#### STATUTORY INSTRUMENTS

### 1983 No. 1271

# **PENSIONS**

# The Local Government Superannuation (National Water Council Dissolution) Regulations 1983

Made--17th August 1983Laid before Parliament30th August 1983Coming into Operation30th September 1983

The Secretary of State for the Environment, in exercise of the powers conferred upon him by section 7 of the Superannuation Act 1972(a), and of all other powers enabling him in that behalf, after consultation with such associations of local authorities as appeared to him to be concerned, the local authorities with whom consultation appeared to him to be desirable and such representatives of other persons likely to be affected by the regulations as appeared to him to be appropriate, hereby makes the following regulations:—

#### Citation, commencement and interpretation

- 1.—(1) These regulations may be cited as the Local Government Superannuation (National Water Council Dissolution) Regulations 1983, and shall come into operation on 30th September 1983.
- (2) The Local Government Superannuation Regulations 1974 to 1983 (b) and these regulations may be cited together as the Local Government Superannuation Regulations 1974 to 1983.
- (3) In these regulations "the principal regulations" means the Local Government Superannuation Regulations 1974(c) and, unless the context otherwise requires, expressions used in these regulations have the same meaning as they have in the principal regulations.

Transfer of superannuation fund maintained by the National Water Council

- 2.—(1) The superannuation fund maintained under the principal regulations by the National Water Council ("the old fund") is transferred to and vests in the Severn-Trent Water Authority, and shall be carried by them to the fund which they are required to maintain under the principal regulations ("the new fund").
- (2) All liabilities attaching to the National Water Council in respect of the old fund shall attach to the Severn-Trent Water Authority in respect of the new fund.
- (3) Any liability of any body or person to make payments into the old fund shall become a liability to make payments into the new fund.

<sup>(</sup>a) 1972 c.11.

<sup>(</sup>b) S.I. 1974/520, 1977/1121, 1845, 1978/266, 822, 1738, 1739, 1979/2, 592, 1534, 1980/216, 233, 234, 1981/1250, 1509, 1982/908, 1514, 1983/178, 1268, 1269, 1270.

<sup>(</sup>c) S.I. 1974/520, to which there are amendments not relevant to these Regulations.

- (4) All contracts, deeds, bonds, agreements and other instruments subsisting in favour of, or against, and all notices in force which were given by or to the National Water Council or any other body on their behalf for the purposes of the old fund shall be of full force and effect in favour of, or against, the Severn-Trent Water Authority.
- (5) Without prejudice to the generality of paragraph (4), any admission agreement in force immediately before 30th September 1983 whereby employees of any body specified in regulation B4(4) of the principal regulations (or deemed to be such a body) are, or can be, admitted to participate in the benefits of the old fund shall have effect as an agreement under regulation B4 of the principal regulations between the body and the Severn-Trent Water Authority.
- (6) Any action or proceeding or cause of action or proceeding pending or existing immediately before 30th September 1983 by or against the National Water Council in respect of the old fund shall be of full force and effect in favour of, or against, the Severn-Trent Water Authority.
- (7) Where the National Water Council would have become liable, or would have been empowered, on the happening of any event, to make a payment out of the old fund or take any other action as administering authority in respect of any person who has ceased to participate in the benefits of the old fund before 30th September 1983, then on the happening of that event such payment or action shall, or as the case may be may, be made out of the new fund or taken by the Severn-Trent Water Authority.
- (8) Where a person has ceased to contribute to the old fund before 30th September 1983 and has not become a contributor to any other superannuation fund maintained under the principal regulations, the new fund shall after 29th September 1983 be deemed to be the fund to which he was last a contributor.
- (9) All legal proceedings pending on 30th September 1983 may be amended in such manner as may be necessary or proper in consequence of these regulations.

# Division of new superannuation fund

- 3.—(1) Not later than 31st December 1983 the Severn-Trent Water Authority ("the fund authority") shall establish a second superannuation fund ("the second fund") which they shall maintain in addition to the new fund mentioned in regulation 2 above ("the main fund").
- (2) On the establishment of the second fund the fund authority shall cease to hold as part of the main fund assets to a value to be specified by an actuary, which shall then become part of the second fund.
- (3) When they obtain from the actuary, in accordance with regulation B7 of the principal regulations, valuations of the main fund and the second fund as at 31st March 1984, the fund authority shall also obtain from him a statement specifying the value to which further assets should in his opinion cease to be held by them as part of the main fund and become part of the second fund.
- (4) On a day to be selected by them, which shall be as soon as is reasonably practicable after they obtain the statement mentioned in paragraph (3), the fund authority shall cease to hold as part of the main fund assets to the value specified, which shall then become part of the second fund.

- (5) After the establishment of the second fund, references in the principal regulations to the appropriate superannuation fund, to the superannuation fund maintained by the fund authority, and to participation in the benefits of a superannuation fund shall be construed—
  - (a) in relation to a water authority, and to a person employed by a water authority, as references to, or to participation in the benefits of, the main fund, and
  - (b) in relation to a body who are a party to an agreement made (or having effect as an agreement made) with the fund authority under regulation B4 of those regulations ("an admitted body"), and to a person employed by such a body, as references to, or to participation in the benefits of, the second fund.
- (6) After the establishment of the second fund, references in the principal regulations to the superannuation fund maintained by an administering authority shall in relation to the fund authority be construed as references to both the main fund and the second fund.
- (7) As soon as is reasonably practicable after the establishment of the second fund the fund authority shall obtain from the actuary consulted by them for the purposes of paragraph (2) a certificate specifying in respect of the second fund, for the years ending with 31st March 1984, 31st March 1985 and 31st March 1986, the matters referred to in regulation B8(1) of the principal regulations (rate of employer's contribution and any adjustments in respect of particular employers).
- (8) For the years mentioned in paragraph (7) regulation C5 of the principal regulations (employer's contributions) shall in relation to an admitted body apply as if for references to a certificate under regulation B8 of those regulations there were substituted references to the certificate required by paragraph (7).
- (9) On the establishment of the second fund all rights to payment out of the main fund in respect of service in employment under an admitted body shall become rights to payment out of the second fund.

# Continuance of employer's functions

- 4.—(1) As from the day appointed under section 3(1) of the Water Act 1983(a) (determination of functions of National Water Council), every employer's function not already exercised shall become a function of the Severn-Trent Water Authority.
- (2) In paragraph (1) "employer's function" means a function under the principal regulations or the former regulations which—
  - (a) had, or but for the determination of their functions would have, become exercisable in relation to a person by the Council, and
  - (b) had or would have become so exercisable by virtue only of his having been at some time before the determination of their functions an employee of theirs and in relation to that employment.
- (3) The Severn-Trent Water Authority may pay out of the main fund referred to in regulation 3 any costs, charges and expenses incurred by them in the discharge of functions which have become theirs by virtue of this regulation.

Superannuation funds

- 5. Regulation B1 of the principal regulations is amended by substituting for paragraph (d) the following:
  - "(d) the Severn-Trent Water Authority".

Appropriate superannuation fund

6. Regulation B3 of the principal regulations is amended by substituting for the words "the National Water Council", in paragraph (3), the words "the Severn-Trent Water Authority".

Power to admit employees of other bodies

- 7. Regulation B4(4) of the principal regulations is amended—
- (a) by inserting after the words "local authorities" wherever they occur in sub-paragraph (b) the words "or water authorities";
- (b) by inserting at the end of sub-paragraph (b) the words "or the functions of water authorities"; and
- (c) by inserting after sub-paragraph (i) the following:
  - "(j) the company (limited by shares) incorporated on 1st July 1983 under the Companies Acts 1948 to 1981(a) under the name of British Water International Limited.".

Certain persons who become subject to certain other superannuation schemes

8. Regulation G9 of the principal regulations is amended by deleting paragraph (4)(a).

Certain persons who were transferred etc, to the employment of the National Water Council or the Thames Water Authority

9. Regulation G10 of the principal regulations is amended by deleting paragraph (2)(b) (i).

Bodies whose whole-time employees are to be compulsorily superannuable

10. Part I of Schedule 1 to the principal regulations is amended by deleting the words "the National Water Council".

Modifications to the Trustee Investments Act 1961 in its application to the investment of superannuation fund's moneys

11. Paragraph 3 of Schedule 2 to the principal regulations is amended by substituting for the words "the National Water Council" the words "the Severn-Trent Water Authority".

#### Transitional

- 12. Notwithstanding regulation 10 above, any person who—
- (a) immediately before the day appointed under section 3(1) of the Water Act 1983 is a pensionable employee in the employment of the National Water Council, and
- (b) continues in their employment after the determination of their functions,

<sup>(</sup>a) 1948 c.38; 1967 c.81, Parts I and III; 1972 c.67; 1972 c.68, section 9; 1976 c.47, sections 1 to 4; 1976 c.60, section 9; 1976 c.69; 1980 c.22; 1981 c.62 (except sections 28 and 29).

shall, while he remains in their employment, be deemed for the purposes of regulation B2 of the principal regulations (pensionable employees) to be an employee of a scheduled body, and for the purposes of regulation B3 of those regulations (appropriate superannuation fund) to be an employee of an employing authority who are a water authority.

Signed by authority of the Secretary of State.

Ian Gow,
Minister for Housing and Construction,
Department of the Environment.

17th August 1983.

# **EXPLANATORY NOTE**

(This Note is not part of the Regulations.)

These regulations make provision, in connection with the determination of the functions of the National Water Council, for the continued administration of the superannuation fund hitherto administered by the Council under the Local Government Superannuation Regulations 1974 ("the principal regulations").

Regulation 2 transfers the fund and its liabilities to the Severn-Trent Water Authority, with necessary incidental and consequential provisions as to agreements and other matters.

Regulation 3 requires the transferred fund to be divided, the second fund established on the division becoming the fund for bodies whose employees are admitted to the superannuation scheme by agreement, and for those employees.

Regulation 4 provides for the continuance, as functions of the Severn-Trent Water Authority, of superannuation functions which were, or would have become, exercisable by the Council by virtue of employment relationships.

Regulations 5, 6 and 8 to 11 make consequential amendments to the principal regulations.

Regulation 7 amends the principal regulations so as to allow the admission to the superannuation scheme, by agreement, of employees of non-statutory bodies connected with the water industry.

The determination of the Council's functions does not affect the continuance of employment with the Council during the period before it ceases to exist. Regulation 12 makes transitional provision for preserving the pensionable status of persons who continue in employment with the Council during that period.

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