

1970 No. 1990

TRANSPORT

PENSIONS AND COMPENSATION

**The London Transport (Alteration of Pension Schemes)
Order 1970**

<i>Made - - - -</i>	<i>16th December 1970</i>
<i>Laid before Parliament</i>	<i>30th December 1970</i>
<i>Coming into Operation</i>	<i>31st December 1970</i>

The Secretary of State for the Environment, in exercise of his powers under section 74 of the Transport Act 1962(a) as read with section 18 of the Transport (London) Act 1969(b), and of all other enabling powers, hereby makes the following Order on the application of the London Transport Executive made with the approval of the Greater London Council:—

Commencement, citation and interpretation

1.—(1) This Order shall come into operation on the 31st December 1970, and may be cited as the London Transport (Alteration of Pension Schemes) Order 1970.

(2) In this Order, unless the context otherwise requires—

“the Executive” means the London Transport Executive;

“the New Fund” means the London Transport 1970 Superannuation Fund, which is a funded pension scheme established by the Executive under the terms of an Interim Trust Deed executed by the Executive on the 1st December 1970;

“the persons administering”, in relation to a pension scheme, means the persons responsible for administering the scheme under the terms thereof, and includes the trustees, if any, of the scheme;

“the service” means—

(a) whole time employment by the Executive or by a subsidiary of the Executive, or

(b) where the employment began on the 1st January 1970, by virtue of section 16(2) of the Transport (London) Act 1969, immediately following whole time employment by the former London Transport Board, whole time employment by London Country Bus Services Limited;

“term”, in relation to a pension scheme to which this Order applies, includes any rule or provision of the scheme, or of any statutory provision relating to the scheme, or of any deed or other instrument made for the purposes of the scheme.

(a) 1962 c. 46.

(b) 1969 c. 35.

(3) The Interpretation Act 1889(a) shall apply for the interpretation of this Order as it applies for the interpretation of an Act of Parliament.

Application of Order

2.—(1) This Order shall apply to the New Fund and the other pension schemes mentioned in this Order.

(2) A pension scheme to which this Order applies shall be construed and have effect as if the relevant provisions of this Order were terms of the scheme, any other term thereof, whether expressed or implied, to the contrary notwithstanding.

Alterations in the terms of certain schemes for providing pensions and other benefits

3.—(1) This Article shall apply to the pension schemes listed in the Schedule to this Order.

(2) A person who becomes a member of the New Fund on or after the 1st January 1971 shall, so long as he is a contributing member of the New Fund, be ineligible for admission to a pension scheme to which this Article applies.

(3) Where a member of a pension scheme to which this Article applies becomes a member of the New Fund on or after the 1st January 1971, the following provisions shall have effect:—

(a) upon the date of his admission to membership of the New Fund he shall cease to be a member of that pension scheme and (except as hereinafter provided) his liability to pay contributions to and his right to receive benefit from that scheme shall cease; and

(b) as soon as may be after that date the persons administering that pension scheme shall pay to the New Fund an appropriate transfer value in respect of the accrued pension rights of that member in that scheme.

(4) Where by reason of the foregoing provisions of this Article a person ceases to be a member of the London Transport (Administrative and Supervisory) Staff Superannuation Fund or of the Railway Clearing System Superannuation Fund and immediately before that cessation he was, in the case of a member of the former fund, a member of the Managing Committee or of the Council of that fund, or of both the said Committee and the said Council, or, in the case of a member of the latter fund, a member of the Committee of that fund, then he may, notwithstanding the cessation of his membership of the fund in question, continue to act as a member of the body or bodies of which he was a member as aforesaid, for a period not exceeding three years from the date of that cessation, but subject, however, to all the other provisions applicable to the office of such member.

Ascertainment and payment of transfer values

4.—(1) Where under the provisions of Article 3 of this Order there falls to be paid in relation to a member of a pension scheme to which that Article applies a transfer value in respect of his accrued pension rights in that scheme, then the amount to be paid shall be ascertained by first determining the portion of the funds of that scheme properly attributable to the accrued pension rights of that member in that scheme and then by deducting therefrom such sum as may be necessary to cover the cost actually incurred by the persons administering that scheme in making the apportionment and the payment and also an amount equal to any income tax which may then become payable by virtue of regulations made, or having effect as if made, under section 208 of the Income and Corporation Taxes Act 1970(a).

(2) Any payment of a transfer value may take the form of a transfer of securities, deposits or other assets, valued as at the date of the transfer, and any question whether a transfer value shall be paid in cash or in the form of such a transfer as aforesaid shall be determined in each case when the transfer value falls to be paid.

Consequential provisions

5.—(1) Where under the foregoing provisions of this Order a person ceases to be a member of a pension scheme to which this Order applies, such cessation shall be without prejudice to the obligation of that person to pay any outstanding contributions to that scheme in respect of any period before such cessation, and at the rate appropriate to that period, and to the right of his employer to deduct such contributions from his emoluments.

(2) Where under the foregoing provisions of this Order a person ceases to be a member of a pension scheme to which this Order applies, his rights to benefit from that scheme shall terminate with the cessation of his membership of that scheme.

Determination of questions

6. Where under the foregoing provisions of this Order any matter or thing is to be determined in relation to a member of a pension scheme to which this Order applies who becomes a member of the New Fund, that matter or thing shall be determined by agreement between the persons administering that pension scheme on the one hand and the persons administering the New Fund on the other hand, or, in default of such agreement, by the Secretary of State.

Safeguarding of existing rights

7. No person who is a member of, or has a right of re-admission to, a pension scheme to which this Order applies (other than the New Fund) shall be required by a term of his employment in the service to become a member of the New Fund.

Signed by authority of the Secretary of State.

16th December 1970.

R. Graham Page,
Minister for Local Government and Development
Department of the Environment.

THE SCHEDULE

Schemes for providing pensions and other benefits

British Railways Superannuation Fund—LNER Section
British Railways Superannuation Fund—GWR Section
British Railways Superannuation Fund—SR Section
British Railways Superannuation Fund—LMSR Section
Cooks Pension Fund
London Transport (Administrative and Supervisory) Staff Superannuation Fund
Metropolitan Railway Pension Fund
National Freight Salaried Staff Pension Fund
Railway Clearing System Superannuation Fund
Tilling Group Pension Fund

EXPLANATORY NOTE

(This Note is not part of the Order.)

This Order relates to the newly established London Transport 1970 Superannuation Fund and to certain other pension schemes. It makes provision (Article 3) for avoiding duplication of membership in the case of persons who are, or may become, members of these other pension schemes but who become members of the newly established fund. Transfer values may be paid from these other schemes to the newly established fund (Article 4). Articles 5 and 6 provide for certain consequential matters and for the determination of questions, and Article 7 safeguards existing rights.

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