



# Transport (Scotland) Act 1989

## 1989 CHAPTER 23

### PART III

#### GENERAL

##### *Services and pensions*

#### **11 Provision of services for related companies.**

- (1) Subject to subsection (2) below, the Group may provide for any related company any of the services which they have power to provide for any of their subsidiaries.
- (2) The Group shall make proper commercial charges for any services provided under this section.
- (3) In this section and section 12 of this Act “related company” means any company which at any time has been a subsidiary of the Group.

#### **12 Pensions for employees of related companies.**

- (1) The Secretary of State may make such orders under section 74 of the 1962 Act (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 Group.
- (2) In exercising, with respect to any pension scheme, the powers conferred by this section, the Secretary of State shall take into account any representations made by the persons administering the scheme.
- (3) Except on the application of a related company, no order shall be made by virtue of this section which has the effect of placing the related company or any of its subsidiaries in any worse position; but, for the purposes of this subsection, 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.

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*Changes to legislation: There are currently no known outstanding effects for the Transport (Scotland) Act 1989, Cross Heading: Services and pensions. (See end of Document for details)*

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- (4) Any order such as is mentioned in subsection (3) above which is made otherwise than on 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.
- (5) Subsections (3) and (4) above have effect only in relation to orders made after such day as may be appointed for the purposes of this section by order made by statutory instrument made by the Secretary of State, and different days may be so appointed in relation to different related companies.
- (6) Where an order (the “first order”) applying to a related company has been made under the said section 74 and at the time when it was made the related company was a subsidiary of the Group, the order shall not apply to the related company when it ceases to be such a subsidiary except where an order made (at any time) by virtue of this section provides for the first order to continue to apply to the related company.
- (7) An order made by virtue of this section may, in particular, authorise the Group or any of its subsidiaries—
  - (a) to transfer liabilities under a pension scheme in relation to some (but not all) of the participants in that scheme to another pension scheme; and
  - (b) to divide or apportion a pension fund held for the purposes of the first-mentioned scheme between that scheme and the other scheme.
- (8) In this section “participant”, in relation to a scheme, means—
  - (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 under it.

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