

Glasgow Corporation Order Confirmation Act, 1958

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CHAPTER iv

An Act to confirm a Provisional Order under the Private Legislation Procedure (Scotland) Act 1936 relating to Glasgow Corporation. [18th December 1958.]

WHEREAS the Provisional Order set forth in the schedule hereunto annexed has been made by the Secretary of State under the provisions of the Private Legislation Procedure (Scotland) Act 1936 and it is requisite that the said Order should be confirmed by Parliament:

Be it therefore 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. The Provisional Order contained in the schedule hereunto annexed is hereby confirmed. Confirmation
of Order in
schedule.
2. This Act may be cited as the Glasgow Corporation Order Confirmation Act 1958. Short title.

SCHEDULE

GLASGOW CORPORATION

Provisional Order to authorise the corporation of the city of Glasgow to borrow further moneys for the purposes of their tramway undertaking to amend the provisions of the Glasgow Corporation Superannuation Scheme 1955 with respect to the investment of the fund maintained by the said Corporation in pursuance of the said scheme and for other purposes.

Whereas it is expedient that the Corporation of the city of Glasgow (hereinafter referred to as "the Corporation") should be authorised to borrow further moneys for the purposes of the Glasgow Tramways Acts 1905 to 1957:

And whereas on the third day of May one thousand nine hundred and twenty-three the Corporation in exercise of the powers conferred upon them by section 34 (Superannuation fund &c. for Corporation employees) of the Glasgow (Water and General) Order 1902 made a scheme (hereinafter called "the principal scheme") for the superannuation of the employees of the Corporation:

And whereas from time to time the principal scheme was modified by the Corporation by schemes made by the Corporation and approved by the Secretary of State in pursuance of the provisions of the Local Government (Scotland) Act 1929 and the Local Government Superannuation (Scotland) Act 1937:

And whereas on the first day of September one thousand nine hundred and fifty-five the Corporation acting under and in pursuance of the provisions of the Local Government Superannuation Act 1953 the Local Government Superannuation (Scotland) Act 1937 and the said Order of 1902 made the Glasgow Corporation Superannuation Scheme 1955 (hereinafter called "the Superannuation Scheme") whereby the principal scheme (as modified as aforesaid) was revoked and re-enacted with the further modifications required to be made in pursuance of the said Act of 1953 and the Superannuation Scheme was duly approved by the Secretary of State and is now in operation:

And whereas the provisions of article 32 of the Superannuation Scheme with regard to the investment of the fund maintained by the Corporation in pursuance of the Superannuation Scheme are unduly restrictive and it is expedient to confer upon the Corporation the powers of investment of the said fund provided in this Order:

And whereas the purposes aforesaid cannot be effected without an Order confirmed by Parliament under the Private Legislation Procedure (Scotland) Act 1936:

Now therefore in pursuance of the powers contained in the last-mentioned Act the Secretary of State orders as follows:—

1. This Order may be cited as the Glasgow Corporation Order 1958.

This Order and the Glasgow Tramways Acts 1905 to 1957 may be cited together as the Glasgow Tramways Acts 1905 to 1958.

Short title
and citations.

This Order and the Glasgow Corporation Acts 1855 to 1957 may be cited together as the Glasgow Corporation Acts 1855 to 1958.

2. In this Order—

Interpretation.

“ Corporation ” means the Corporation of the city of Glasgow ;

“ Superannuation Scheme ” means the Glasgow Corporation Superannuation Scheme 1955 ;

“ Tramways Acts ” means the Glasgow Tramways Acts 1905 to 1957.

3.—(1) The Corporation may borrow for the purposes of the Tramways Acts any sum of money not exceeding three million five hundred thousand pounds in addition to (a) the sum of twelve million six hundred and twenty-one thousand nine hundred and eighty-five pounds authorised to be borrowed by the Tramways Acts and (b) the sum of seventy-one thousand two hundred and eighty-one pounds nine shillings and ninepence authorised to be borrowed by the Govan Burgh (Tramways) Act 1893 (the tramways belonging to the former burgh of Govan having been vested in the Corporation by the Glasgow Boundaries Act 1912) and they shall pay off all moneys so borrowed within the period of thirty years from the date of borrowing.

Borrowing
for tramway
purposes.

(2) If after having borrowed the said sum hereby authorised or any part thereof the Corporation pay off the same by other means than by sinking fund they may reborrow the same.

(3) The amount borrowed by the Corporation for the purposes of their tramways undertaking whether in exercise of their powers under the Tramways Acts and this Order or at common law shall not exceed in amount the total sum they are authorised to borrow by the Tramways Acts and this Order.

4. Nothing in this Order shall authorise the exercise of any power of borrowing money or the making of any issue of capital otherwise than in compliance with the provisions of any order for the time being in force made under section 1 of the Borrowing (Control and Guarantees) Act 1946 or of section 259 of the Local Government (Scotland) Act 1947 as amended by subsection (1) of section 4 of the Local Government (Scotland) Act 1951.

Saving for
control on
borrowing.

5.—(1) Article 32 (Management of fund, use of moneys and investment of surpluses) of the Superannuation Scheme shall be read and have effect as if—

Amendment of
Superannuation
Scheme.

(a) sub-paragraph (e) of paragraph (3) thereof were omitted therefrom ; and

(b) in place of paragraph (4) thereof there were substituted the following paragraph (that is to say):—

“ (4) (A) The Corporation may invest the whole or any part of the fund (not for the time being required to meet payments to be made out of the fund) in or upon all or any of the following assets investments securities and obligations (namely):—

(a) in investments in which trustees are authorised to invest trust funds according to the law of Scotland or the law of England for the time being ;

(b) in the purchase or on the security of heritable or real property in the United Kingdom :

Provided that an investment on the security of any property shall only be made under this sub-paragraph if—

(i) the amount secured does not exceed two-thirds of the value of the property ; and

(ii) the bond and disposition in security mortgage or other deed constituting the security takes priority over any other bond and disposition in security mortgage or other deed creating a security on the property ;

(c) in or upon the public stocks or funds or Government securities of any country being a member of the British Commonwealth of Nations ;

(d) in or upon the deposit receipts bonds debentures debenture stock mortgages or other securities or unsecured loan stock of any corporation (including the Corporation) company or body whether municipal railway public utility commercial industrial investment trust unit trust mortgage insurance banking or otherwise registered or incorporated in the United Kingdom ;

(e) in or upon the guaranteed or lien or preference or preferred or ordinary or deferred or common stocks or shares of any such corporation company or body or in or upon any securities issued or guaranteed by any such corporation company or body and in the case of banks and insurance companies whether or not there is liability for calls or other payments on any of the stocks shares or other securities of such banks and insurance companies :

(B) Notwithstanding anything in the foregoing paragraph an investment shall not be made under the powers of sub-paragraphs (d) and (e) of the foregoing paragraph—

(a) in the securities or obligations of any company unless the issued capital of such company amounts to or exceeds one million pounds sterling and such securities or obligations are quoted on the London Stock Exchange and the company have paid dividends on their ordinary share capital at the rate of at least five per centum per annum for not less than four years prior to the date of investment ;

(b) so long as the book value of all the investments made under the powers of the said sub-paragraphs equals or exceeds twenty-five per centum of the book value of all the assets investments securities and obligations in which the fund is invested ;

(c) for the purposes of this paragraph the expression "book value" in relation to any investment means the value of the investment at the time at which it was made :

(C) The income derived from all assets investments securities and obligations in which the fund is invested shall be paid into the fund ;

(D) The Corporation may at their discretion realise any portion of the fund or otherwise borrow on temporary loan from the Corporation Loans Fund to meet any temporary deficiency in the annual income of the fund ”.

(2) The words “ Management and Investment of Fund ” shall be substituted for the words “ Management of Fund, Use of Moneys and Investment of Surpluses ” which form the heading or rubric of article 32 of the Superannuation Scheme.

6. Nothing in the immediately preceding section of this Order or in any rule of law shall be construed as imposing on the Corporation any obligation to realise any moneys forming part of the fund maintained pursuant to the Superannuation Scheme which were as at the date of the passing of the Act confirming this Order invested with the Corporation at interest at the rate of four per centum per annum but the Corporation may in their discretion from time to time realise such investment or any part thereof.

Power to retain or realise existing investment of superannuation fund.

7.—(1) Section 35 (Registration of scheme for establishment of fund &c. under Friendly Societies Act) of the Glasgow Corporation (Water and General) Order 1902 shall be read and have effect as if after the words “ section 41 ” occurring therein there were inserted the words “ section 44 ” and section 44 of the Friendly Societies Act 1896 shall cease to apply to the Superannuation Scheme.

Amendment or modification of certain sections of Corporation Orders of 1902 and 1948.

(2) Section 69 (Investment of reserve funds &c.) of the Glasgow Corporation Order 1948 shall cease to apply to the fund maintained pursuant to the Superannuation Scheme.

8. The costs charges and expenses of and incidental to the preparing for obtaining and confirming of this Order or otherwise in relation thereto shall be paid by the Corporation and shall be allocated among the several undertakings and services of the Corporation in such proportions as the Corporation may deem expedient.

Costs of Order.



Table of Statutes referred to in this Act

Short title	Session and chapter
Govan Burgh (Tramways) Act 1893	56 & 57 Vict. c. lxxix.
Friendly Societies Act 1896	59 & 60 Vict. c. 25.
Glasgow Boundaries Act 1912	2 & 3 Geo. 5. c. xcvi.
Local Government (Scotland) Act 1929	19 & 20 Geo. 5. c. 25.
Private Legislation Procedure (Scotland) Act 1936	26 Geo. 5 & 1 Edw. 8. c. 52.
Local Government Superannuation (Scotland) Act 1937	1 Edw. 8 & 1 Geo. 6. c. 69.
Borrowing (Control and Guarantees) Act 1946...	9 & 10 Geo. 6. c. 58.
Local Government (Scotland) Act 1947	10 & 11 Geo. 6. c. 43.
Local Government (Scotland) Act 1951	14 & 15 Geo. 6. c. 15.
Local Government Superannuation Act 1953 ...	1 & 2 Eliz. 2. c. 25.

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