S.I. 1957/1455, 1960/784 (1957 I, p. 177; 1960 I, p. 430).

“the New Fund” means the British Railways (Wages Grades) Pension Fund which has been established by the Board, with the consent of the Minister, under the terms of a Trust Deed executed by the Board on the 5th May 1967, together with (where appropriate) the British Railways (Wages Grades) Lump Sum Retirement Benefit Fund which has been established by the Board with the like consent under the terms of the same Trust Deed;

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

“the service” means whole time employment with the Board or with a subsidiary of the Board; and

“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 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 shall apply to the Male Wages Grades Scheme and to the other pension schemes listed respectively in Schedules 1, 2 and 3 to this Order.

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

Alterations in the terms of the Male Wages Grades Scheme

3.—(1) This Article shall apply to the Male Wages Grades Scheme.

(2) The terms of the Male Wages Grades Scheme which require persons to become members of Section A of that Scheme shall not apply to—

- (a) any person who enters or has entered the service on or after the 15th February 1967, or
- (b) any person who has entered the service before the 15th February 1967 but who, because the age and length of service conditions of the Male Wages Grades Scheme have not been satisfied in relation to him, has not become a member of Section A of that Scheme before the 14th August 1967 and who on or before the date on which those conditions are satisfied in relation to him is accepted for membership of the New Fund, or
- (c) any person who, being a member of a salaried staff superannuation fund or scheme, moves on or after the 14th August 1967 within the service to a grade or class not eligible for membership of such salaried staff fund or scheme and who on or before ceasing to contribute to that fund or scheme is accepted for membership of the New Fund.

(3) The terms of the Male Wages Grades Scheme which require persons to become members of Section B of that Scheme shall not apply to—

- (a) any person referred to in paragraph (2) of this Article, or
- (b) any other person who becomes a member of the New Fund on or after the 14th August 1967.

(4) Any person in the service who immediately before the 14th August 1967 is a member of the Male Wages Grades Scheme and who becomes a member of the New Fund on or after that date shall, on becoming such a member, cease to be a member of the Male Wages Grades Scheme.

(5) Any person who becomes a member of the New Fund on or after the 14th August 1967 shall at all times after becoming a member thereof be ineligible for membership of either Section of the Male Wages Grades Scheme.

(6) Where a person ceases to be a member of the Male Wages Grades Scheme under the foregoing provisions of this Article, the New Fund shall be credited with a sum equal to the contributions paid by such person to the Male Wages Grades Scheme.

(7) Where under the foregoing provisions of this Article a person who has a right of re-admission to the Male Wages Grades Scheme becomes ineligible for membership thereof, that right of re-admission shall terminate.

Alterations in the terms of certain schemes for providing pensions

4.—(1) This Article shall apply to the pension schemes listed in Schedule 1 to this Order.

(2) A person who becomes a member of the New Fund on or after the 14th August 1967 shall be ineligible for admission to a pension scheme to which this Article applies.

(3) Where a member of a pension scheme to which this Article applies becomes a member of the New Fund on or after the 14th August 1967, the following provisions shall have effect:—

- (a) upon the date of his admission to membership of the New Fund he shall cease to be a member of that pension scheme and (except as hereinafter provided) his liability to pay contributions to and his right to receive benefit from that scheme shall cease; and
- (b) as soon as may be after that date the persons administering that pension scheme shall pay to the New Fund an appropriate transfer value in respect of the accrued pension rights of that member in that scheme.

Alterations in the terms of certain schemes for providing pensions and other benefits

5.—(1) This Article shall apply to the pension schemes listed in column (1) of Schedule 2 to this Order.

(2) Where a member of a pension scheme to which this Article applies becomes a member of the New Fund on or after the 14th August 1967, the following provisions shall have effect:—

- (a) upon the date of his admission to membership of the New Fund he shall cease to be entitled to receive from that scheme any benefit of the type indicated in relation to that scheme in Column (2) of the said Schedule and (subject to this Order) such adjustment as may be appropriate shall be made in respect of the liability of that member to pay contributions to that scheme after that date; and
- (b) as soon as may be after that date the persons administering that pension scheme shall pay to the New Fund an appropriate transfer value in respect of the accrued pension rights of that member in that scheme to benefits of the type so indicated.

Alterations in the terms of certain insurance schemes

6.—(1) This Article shall apply to the pension schemes listed in Schedule 3 to this Order.

(2) Where a member of a pension scheme to which this Article applies becomes a member of the New Fund on or after the 14th August 1967, the following provisions shall have effect:—

- (a) upon the date of his admission to membership of the New Fund he shall (subject to this Order) cease to be liable to pay contributions to that scheme; and
- (b) as soon as may be after that date the Board shall make such arrangements as may be appropriate to secure to that member by means of non-assignable and non-commutable insurance policies his accrued pension rights in that scheme.

Ascertainment of Transfer Values

7. Where under any of the foregoing provisions of this Order there falls to be paid in relation to a member of a pension scheme to which this Order applies a transfer value in respect of his accrued pension rights in that scheme, then—

- (a) if the scheme is a funded scheme, the amount to be paid shall be ascertained by first determining the portion of the funds of that scheme properly attributable to the accrued pension rights of that member in that scheme and then by deducting therefrom such sum as may be necessary to cover the cost actually incurred by the persons administering that scheme in making the apportionment and the payment and also an amount equal to any income tax which may then become payable by virtue of regulations made under section 379 of the Income Tax Act 1952;
- (b) if the scheme is not a funded scheme, the amount to be paid shall be ascertained by first determining a sum representing the value of the accrued pension rights of that member in that scheme and then by deducting therefrom such sum as may be necessary to cover the cost actually incurred by the persons administering that scheme in making the determination and the payment.

Consequential Provisions

8.—(1) Where under the foregoing provisions of this Order a person ceases to be a member of a pension scheme to which this Order applies or where under those provisions an adjustment falls to be made in respect of the liability of a member of such a pension scheme to pay contributions to that scheme, such cessation or adjustment (as the case may be) shall be without prejudice to the obligation of that person to pay any outstanding contributions to that scheme in respect of any period before such cessation or adjustment, and at the rate appropriate to that period, and to the right of his employer to deduct such contributions from his emoluments.

(2) Where under the foregoing provisions of this Order a person ceases to be a member of a pension scheme to which this Order applies, his rights to benefit from that scheme shall, except as otherwise provided in this Order, terminate with the cessation of his membership of that scheme.

Determination of Questions

9. Where under the foregoing provisions of this Order any matter or thing is to be determined in relation to a member of a pension scheme to which this Order applies who becomes a member of the New Fund, that matter or thing shall be determined by agreement between the persons administering that pension scheme on the one hand and the persons administering the New Fund on the other hand or, in default of such agreement, by the Minister.

Sealed with the Official Seal of the Minister of Transport the 20th June 1967.

L.S.

Barbara Castle
The Minister of Transport

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SCHEDULE 1

SCHEMES FOR PROVIDING PENSIONS ONLY

Great Eastern Railway New Pension Fund.
Great Eastern Railway New Pension Supplemental Fund.
Great Eastern Railway Higher Pension Fund.
Great Northern Railway Superannuation Fund.
North Eastern Railway Servants' Pension Society (Tables A and B only).
London Brighton and South Coast Railway Pension Fund.
Great Western Railway Salaried Staff Supplemental Pension Fund.
Great Western Railway Inspectors' and Foremen's Special Pension Fund.
Lancashire and Yorkshire Railway Pension Fund Society.
British Road Services (Male Wages Grades) Group Pension Fund.
Metropolitan Railway Pension Fund.
Holyhead Harbour—Employees' Scheme.

SCHEDULE 2

SCHEMES FOR PROVIDING PENSIONS AND OTHER BENEFITS

(1) Title of Scheme	(2) Type of Benefit ceasing to be payable
Great Western Railway Locomotive and Carriage Department Sick Fund Society.	Benefit payable on retirement under Tables A, B and C.
London Midland and Scottish Railway (London North Western) Provident and Pension Society and Supplemental Pension Fund.	Benefits payable on retirement or death.
London Midland and Scottish Railway (North Staffordshire Section) Friendly Society.	Benefit payable on retirement.
Thos. Bantock and Company Benevolent and Pensions Fund.	Benefits payable on retirement or death.

SCHEDULE 3

INSURANCE SCHEMES

Pullman Car Company Limited—Male Wages Grade Employees Superannuation Fund and Life Assurance Scheme.
British Transport Commission Staff Assurance Scheme.
Frank Mason and Company Limited Staff Pension Scheme.

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EXPLANATORY NOTE

This Order provides for termination of membership of, and rights in, the British Transport Commission (Male Wages Grades) Pension Scheme and certain other pension and insurance schemes, in the case of members in the service of the British Railways Board who join the new British Railways (Wages Grades) Pension Fund. Provision is also made for relieving new entrants to the service of the Board and certain other persons of any obligation to enter the British Transport Commission (Male Wages Grades) Pension Scheme. The Order provides, in addition, for the ascertainment of transfer values and for certain other consequential matters.