
STATUTORY INSTRUMENTS

1987 No. 1579

LOCAL GOVERNMENT, ENGLAND AND WALES

**The Local Government Reorganisation (Pensions etc.)
(Greater Manchester and Merseyside) Order 1987**

<i>Made</i>	- - - -	<i>7th September 1987</i>
<i>Laid before Parliament</i>		<i>10th September 1987</i>
<i>Coming into force</i>	- -	<i>1st October 1987</i>

The Secretary of State for the Environment, in exercise of the powers conferred on him by section 67(3) of the Local Government Act 1985(1), and of all other powers enabling him in that behalf, to effect transfers proposed to him under section 67(1)(a) of that Act, hereby makes the following Order:

Citation, commencement and interpretation

1.—(1) This Order may be cited as the Local Government Reorganisation (Pensions etc.) (Greater Manchester and Merseyside) Order 1987 and shall come into force on 1st October 1987.

(2) In this Order —

“the Act” means the Local Government Act 1985;

“transferor authority” means a body from which matters are transferred by article 2; and

“transferee authority” means a body to which matters are transferred by article 2

Transfer of pension and other functions

2. On 1st October 1987 —

(a) the functions, property, rights and liabilities of the Greater Manchester Residuary Body which are specified in the Schedule shall become the functions, property, rights and liabilities of the council of the borough of Tameside; and

(b) the functions, property, rights and liabilities of the Merseyside Residuary Body which are specified in the Schedule shall become the functions, property, rights and liabilities of the council of the borough of Wirral.

Reimbursement

3.—(1) The total for any financial year of the expenditure described in paragraph (2) of a transferee authority shall be apportioned between all the district councils in the county in which the authority is situated in proportion to the population of their districts, as that population is certified for the making of levies with respect to that year under section 74(2) of the Act (levies by residuary bodies); and the appropriate portions shall be recoverable by the authority from each of the other district councils.

(2) The expenditure referred to in paragraph (1) is the expenditure of the transferee authority with respect to the matters mentioned in paragraph 1(b) and (c) of the Schedule (including the costs of the authority incidental to the making of any payments in connection with those matters) less —

- (a) any amounts received by the authority with respect to those matters in consequence of this Order, and
- (b) any amount of such expenditure as would have fallen to be met by the authority (otherwise than under section 74 of the Act) apart from this Order.

(3) In the event of a dispute between a transferee authority and another council as to the amount of any expenditure referred to in paragraph (2), as between the authority and that council the amount is to be determined by an arbitrator appointed by the Secretary of State; and section 31 of the Arbitration Act 1950(2) shall have effect in relation to the arbitration as if it were an arbitration to which that section applies.

(4) Notwithstanding any winding up of a transferor authority pursuant to section 67 of the Act, the functions of the Registrar General and the Secretary of State under section 74(2) of the Act shall continue with respect to the certification of population for the purposes of the reimbursement of a transferee authority under this article.

Continuity of the exercise of functions

4.—(1) Anything done by or in relation to (or having effect as if done by or in relation to) a transferor authority in the exercise of or in connection with a matter transferred by article 2 shall, so far as is required for continuing its effect on or after 1st October 1987, have effect as if done by or in relation to the transferee authority to which that matter is transferred.

(2) Without prejudice to the generality of paragraph (1), that paragraph applies to the making of any application, decision, or determination, to the giving of any notice, to the entering into of any agreement or other instrument, and to the bringing of any action or proceeding; but it shall not be construed as transferring any employee of a transferor authority to the employment of a transferee authority.

(3) Any pending action or proceeding may be amended in such manner as may be necessary or proper in consequence of this Order.

Other supplementary provision

- 5.—(1) The Local Government Superannuation Regulations 1986(3) are amended as follows —
- (a) in regulation C1(7A), by substituting for the Table the following Table —

(2) 1950 c. 27; section 31 was repealed in part by the Arbitration Act 1975 (c. 3), section 8(2), and amended by the Arbitration Act 1979 (c. 42), section 7(1).

(3) S.I.1986/24, amended by S.I. 1986/380 and 1987/293.

TABLE

(1)	(2)
Greater Manchester	Tameside
Merseyside	Wirral
Tyne and Wear	South Tyneside
West Midlands	Wolverhampton
West Yorkshire	Bradford

(b) in regulation P1(1), by substituting for the words “section 66” the words “sections 66 or 67”.

(2) Without prejudice to the generality of article 4 (continuity of the exercise of functions) —

(a) any admission agreement within the meaning of the Local Government Superannuation Regulations 1986 in force immediately before 1st October 1987 whereby employees of any body were, or could become, admitted employees participating in the benefits of a superannuation fund maintained under those Regulations by a transferor authority shall be of full force and effect in favour of, or against, the transferee authority to which that fund is transferred by article 2;

(b) where a person has ceased to contribute to such a fund and has not become a contributor to any other superannuation fund maintained under those Regulations, the transferred fund shall on and after 1st October 1987 be deemed to be the fund to which he was last a contributor; and

(c) the transferee authority maintaining a superannuation fund transferred by article 2 is to be treated as being the previous fund authority for the purposes of Part Q of those Regulations in place of the transferor authority from which it was transferred.

(3) Section 61(5) of the Act shall continue to have effect, so that no liability to reimburse a transferee authority in respect of any payment made by it shall attach to the Secretary of State, the Arts Council of Great Britain or the Historic Buildings and Monuments Commission for England where no liability to reimburse the transferor authority would have attached to them if this Order had not been made and the payments concerned had been made by the transferor authority; and paragraphs 64A and 64B of Schedule 2 to the Pensions (Increase) Act 1971(4) shall continue to have effect as if references to a pension payable by a residuary body included references to a pension payable by a transferee authority.

7th September 1987

Nicholas Ridley
Secretary of State for the Environment

(4) 1971 c. 56; paragraphs 64A and 64B of Schedule 2 were inserted by the Local Government Act 1985 (c. 51), section 61(2).

SCHEDULE

Article 2

FUNCTIONS, PROPERTY, RIGHTS AND LIABILITIES TRANSFERRED

1. Subject to paragraph 3, the functions, property, rights and liabilities which are transferred by article 2 are —

- (a) the functions of the Greater Manchester Residuary Body and the Merseyside Residuary Body as administering authority under the Local Government Superannuation Regulations 1986, together with the superannuation fund maintained by those bodies and all property, rights and liabilities of those bodies in respect of it;
- (b) the functions, rights and liabilities of those bodies in respect of pensions payable by them otherwise than under those Regulations; and
- (c) without prejudice to the foregoing, the functions, rights and liabilities which are vested in or fall to be discharged by those bodies under or by virtue of section 61 of the Act (payment of pensions increases).

2. In paragraph 1(b), references to pensions include references to —

- (a) allowances, grants or other benefits in respect of past service, death, injury or disease (whether of the pensioner or another person);
- (b) compensation under regulations made under section 24 of the Superannuation Act 1972⁽⁵⁾; and
- (c) any other such compensation as is mentioned in section 8(1)(b) of the Pensions (Increase) Act 1971.

3.—(1) There shall not transfer under article 2 the functions of the Greater Manchester Residuary Body or the Merseyside Residuary Body in crediting a person with a period of additional service under regulation 5 of the Local Government (Compensation for Premature Retirement) Regulations 1982⁽⁶⁾.

(2) There shall not transfer under article 2 any matter relating to the payment of compensation for loss of employment or loss or diminution of emoluments arising with respect to an employment with the Greater Manchester Residuary Body or the Merseyside Residuary Body unless that compensation is —

- (a) compensation under the Local Government (Compensation for Premature Retirement) Regulations 1982 payable in consequence of a person having been credited by one of those bodies with a period of additional service under regulation 5 of those Regulations;
- (b) compensation under Part II of the Local Government Reorganisation (Compensation) Regulations 1986⁽⁷⁾ payable in consequence of a person being treated as having been credited with a period of additional service under regulation 3(2)(b)(i) of those Regulations, or compensation under Part III of those Regulations; or
- (c) compensation under rights preserved by section 53(3) of the Act which falls to be calculated by reference to a person having been credited with a period of additional service.

(3) There shall not transfer under article 2 any matter relating to the payment of compensation for loss of employment or loss or diminution of emoluments arising with respect to an employment with a body other than the Greater Manchester Residuary Body or the Merseyside Residuary Body if that compensation is —

⁽⁵⁾ 1972 c. 11.

⁽⁶⁾ S.I. 1982/1009, amended by S.I. 1984/740 and 1986/151.

⁽⁷⁾ S.I. 1986/151.

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- (a) compensation under Part VI of the Employment Protection (Consolidation) Act 1978⁽⁸⁾ (including that Part as applied by section 59 of the Act) or Part II of the Local Government (Compensation for Redundancy and Premature Retirement) Regulations 1984⁽⁹⁾;
 - (b) compensation under Part II of the Local Government Reorganisation (Compensation) Regulations 1986 which is not payable in consequence of a person being treated as having been credited with a period of additional service under regulation 3(2)(b)(i) of those Regulations; or
 - (c) compensation under rights preserved by section 53(3) of the Act, or under rights arising by virtue of section 59(4) of the Act, which does not fall to be calculated by reference to a person having been credited with a period of additional service.
- (4) There shall not transfer under article 2 any matter relating to the making of payments under a scheme made pursuant to section 59(3) of the Act.
- (5) There shall not transfer under article 2 any matter relating to the payment of compensation under paragraph 3(3) of Schedule 13 to the Act.
- (6) There shall not transfer under article 2 any rights of the Greater Manchester Residuary Body to recover sums paid unlawfully by the Greater Manchester County Council to any of its employees or former employees.
- (7) There shall not transfer under article 2 any matter mentioned in paragraph 1(c) of this Schedule (payment of pensions increases) in cases where the functions of the Greater Manchester Residuary Body or the Merseyside Residuary Body with respect to the payment of the pension by reference to which the relevant increase is payable are not transferred under that article.

EXPLANATORY NOTE

(This note is not part of the Order)

This Order gives effect to proposals made by the Greater Manchester Residuary Body and the Merseyside Residuary Body for the transfer of the responsibility for pension and certain related compensation functions from those bodies to the councils of the boroughs of Tameside and Wirral respectively (article 2 and the Schedule). Subject to certain exceptions (paragraph 3 of the Schedule), the compensation matters transferred concern compensation for loss of office or employment and loss or diminution of emoluments. The costs which will fall on those councils and which are not otherwise recoverable by them are to be shared with the councils of the other districts in each county (article 3).

Article 4 makes supplementary and transitional provision for the continuity of the exercise of the transferred functions. Further supplementary provision is made by article 5, including necessary amendments to the Local Government Superannuation Regulations 1986.

⁽⁸⁾ 1978 c. 44; Part VI was amended by the Employment Act 1980 (c. 42), Schedule 2, by the Employment Act 1982 (c. 46), Schedule 2, paragraph 6, Schedule 3, paragraph 2 and Schedule 4, and by the Wages Act 1986 (c. 48), section 27 and Schedule 4, paragraph 8; it also has effect in certain cases as modified by the Redundancy Payments (Local Government) (Modification) Order 1983 (S.I. 1983/1160, amended by S.I. 1985/1872).

⁽⁹⁾ S.I. 1984/740.