

1974 No. 2005

TRANSPORT

PENSIONS AND COMPENSATION

The British Railways Board (Funding of Pension Schemes) (No. 1) Order 1974

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

The Secretary of State for the Environment, 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 and citation

1. This Order shall come into operation on 1st January 1975, and may be cited as the British Railways Board (Funding of Pension Schemes) (No. 1) Order 1974.

Interpretation

2.—(1) In this Order—

“the Act” means the Railways Act 1974;

“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(b) shall apply for the interpretation of this Order as it applies for the interpretation of an Act of Parliament.

Application of Order

3.—(1) This Order applies to the pension schemes listed in column (1) of the Schedule to this Order.

(2) For the purposes of this Order the pension scheme which is referred to in the said column (1) as “B.R. (1974) Pension Fund” shall be regarded as embracing all the pension schemes which are specified in the Schedule to the British Railways Board (Central Trust) Order 1974(c).

(a) 1974 c. 48.

(b) 1889 c. 63.

(c) S.I. 1974/2001 (1974 III, p. 7000).

Funding of obligations

4.—(1) For the purposes of funding the prescribed obligations owed by the Railways Board in connection with the pension schemes to which this Order applies the Railways Board shall provide the sum of £334,856,094 which shall be apportioned between those schemes in the manner set out in the Schedule to this Order, 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 1st April 1979 and ending on 1st April 1986 by instalments of the amounts set against that sum in columns (3) to (10) (inclusive) of the Schedule 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 $14\frac{1}{2}\%$ per annum, the first payment of interest to be made on 31st March 1975 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 the Schedule to this Order shall be the sum set against that scheme in column (11) of that Schedule.

Funding to be partial only

5. The funding of obligations provided for by this Order is partial only in relation to each of the pension schemes to which this Order applies.

Signed by authority of
the Secretary of State

2nd December 1974.

Fred Mulley,
Minister for Transport,
Department of the Environment.

We approve the making of this Order.

M. Cocks,
J. Dormand,
Two of the Lords Commissioners
of Her Majesty's Treasury.

2nd December 1974.

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	
	£	£	£	£	£	£	£	£	£
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	60,859,000	3,850,549	4,958,183	6,250,219	7,740,656	9,468,443	11,473,139	13,782,738	48,687,200
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	23,345	26,953	34,706	43,750	54,183	66,277	80,310	340,800
Great Western Railway Supplemental Pension Reserve Fund	7,033,000	385,408	444,978	572,979	722,289	894,527	1,094,194	1,325,861	5,626,400
B.R. (1974) Pension Fund	120,053,991	7,595,816	9,780,799	12,329,545	15,269,667	18,678,000	22,632,578	27,188,627	96,043,193
London Midland & Scottish Railway (L.N.W.) 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 (L.N.W.) Insurance Society	5,000	316	407	514	636	778	943	1,132	274
London Midland and Scottish Railway (L.N.W.) Supplemental Pension Fund and Locomotive Foremen's Pension Fund	1,000	63	81	103	127	156	189	226	55
North British Railway Insurance Society	2,000	126	162	206	254	312	378	452	110
Leicestershire & 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	334,856,094	21,186,345	27,280,726	34,389,724	42,590,345	52,096,913	63,127,073	75,834,854	267,241,023

EXPLANATORY NOTE

(This Note is not part of the Order.)

This Order prescribes the sum of £334,856,094 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 1st April 1979 and ending on 1st April 1986, for the purpose of effecting a partial funding of the Board's obligations in connection with their pension schemes. 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 the Schedule).

SI 1974/2005
ISBN 0-11-042005-5

