

East Suffolk County Council Act 1971

CHAPTER lvi

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ELIZABETH II



1971 CHAPTER lvi

An Act to confer power on the East Suffolk County Council to lend money to local and other authorities; to confer further powers on local authorities in the county of East Suffolk in relation to the investment of superannuation funds maintained under the Local Government Superannuation Act 1937; to make further provision for the superannuation of employees; and for other purposes.

[27th July 1971]

WHEREAS—

- (1) It is expedient that power should be conferred on the county council of the administrative county of East Suffolk (hereinafter referred to as "the Council") to lend money to certain local and other authorities as by this Act provided:
- (2) It is expedient that further and better provision should be made with reference to the investment of superannuation funds maintained by local authorities within the county and that the powers of such local authorities should be enlarged and extended as by this Act provided:
- (3) It is expedient to make further provision for the superannuation of officers and servants of local and other authorities in the county and of persons who contribute to the superannuation

funds of the Council and of such local and other authorities and for the benefit of their dependants and to amend the enactments relating thereto:

- (4) It is expedient that the other provisions in this Act should be enacted:
- (5) The purposes of this Act cannot be effected without the authority of Parliament:
- (6) In relation to the promotion of the Bill for this Act the requirements of Part XIII of the Local Government Act 1933 1933 c. 51. have been observed:

May it therefore please Your Majesty that it may be enacted, and be it enacted, by the Queen's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:—

1. This Act may be cited as the East Suffolk County Council Act 1971.

Interpretation. 2.—(1) In this Act, except as otherwise expressly provided or unless the context otherwise requires, words and expressions to which meanings are assigned by the Act of 1937 have the same respective meanings and—

> "Act of 1937" means the Local Government Superannuation Act 1937;

"Act of 1961" means the Trustee Investments Act 1961;

- "contributor" in relation to a section of the new superannuation provisions means a contributor to the fund as respects whom the employing authority is a participating authority by reason of having adopted that section;
- "Council" means the county council of the county;
- "county" means the administrative county of East Suffolk;
 - "county fund" means the county fund of the Council;
 - "death grant" and "transfer value" have in relation to a contributor the meanings assigned to them respectively by the Regulations of 1954;
 - "district" means a borough or an urban or rural district in the county;
 - "the fund" means the superannuation fund maintained by the Council under Part I of the Act of 1937;
 - "local authority" means the council of a district;

Short title.

1937 c. 68.

1961 c. 62.

- "the new superannuation provisions" means sections 10, 11 and 12 of this Act;
- "participating authority" means an authority to whom the new superannuation provisions are applicable by virtue of a resolution passed pursuant to section 9 (Adoption of new superannuation provisions) of this Act;
- "the principal Acts" means the Local Government Superannuation Acts 1937 to 1953;
- "the Regulations of 1954" means the Local Government Superannuation (Benefits) Regulations 1954;
- "return of contributions" in relation to a person who has ceased to be a contributor includes any sums paid to or in respect of him by way of interest on the amount of the contributions returned to him;
- "Secretary of State" means the Secretary of State for the Environment;
- "superannuation benefit" includes any benefit which is or may be granted in pursuance of the principal Acts or the regulations made thereunder.
- (2) Any reference in this Act to any enactment shall be construed as a reference to that enactment as applied, extended, amended or varied by, or by virtue of, any subsequent enactment, including this Act.
- (3) Without prejudice to the provisions of section 11 (Power to require designated sums to be paid to trustees) and section 12 (Transfers of employment) of this Act, the provisions of the principal Acts and the regulations made thereunder shall apply and have effect in relation to a person who is a contributor subject to the extensions, modifications and applications of the said Acts and regulations contained in the new superannuation provisions.
- 3.—(1) The Council may lend to any local authority and a Power to local authority may borrow from the Council such money as Council to the Council think fit to lend and as the local authority are lend money authorised to borrow and any money so lent shall be repaid to authorities, the Council by the local authority within the period prescribed etc. by the sanctioning authority or otherwise, for the repayment thereof:

Provided that the powers of this subsection shall not be exercised unless—

- (a) the local authority borrowing from the Council is either—
 - (i) an authority of which the Council is a constituent member; or

- (ii) an authority to which the Council appoint a representative; or
- (iii) a member authority of a consortium of which the Council is also a member; or
 - (iv) the council of a district; or
- (b) the sum lent by the Council is part of a larger sum borrowed by the Council by way of a stock issue, bond issue, foreign loan or issue of bills for their own needs and for the needs of another local authority seeking to raise money by the same means.
- (2) Every sum borrowed by the Council for the purpose of this section shall be repaid within the period to expire not more than one year after that for which the same was lent by them to the local authority.
- (3) Where any sum is borrowed by the Council for the purposes of this section it shall be lawful for the Council for such periods as they think fit to suspend any annual provision required to be made by virtue of any enactment for the time being in force for the repayment of the sum borrowed.
- (4) The Council shall be entitled to charge such rate of interest in respect of any loan under this section as may be agreed between the Council and the borrower:

Provided that the Council shall ensure, so far as is reasonably practicable to do so, that, having regard to all the circumstances existing at the time the loan is made, the rate of interest agreed is such that no loss is incurred by the Council in respect of the loan.

- (5) All costs, charges and expenses incurred by the Council in respect of any particular loan under this section shall be met by the borrower.
- (6) In this section the expression "local authority" means the council of any county, county borough or county district and any authority being a local authority as defined by section 34 of the Local Loans Act 1875, and includes the Suffolk Police Authority, any river authority or drainage board and any joint board if all the constituent authorities are such local authorities as aforesaid.

1875 c. 83.

4.—(1) Subject to the provisions of section 8 (Limitation on powers of investment) of this Act, where a local authority maintains a superannuation fund under Part I of the Act of 1937, in its application to the investment by any such local authority under section 21 (3) of the Act of 1937 of any moneys forming

Extension of power to invest super-annuation fund moneys.

part of, but which are not for the time being moneys required to meet payments out of such fund, the Act of 1961 shall have effect as if—

- (a) the following paragraph were included in Part III (Wider-Range Investments) of Schedule 1 to that Act:—
 - "4. In any securities issued in any of the scheduled territories within the meaning of section 1 of the Exchange Control Act 1947 or in Canada or in the 1947 c. 14. United States of America or in any of the following countries, namely, Austria, Belgium, Denmark, France, Holland, Italy, Japan, Luxembourg, Norway, Portugal, Spain, Sweden, Switzerland and Western Germany";
- (b) in Part IV (Supplemental) of the said schedule—
 - (i) in paragraph 1 there were inserted after the word "schedule" the words "other than those mentioned in paragraph 4 of the said Part III";
 - (ii) after paragraph 2 there were inserted the following paragraph:—
 - "2A. The securities mentioned in paragraph 4 of Part III of this schedule do not include shares or debenture stock not fully paid up (except shares or debenture stock which, by the terms of issue, are required to be fully paid up within nine months of the date of issue)".
- (2) Notwithstanding anything in the Act of 1961 any such local authority may invest any moneys referred to in subsection (1) of this section in any manner specified in Part III of Schedule 1 to the Act of 1961, as amended by this section, and may also from time to time vary any such investments:

Provided that no such moneys as aforesaid shall be so invested at any time when the value of all the investments made in the manner specified in Part III of the said schedule as so amended equals or exceeds three-quarters of the total value of the fund maintained by the local authority.

5.—(1) Subject to the provisions of this section and of section 8 Investment of (Limitation on powers of investment) of this Act the powers superexercisable by any such local authority as is referred to in the annuation last foregoing section of this Act under the Act of 1961 to invest acquisition, any property belonging to the wider-range part of the super-etc., of land. annuation fund maintained by them shall include power to invest such property in such manner as they think fit (and whether alone or in association with any other person) in the acquisition, development or management of land situated in the United Kingdom (elsewhere than in the district of the local authority), in any of the Channel Islands or in the Isle of Man and used

or to be used for residential, commercial or industrial purposes, but Part IV of the First Schedule to the Act of 1961 shall not apply to any investment made under this subsection.

- (2) So long as the value of the investments of property for the time being made under the powers conferred by the foregoing subsection is equal to or greater than one-sixth of the total value of the wider-range part of the fund, no further investment may be made thereunder.
- (3) For the purposes of the last foregoing subsection, the value of any investment of property belonging to the wider-range part of the fund shall be deemed to be the value of the investment at the time at which it was made.
- (4) Subsections (2) to (7) of section 6 of the Act of 1961 shall apply in relation to the exercise of the powers of investment conferred by subsection (1) of this section as they apply in relation to the exercise by the local authority, of the powers conferred by section 1 of that Act to invest any property belonging to the wider-range part of the fund in a manner specified in Part III of the First Schedule to that Act.
- (5) Nothing in subsection (1) of this section shall prevent the local authority investing property belonging to the wider-range part of the fund in the acquisition, development or management of land in their district if the investment is made by the local authority as an investment in the units of a unit trust scheme or in participation certificates or in any form of participation under any trust or scheme referred to in section 7 (Investment in unit trusts, etc.) of this Act.
- (6) In this section "property" and "the wider-range part" in relation to the fund have the same meanings as they have for the purposes of the Act of 1961.
 - 6. The provisions of the last two foregoing sections shall have effect notwithstanding anything in subsection (3) of section 21 of the Act of 1937.
 - 7.—(1) For the purposes of the provisions of section 4 (Extension of power to invest superannuation fund moneys) and section 5 (Investment of superannuation funds in acquisition, etc., of land) of this Act, an investment in the units of a unit trust scheme or in participation certificates or in any form of participation under any trust or scheme established in the United Kingdom or in any of the Channel Islands or in the Isle of Man, having the effect of enabling persons to participate in the profits and income arising from the acquisition, holding, management or disposal of such securities or of such land as are specified in

those provisions shall be regarded as an investment in the securities

in question or in such land.

Section 21 (3) of Act of 1937 not to limit foregoing powers.

Investment in unit trusts, etc.

- (2) In this section "participation certificate" has the same meaning as in the Local Authorities' Mutual Investment Trust Act 1968, and "unit trust scheme" has the meaning assigned 1968 c. 25. thereto by section 26 (1) of the Prevention of Fraud (Investments) 1958 c. 45. Act 1958.
- 8. The following sections of this Act shall not apply to a local Limitation authority except with the consent of the Secretary of State: on powers of investment.
 - Section 4 (Extension of power to invest superannuation fund moneys);
 - (Investment of superannuation funds in acquisition, etc., of land);
 - Section 6 (Section 21 (3) of Act of 1937 not to limit foregoing powers);
 - Section 7 (Investment in unit trusts, etc.).
- 9.—(1) An authority to whom this section applies may by Adoption of resolution adopt all or any of the sections of the new superannuation new superprovisions and the schedule to this Act as from such date, not annuation being earlier than 1st September, 1971, as may be specified provisions. in such resolution, and where any provisions are so adopted they shall apply and have effect in relation to the authority as from the date so specified.
 - (2) This section applies to—
 - (i) a local authority in respect of which the Council is the administering authority;
 - (ii) the Suffolk Police Authority;
 - (iii) the East Suffolk Magistrates' Courts Committee;
 - (iv) the Suffolk Probation and After-Care Committee;
 - (v) any organisation, undertaking or body in respect of which there is for the time being in force an admission agreement with the Council pursuant to section 15 of the Local Government Superannuation Act 1953;
 - (vi) any other employing authority in relation to which the fund is the appropriate superannuation fund within the meaning of paragraph (d) of subsection (3) of section 1 of the Act of 1937.
- 10.—(1) Where after the coming into force of the new superan- Benefits in nuation provisions the employment of a contributor who has certain cases attained the age of fifty-five years and completed ten years' service of premature is terminated in the interests of efficiency before he has attained retirement. the age of sixty-five years, he shall be entitled to superannuation benefits calculated by reference to the service which he was entitled to reckon at the date when he ceased to hold his employment:

Provided that this subsection shall not apply to a contributor if not later than one month after ceasing to hold his employment he notifies the participating authority in writing that he does not wish this subsection to apply to him.

(2) Where, after the coming into force of the new superannuation provisions, a contributor who has attained the age of fifty-five years and completed twenty-five years' service, but has not attained pensionable age, terminates his employment at his own request, then superannuation benefits calculated by reference to the service which he was entitled to reckon at the date when he ceased to hold his employment shall be payable in lieu of any entitlement to a return of contributions under section 10 of the Act of 1937:

Provided that—

- (i) where a person has become entitled to a superannuation benefit by virtue of this subsection he may, by notice given to the participating authority in writing at any time before any payment on account of such benefit has been made to him, elect that this subsection and any rights to which he is entitled thereunder shall cease to apply in relation to him as from the date on which such notice is given;
- (ii) unless the participating authority otherwise determine on compassionate grounds, no benefit shall be paid to a person by virtue of this subsection before the date on which he attains pensionable age.
- (3) Where a person, who has become entitled to a superannuation benefit by virtue of subsection (2) of this section, dies before any payment on account of such benefit has been made to him, as from the date of his death, the like benefits shall be payable in respect of him as would have been paid if he had died on the last day of his employment as a contributor.
- (4) For the avoidance of doubt it is hereby declared that where a person is for the time being entitled to any benefit by virtue of subsection (2) of this section, that benefit shall be deemed to be a superannuation benefit for the purpose of the definition of "service" in subsection (1) of section 40 of the Act of 1937 whether or not any payment has been made to him on account thereof.
- (5) For the purposes of section 16 of the Local Government Superannuation Act 1953 and of any rules made thereunder a person entitled to a superannuation benefit by virtue of subsection (2) of this section shall be deemed to cease to hold his employment on the day immediately preceding the day on which that benefit first becomes payable to him and a superannuation

benefit as aforesaid shall be deemed to be such a superannuation allowance or benefit as is referred to in subsection (1) of the said section 16.

- (6) In this section "pensionable age" in relation to any person means the earliest age at which, if he were to remain a contributor without a break of service, he would, on ceasing to hold his employment, become entitled to superannuation benefits by reason of having otherwise than under this section attained such age and completed such period of service as is prescribed in the principal Acts or the Regulations of 1954, as the case may be.
- 11.—(1) A contributor may at any time, by notice in writing to Power to the Council given in such form as the Council may approve, require direct that the provisions of this section shall apply to the amount designated (if any) which would otherwise be payable to his estate by way paid to of death grant, and that any such amount (hereafter in this section trustees. and in the Schedule to this Act referred to as "the designated sum") instead of being paid to his estate shall be paid to such responsible persons (not being less than two nor more than four in number and hereafter in this section and in the said schedule referred to as "the trustees") as shall be appointed for that purpose by the Council to be held upon the trusts and with and subject to the powers and provisions in force under the said schedule at the date of such direction.

- (2) Any direction given in accordance with this section shall be effective and the designated sum shall accordingly be paid to the trustees and shall be held by them upon the trusts and with and subject to the powers and provisions in force under the said schedule at the date of such direction.
- (3) The trusts, powers and provisions set out in the said schedule may from time to time be varied by resolution of the Council, but so that the trusts, powers and provisions as so varied shall only apply in relation to directions received by the Council after the making of such variations.
- (4) Any direction given by a contributor under this section shall be irrevocable and binding on such contributor and his estate and all persons interested therein.
- (5) In this section and in the said schedule, "contributor" includes any person who on or after the date of the adoption of the new superannuation provisions is a contributor to the fund, and "former contributor" shall be construed accordingly.

Transfers of employment.

- 12.—(1) The Council may, in accordance with the provisions of a scheme made by them for the purposes of this section—
 - (a) as respects any contributor who ceases or has ceased to hold employment under the participating authority in order to enter an employment (in this paragraph referred to as "the new employment") in relation to which interchange arrangements are not for the time being in force, if that contributor so desires, in lieu of making any such payment to him from the fund as is referred to in section 10 of the Act of 1937 (or, where such a payment has been made, if it is repaid to the fund by the contributor), either—
 - (i) make from the fund in respect of him a payment by way of a transfer value to the body or persons responsible for administering any superannuation scheme in connection with the new employment; or
 - (ii) subject to such consequential provisions as may be prescribed in the scheme, award to or in respect of him superannuation benefits calculated by reference to the service which he was entitled to reckon at the date when he ceased to hold his employment under the participating authority:

Provided that no benefit shall be paid to a person by virtue of this sub-paragraph before such date as may be prescribed under the scheme; and

- (b) as respects any person who enters or has entered into employment under the participating authority from an employment in relation to which interchange arrangements are not for the time being in force, receive any payment made by or in respect of him to the fund, whether by way of transfer value or otherwise, and shall confer on him by virtue of such payment such rights under the principal Acts, and the regulations made thereunder as may be prescribed under the said scheme.
- (2) A scheme made under this section shall be of no effect unless it has been approved by the Secretary of State and the Secretary of State may approve any such scheme either with or without modifications after consultation with such organisations as are, in his opinion, representative of the interests concerned.
- (3) A scheme made under this section may be amended or revoked by a subsequent scheme.
- (4) Any body or persons responsible for administering a superannuation scheme in connection with an employment, as respects which interchange arrangements are not for the time being in force, may make any amendments or modifications of

that superannuation scheme that may be desirable to facilitate the operation of any scheme made by the Council under this section.

- (5) Where any provision of the principal Acts or the regulations made thereunder which has effect in relation to a contributor contains a reference to a transfer value, such reference shall be deemed (as may be appropriate) to include a reference to any such payment by way of a transfer value as is referred to in subparagraph (i) of paragraph (a) of subsection (1) of this section or to such payment by way of a transfer value or otherwise as is referred to in paragraph (b) of that subsection.
- (6) In this section "interchange arrangements" means any arrangements, whether by virtue of rules made under section 2 of the Superannuation (Miscellaneous Provisions) Act 1948, or 1948 c. 33. by virtue of any other enactment apart from this section, providing for the preservation of superannuation rights following a change of employment.
- 13.—(1) Where a local authority maintains a superannuation Application fund under Part I of the Act of 1937 any such local authority of new may by a resolution adopt all or any of the sections of the new superannuation provisions and the Schedule to this Act as from certain local such date, not being earlier than 1st September, 1971, as may be authorities. specified in such resolution, and where such provisions are so adopted they shall apply and have effect in relation to that local authority as if—

superannuation provisions to

- (a) any reference therein to the Council or to a participating authority was a reference to that local authority;
- (b) any reference to a contributor was a reference to a contributor to the superannuation fund maintained by that local authority under Part I of the Act of 1937 and (except in section 11 (Power to require designated sums to be paid to trustees) of and the Schedule to this Act) as respects whom that local authority are the employing authority; and
- (c) any reference therein to the fund was a reference to the superannuation fund maintained by that local authority under Part I of the Act of 1937.
- (2) If any such local authority as is referred to in subsection (1) of this section adopts all or any of the foregoing sections of the new superannuation provisions and the Schedule to this Act, any other employing authority in relation to which that local authority are the appropriate administering authority may by resolution adopt all or any of the foregoing sections of the new superannuation provisions and the Schedule to this Act as from such date as may be specified in such resolution and where any

provisions are so adopted any reference therein to a contributor shall be a reference to a contributor to the superannuation fund maintained by the local authority as respects whom such employing authority are the employing authority.

Transfer of certain sums from superannuation funds.

- 14.—(1) If a contributor is dismissed or resigns or otherwise ceases to hold employment in consequence of an offence of a fraudulent character or grave misconduct, a local authority to whom this section applies may transfer from the fund to the general rate fund of the local authority an amount not exceeding the whole, or any part, of any contributions not returned to him or paid to his wife or family under subsection (4) of section 10 of the Act of 1937, or the amount of loss suffered by the local authority in consequence of the employee's offence or misconduct whichever is the less.
- (2) If a contributory employee of an employing authority is dismissed or otherwise ceases to hold employment in consequence of an offence of a fraudulent character or grave misconduct by reason of which the employing authority have suffered direct financial loss, a local authority to whom this section applies shall on demand from the employing authority pay to them out of the fund an amount equal to so much of the employee's contributions to the fund as the employing authority have not directed to be returned to the employee or paid to his wife or family, or the amount of such loss suffered by the employing authority in consequence of his offence or misconduct, whichever is the less:

Provided that—

1965 c. 51.

- (a) where a payment in lieu of contributions falls to be made in respect of the employee under the National Insurance Act 1965, the local authority shall not under this subsection be required to pay to the employing authority so much of the employee's contributions as amounts to one-half of such payment in lieu of contributions;
- (b) the local authority shall not be required to pay to the employing authority so much of the employee's contributions as relates to any period of previous service, unless the employing authority have directed that all rights enjoyed by or in respect of him with respect to that period of previous service, being rights under Part I of the Act of 1937 or under the Local Government. Superannuation Act 1953, or any regulations made thereunder, shall be forfeited.

1953 c. 25.

(3) (a) This section applies to a local authority which maintains a superannuation fund under Part I of the Act of 1937.

- (b) In this section, in relation to a local authority to which this section applies—
 - "contributor" means a contributor to the fund as respects whom the local authority are the employing authority;
 - "the fund" means the superannuation fund maintained by the local authority;
 - "employing authority" means an authority whose employees participate in the benefits of the fund.
- 15.—(1) Subject to the provisions of subsection (4) of this Exclusion of section, subsection (2) of this section applies to employees remuneration and service
 - (a) who are contributory employees; or
 - (b) who are employed in reckonable service within the for supermeaning of the Teachers' Superannuation Act 1967; or purposes.
 - (c) who are firemen participating in any scheme for the time 1967 c. 12. being in force under section 26 of the Fire Services Act 1947; or 1947 c. 41.
 - (d) who by virtue of the provisions of rule 3 of the Superannuation (Policy and Local Government Schemes) Interchange Rules 1948 to 1970 are not subject to the provisions of the principal Acts;

and who are employed whole-time by a local authority, or any voluntary organisation, undertakers or other body approved by the Secretary of State and who would, but for this section, participate in respect of the employments mentioned in subsection (2) in the benefits of a superannuation fund maintained by a local authority under Part I of the Act of 1937.

- (2) The salary, wages, fees and other payments paid or made (whether before or after the passing of this Act) to an employee to whom this subsection applies in respect of any part-time employment (not being employment the duties of which may be performed during the hours which such employee is normally required to devote to his ordinary whole-time employment) by any authority or body the employees of which participate in the benefits of the said superannuation fund—
 - (a) as an instructor or other employee performing duties at, or for the purposes of, an adult centre or for the purposes of further education; or
 - (b) as a warden of, or other employee performing duties at, or for the purposes of, a youth centre; or
 - (c) as a civil defence instructor; or
 - (d) in any other capacity for the performance of duties which are not duties which he may be called upon to perform in his ordinary whole-time employment;

shall not be remuneration within the meaning of the principal Acts or of any other enactment affecting the fund, and the service of any such contributory employee in any such part-time employment shall not be reckoned as service for any of the purposes of those Acts.

- (3) Where, before the passing of this Act, any person to whom subsection (2) of this section applies has paid any contribution or contributions to the said superannuation fund which would not have been so paid if this section had been in force when such contribution or contributions were made, the local authority by which the fund is maintained shall repay to such person a sum equal to the amount of such contribution or contributions, together with compound interest thereon calculated to the date of repayment at the rate of three pounds per centum per annum with half-yearly rests.
- (4) Subsection (2) of this section shall not apply to any such person as is referred to in subsection (3) of this section unless within six months after the passing of this Act he gives notice in writing to the local authority by which the fund is maintained that the said subsection (2) is to apply to him, whereupon that subsection shall apply to him as if this Act had come into force on the date of the receipt by the local authority of such notice.

Extension of powers of local authorities to grant gratuities to widows and dependants of former employees.

1953 c. 25.

- 16.—(1) Section 18 of the Local Government Superannuation Act 1953 in its application to local authorities shall have effect as if—
 - (i) for the expression "to the widow or any other dependant" in subsections (1) and (2) there were substituted the words "to a dependant";
 - (ii) after sub-paragraph (c) of subsection (1) there were inserted the following new paragraph:—
 - "(d) partly by way of an annuity for the benefit of the widow and partly by way of periodical payments for the benefit of such of the children of the deceased employee who shall for the time being be under the age of twenty-one years:

Provided that the aggregate of the capital value of such annuity and of such periodical payments shall not exceed the amount aforesaid."

(2) Subsection (1) of the said section 18 (as amended by the last foregoing subsection) shall apply to a dependant of a former employee of a local authority who dies within one year after ceasing to be in their employment as it applies to a dependant of an employee who dies whilst in their employment:

Provided that no gratuity shall be granted under this subsection to a dependant of a former employee to whom a gratuity has been granted under subsection (1) of the said section 18.

- 17.—(1) It shall not be lawful to exercise the powers of borrowing Saving for conferred by the foregoing provisions of this Act except in powers of compliance with any order for the time being in force under Treasury. section 1 of the Borrowing (Control and Guarantees) Act 1946. 1946 c. 58.
- (2) Nothing in this Act shall be taken as exempting the Council or a local authority from the provisions of the Exchange Control Act 1947.
- 18. Section 283 (Notices to be in writing: forms of notices, etc.) Application and section 286 (Proof of resolutions, etc.) of the Public Health provisions of Act 1936 shall have effect as if references therein to that Act Public Health included references to this Act.

 Act 1936 c. 49.
- 19. All the costs, charges and expenses preliminary to and of Costs of Act. and incidental to the preparing, applying for, obtaining and passing of this Act, or otherwise in relation thereto, shall be paid by the Council out of the county fund of the Council.

c. lvi

SCHEDULE

SETTING OUT THE TRUSTS, POWERS AND PROVISIONS UPON, WITH AND SUBJECT TO WHICH THE DESIGNATED SUM IS TO BE HELD IN PURSUANCE OF A DIRECTION GIVEN BY A CONTRIBUTOR UNDER SECTION 11 (POWER TO REQUIRE DESIGNATED SUMS TO BE PAID TO TRUSTEES) OF THIS ACT.

The trustees shall stand possessed of the designated sum to which a contributor has directed that section 11 (Power to require designated sums to be paid to trustees) of this Act should apply and the income thereof upon the trusts and with and subject to the following powers and provisions, that is to say:—

- 1. During the period of twenty-one years from the death of the former contributor the trustees may pay or apply the designated sum and the income thereof or any part thereof respectively to or for the benefit of all or any one or more exclusively of the other or others of the following persons:—
 - (a) the widow or widower of such former contributor;
 - (b) the grandparents of such former contributor and the grandparents of the widow or widower of such former contributor and the grandparents of any previous or deceased wife or husband of such former contributor;
 - (c) the issue of such former contributor;
 - (d) any other issue of any of the grandparents referred to in subparagraph (b) of this paragraph; and
 - (e) the person or persons (if any and whether of full age or not) to whom such former contributor has at any time put himself in loco parentis or of whose person or property such former contributor has at any time been guardian;

in such shares and in such manner as the trustees shall in their absolute discretion from time to time determine and so that the trustees may if they think fit pay any sum to the parent or guardian of any infant to be applied for the benefit of such infant without seeing to the application thereof.

- 2. In addition to the powers conferred on them by virtue of the foregoing paragraph 1, during the said period of twenty-one years the trustees may at any time pay or apply the designated sum and the income thereof or any part thereof respectively to or for the benefit of any person who in the opinion of the trustees was wholly or in part dependent on the earnings of such former contributor at his death in such manner as the trustees shall in their absolute discretion think fit.
- 3. Subject as aforesaid, the designated sum and the income thereof or so much thereof respectively as shall not have been paid or applied under the powers conferred by the foregoing provisions of this Schedule shall be paid to such person or persons (other than the Crown, the Duchy of Lancaster or the Duke of Cornwall) as would at the death of such former contributor have become entitled thereto under the

Administration of Estates Act 1925, as amended by the Intestates' Sch. Estates Act 1952, or any statutory modification or re-enactment thereof in force at the death of such former contributor if such former contributor had died possessed thereof intestate and domiciled in England 1952 c. 23. and solvent and so that such persons if more than one shall take in such shares and manner in which they would have taken under the provisions of the said Act or Acts and subject to the conditions therein contained.

4. In this Schedule the expressions "grandparent" and "issue" shall be construed as if the step-child, adopted child or illegitimate child of any person was that person's child, and "issue" includes issue in any degree.

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