STATUTORY INSTRUMENTS

1975 No. 2063

TRANSPORT

PENSIONS AND COMPENSATION

The British Railways Board (Funding of Pension Schemes) (No. 2) Order 1975

Made - - - -	*9th December* 1975
Laid before the House of Commons - - -	*11th December* 1975
Coming into Operation -	*1st January* 1976

The Secretary of State for the Environment, with the approval of the Treasury, hereby makes this Order in exercise of his powers under sections 5 and 6 of the Railways Act 1974(**a**) and of all other enabling powers:—

Commencement and Citation

1. This Order shall come into operation on 1st January 1976, and may be cited as the British Railways Board (Funding of Pension Schemes) (No. 2) Order 1975.

Interpretation

2.—(1) In this Order—

"the Act" means the Railways Act 1974;

"obligation" shall be construed in accordance with section 6(3) of the Act;

"the prescribed obligations owed by the Railways Board", in connection with a pension scheme, means all the obligations from time to time owed by the Railways Board in connection with that scheme, other than any obligation excluded by section 5(2) of the Act;

"the Railways Board" means the British Railways Board.

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

Application of Order

3. This Order applies to the pension schemes listed in column (1) of the Schedule to this Order.

Funding of obligations

4.—(1) For the purposes of funding the prescribed obligations owed by the Railways Board in connection with the pension schemes to which this Order applies the Railways Board shall provide the sum of £128,049,759 which shall be apportioned between those schemes in the manner set out in the Schedule to this Order, the sum apportioned to each scheme specified in column (1) of that Schedule being set against that scheme in column (2) of that Schedule.

(**a**) 1974 c. 48. (**b**) 1889 c. 63.

(2) The debt of the Railways Board constituted by a sum apportioned as aforesaid shall be paid off by the Board during the period beginning on the 1st April 1979 and ending on the 1st April 1986 by instalments of the amounts set against that sum in columns (3) to (10) (inclusive) of the Schedule to this Order, the instalments specified in each of those columns being payable by the Railways Board on the date stated at the head of that column.

(3) Interest on the outstanding amount of each such debt shall be payable by the Railways Board at the rate of 13 per cent. per annum, the first payment of interest to be made on the 31st March 1976 and the subsequent payments to be made at three monthly intervals thereafter.

(4) For the purposes of section 5(5)(*a*) of the Act the minimum amount of the principal of the debt of the Railways Board constituted by virtue of this Order in relation to a pension scheme specified in column (1) of the Schedule to this Order shall be the sum set against that scheme in column (11) of that Schedule.

Funding to be supplemental to that provided for by previous Order and to be partial only

5. In relation to each of the pension schemes to which this Order applies:—

(*a*) the funding of obligations provided for by this Order is supplemental to that provided for by the British Railways Board (Funding of Pension Schemes) (No. 1) Order 1974(**a**), and

(*b*) the funding of obligations provided for by this Order and that Order together is partial only.

John Gilbert,
Minister for Transport,
Department of the Environment.

Signed by authority of
the Secretary of State

3rd December 1975.

We approve the making of this Order.

Donald R. Coleman,
James A. Dunn,
Two of the Lords Commissioners
of Her Majesty's Treasury.

9th December 1975.

(a) S.I. 1974/2005 (1974 III, p. 7011).

THE SCHEDULE

(1) Pension Scheme	(2) Sum apportioned to each scheme	Amounts of instalments and dates of payment								(11) Minimum Amount of debt
		(3) 1.4.1979	(4) 1.4.1980	(5) 1.4.1981	(6) 1.4.1982	(7) 1.4.1983	(8) 1.4.1984	(9) 1.4.1985	(10) 1.4.1986	
	£	£	£	£	£	£	£	£	£	£
British Railways Superannuation Fund: New Section	41,774,592	2,297,603	2,631,799	3,383,742	4,302,783	5,305,373	6,516,836	7,895,398	9,441,058	33,419,674
British Railways (Wages Grades) Pension Fund	20,592,130	1,132,567	1,297,304	1,667,963	2,120,989	2,615,201	3,212,372	3,891,913	4,653,821	16,473,704
British Transport Police Force Superannuation Fund	1,928,692	106,078	121,508	156,224	198,655	244,944	300,876	364,523	435,884	1,542,954
Great Western Railway Supplemental Pension Reserve Fund	4,471,692	245,943	281,717	362,207	460,584	567,905	697,584	845,150	1,010,602	3,577,354
B.R. (1974) Pension Fund...	59,232,076	3,257,764	3,731,621	4,797,798	6,100,904	7,522,474	9,240,204	11,194,862	13,386,449	47,385,661
London, Midland and Scottish Railway (LNW) Insurance Society	38,462	2,115	2,423	3,115	3,962	4,885	6,000	7,269	8,693	2,115
Lancashire and Yorkshire Railway Pension Fund Society	12,115	666	763	981	1,248	1,539	1,890	2,290	2,738	666
TOTAL	128,049,759	7,042,736	8,067,135	10,372,030	13,189,125	16,262,321	19,975,762	24,201,405	28,939,245	102,402,128

EXPLANATORY NOTE

(This Note is not part of the Order.)

This Order prescribes the sum of £128,049,759 as the sum to be provided by the British Railways Board, and to be paid by the Board in instalments during the period beginning on the 1st April 1979 and ending on the 1st April 1986, for the purpose of effecting a partial funding of the Board's obligations in connection with certain of their pension schemes. The apportionment of this sum between the various pension schemes and the requirements as to the amounts of the instalments, the dates for their payment, the rate of interest and the dates for the payment of interest are also provided for in the Order (Article 4 and the Schedule). The funding of obligations provided for by this Order is supplemental to that provided for by the British Railways Board (Funding of Pension Schemes) (No. 1) Order 1974.

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