

## SCHEDULES

### SCHEDULE 1

#### PROVISIONS SUPPLEMENTING SECTIONS 1 TO 3

##### *Pensions*

- 1 (1) The Secretary of State may make such orders under section 74 of the Transport Act 1962 (power to make provision about pensions in the nationalised transport industry) in relation to related companies as he could make if those companies were subsidiaries of the Railways Board.
- (2) Except on the application of a related company which is not a subsidiary of the Board, no order shall be made by virtue of this paragraph which has the effect of placing the company or any of its subsidiaries in any worse position ; but for this purpose a related company or a subsidiary shall not be regarded as being placed in a worse position because an order provides that any changes in a pension scheme are not to be effected without the consent of the Secretary of State.
- (3) An order such as is mentioned in sub-paragraph (2) which is made without the application of the related company shall not be invalid because it does not have the effect of securing that the related company and its subsidiaries are not placed in any worse position, but except in so far as the related company approves the effect of the order the Secretary of State shall as soon as may be make the necessary amending order.
- (4) Sub-paragraphs (2) and (3) above have effect only in relation to orders made after such day as may be appointed for the purposes of this paragraph by order made by statutory instrument by the Secretary of State, and different days may be so appointed in relation to different related companies.
- (5) Where an order (the " first order") applying to a company has been made under section 74 and at the time when it was made the company was a subsidiary of the Railways Board, the order shall not apply to that company when it ceases to be such a subsidiary except where an order made (at any time) by virtue of this paragraph provides for the first order to continue to apply to the related company.
- (6) An order made by virtue of this paragraph may, in particular, authorise the Railways Board or any subsidiary of the Board—
  - (a) to transfer liabilities and obligations under a pension scheme in relation to some (but not all) of the participants in that scheme to another pension scheme (the " other scheme "); and
  - (b) to divide or apportion a pension fund held for the purposes of the scheme between that scheme and the other scheme.
- (7) In this paragraph "participant", in relation to a pension scheme, means—

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*Status: This is the original version (as it was originally enacted).*

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- (a) in relation to a scheme under which benefits are or will be receivable as of right, a person who has pension rights under the scheme (whether he has contributed or not); and
  - (b) in relation to a scheme under which benefits are not or will not be receivable as of right, a person who (whether he is referred to in the scheme as a member, contributor or otherwise) has contributed under the scheme and has pension rights thereunder.
- (8) Section 57 of the Transport Act 1980 (power of Secretary of State to direct that certain payments in respect of transfer values are to be ignored for the purposes of certain provisions of Part III of that Act) shall have effect as if the reference to a subsidiary of the Railways Board included a reference to a related company.
- (9) In this paragraph " related company" means a company in which the Railways Board have, or at any time have had, a beneficial interest (either directly or through nominees or subsidiaries) in not less than 20 per cent, of the issued ordinary share capital of the company.