
STATUTORY INSTRUMENTS

1966 No. 1629

**The Overseas Service Pensions
(Scheme and Fund) Regulations 1966**

PART II

ESTABLISHMENT OF THE SCHEME AND FUND

Establishment of the Scheme

3. There is hereby established an Overseas Service Pensions Scheme which shall be administered in accordance with the provisions of these Regulations.

Management of the Scheme

4. The Scheme shall be managed by the Crown Agents.

Establishment of the Board

5.—(1) There is hereby established an Advisory Board, to be known as the Overseas Service Pensions Scheme Advisory Board (hereinafter referred to as “the Board”), to advise the Minister on matters relating to the administration of the Scheme.

- (a) (2) (a) The Board shall consist of a Chairman and three or more members, all of whom shall be appointed by the Minister for such period and subject to such conditions as the Minister may determine:

Provided that at least one member shall be representative of the interests of the contributors to the Scheme. The Chairman or any member shall be eligible for re-appointment.

- (b) For the avoidance of doubt it is hereby declared that a member of the Board appointed to represent the interests of the contributors to the Scheme need not himself be a contributor to the Scheme.

Establishment of the Fund

6.—(1) As from the date of commencement of these Regulations there shall be established an Overseas Service Pensions Fund (hereinafter referred to as “the Fund”) for the purposes of the Scheme.

(2) There shall be carried to the credit of the Fund—

- (a) all contributions made for the purposes of the Scheme; and
(b) all sums received by way of dividends, interest and other income received out of the investment or use of the Fund or any part thereof.

General Account and Investment Account

7.—(1) Two accounts shall be maintained for the Fund, to be called the General Account and the Investment Account.

(2) There shall be paid into or transferred to the General Account—

- (a) all contributions, and
- (b) such sum or sums as may be required to prevent a deficiency from arising on the General Account and which may be authorised by the Minister to be transferred from the Investment Account.

(3) There shall be paid into or transferred to the Investment Account from time to time during each accounting year—

- (a) a sum or sums equal to the aggregate of the net proceeds of all contributions paid under the provisions of the Scheme, less such sums as are necessary to pay the pensions and any sums payable under the provisions of the Scheme;
- (b) the net proceeds of all dividends, interest and other income arising out of the investment or use of the Investment Account or any part thereof; and
- (c) any other sums relating to the Fund received by the Crown Agents.

(4) Subject to the provisions of regulation 8, there shall be paid out of the General Account the pensions and any sums payable under the provisions of the Scheme.

(5) There shall be paid by or on behalf of the Crown Agents from the Investment Account such sums as are required to negotiate the investment of securities and such sum or sums as may be required to prevent a deficiency from arising on the General Account.

Functions of the Crown Agents

8.—(1) The Crown Agents shall be responsible for the general management of the Scheme, including—

- (a) receiving contributions and paying an amount equal to the aggregate of such contributions to the credit of the General Account;
- (b) maintaining a record of the contributions paid and of the valid elections;
- (c) the award of pensions;
- (d) paying out of the General Account the pensions payable under the provisions of these Regulations, sums equal to the amounts of the periodical contributions to be returned under the provisions of these Regulations, with interest where payable, and sums payable under regulations 25, 32 and 33; and
- (e) performing such consequential, ancillary and incidental functions as appear to them to be necessary or expedient for the carrying out of the purposes of the Scheme.

(2) The expenses of the general management of the Scheme shall be paid from the Fund.

(3) The Crown Agents shall furnish the Minister and the Advisory Board annually with a report on the administration of the Scheme.

Powers of investment

9. Any moneys in the Investment Account may be deposited at interest in the Joint Consolidated Fund managed by the Crown Agents or may be invested by the Crown Agents in such stocks, shares, debentures, debenture stocks, funds or securities in which a trustee is authorised to invest by any law for the time being in force in the United Kingdom:

Provided that the value at cost of all securities invested in preference, preferred or ordinary stocks and shares shall not, unless the Minister otherwise directs, exceed 50 per cent. of the total value at cost of the assets of the fund:

Provided further that not more than 10 per cent. of the said total value shall be invested in the stocks or shares of any company which are not quoted on any recognised Stock Exchange in the United Kingdom. A Certificate of the Auditors shall be conclusive as to the compliance by the Crown Agents with the requirements of this regulation.

Accounts and Audit

10.—(1) The Crown Agents shall cause to be prepared, in a form to be approved by the Minister, full and true accounts of all sums of money received and expended by them for the purposes of the Scheme and shall furnish such accounts to the Board.

(2) The Fund shall be balanced as soon as may be following the end of each accounting year.

(3) The accounts for each accounting year relating to the Investment Account, together with all the relative vouchers, shall be delivered, not later than three months following the end of that accounting year, for audit in such manner as the Minister may direct.

(4) The Minister shall cause the General Account to be submitted for audit not later than three months following the end of each accounting year.

Valuations of the Fund

11.—(1) The Minister shall cause an actuarial valuation of the assets and liabilities of the Fund to be made by the Government Actuary at the end of the accounting year ending on 30th September 1971 and of every fifth subsequent accounting year. The Government Actuary shall report his findings to the Minister and shall include in his report recommendations as the case may require for the making good of any deficiency or for the disposal of any surplus.

(2) Where on such valuation the Government Actuary certifies that a deficiency or a disposable surplus is disclosed, the Minister, after consultation with the Advisory Board, may with the approval of the Treasury make Regulations to amend the provisions of the Scheme whether by alteration of the rates of benefits or of the rates of contributions or otherwise.