2. This order shall come into operation on the first day of January, nineteen hundred and fifty-one, and may be cited as the Gas (Area) (Sheerwater, Surrey) Order, 1950.

Dated this thirteenth day of December, nineteen hundred and fifty.

*Philip Noel-Baker,*
Minister of Fuel and Power.

EXPLANATORY NOTE

*(This note is not part of this order, but is intended to indicate its general purport.)*

This order transfers that part of the housing estate at Sheerwater, Surrey, which lies to the south of the Basingstoke Canal, and an additional strip of land adjoining it on the same side of the canal, from the area of the North Thames Gas Board to the area of the South Eastern Gas Board.

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**PENSION SCHEME**

## The Gas (Pension Rights) Regulations, 1950

## 1950 No. 1206

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| *Made* - - - - | 21*st July*, 1950 |
| *Laid before Parliament* | 26*th July*, 1950 |
| *Coming into Operation* | 1*st September*, 1950 |

The Minister of Fuel and Power (in these regulations referred to as " the Minister ") in exercise of the powers conferred upon him by sections fifty-eight and sixty-two of the Gas Act, 1948(a) (in these regulations referred to as " the Act ") and of all other powers him enabling, hereby makes the following regulations:—

*Transferred schemes*

1.—(1) This regulation shall apply to any pension scheme confined immediately before the vesting date to employees of one or more undertakers to whom Part II of the Act applied (not being undertakers to whom section eighteen applied), or to such employees and to persons employed whole-time for the purpose of administering undertakings or parts of undertakings of such undertakers, any such scheme being in these regulations referred to as a " transferred scheme ".

(2) For the purposes of this regulation and of the schedule to these regulations, any reference to the Area Board maintaining a transferred scheme shall be construed as a reference, in the case of a transferred scheme maintained—

(*a*) by the Gas Council, to that Council ;

(*b*) by more than one Area Board, or by one or more Area Boards and the Gas Council, to one of them, or to all of them jointly, as the case may require.

(3) Every transferred scheme shall continue in operation subject to the Act and these regulations and to the modifications specified in the schedule to these regulations.

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(a) 11 & 12 Geo. 6. c. 67.

(4) No person shall become subject to a transferred scheme on or after the date of the coming into operation of these regulations who was not subject to that scheme immediately before the said date, unless he was employed before that date on terms entitling or requiring him to become so subject on attaining a specified age or on the fulfilment of some other condition, which he attains or which is fulfilled, as the case may be, on or after it.

(5) Where any person who is subject to a transferred scheme is employed by an Area Board or the Gas Council not being the Area Board maintaining that scheme, he shall pay contributions as provided in the scheme to the first mentioned Board or Council; and that Board or Council shall pay to the trustees or managers of the scheme the amount of those contributions and such sums (if any) as under the scheme fall to be paid in respect of him by way of employer's contributions.

*Divided schemes*

**2.**—(1) This regulation shall apply where persons taken into the employment of an Area Board or the Gas Council in the period beginning at the passing of the Act and ending on the vesting date, or employed under contracts of service creating rights, liabilities and obligations which vested in an Area Board or the Gas Council by virtue of the Act, were until employed by that Board or Council subject to a pension scheme in which their employer participated (whether or not by making financial contributions), not being—

(*a*) a transferred scheme, a local government fund as defined in regulation four, the Federated Superannuation System for Universities or the Merchant Navy Officers' Pension Fund, or

(*b*) a pension scheme under which the benefits due were provided in pursuance of a contract between the managers of the scheme and an insurer:

Provided that its application shall be confined to cases where, in relation to an Area Board or the Gas Council, the number of persons to whom it applies with respect to the scheme in question by virtue of the next following paragraph, being persons for whom that Board or Council are the Board or Council concerned as defined in regulation fourteen, equalled or exceeded twenty-five at the vesting date.

(2) Any pension scheme with respect to which this regulation applies is in these regulations referred to as a "divided scheme"; and, in relation to any divided scheme and to the Board or Council concerned, this regulation shall apply to each person who immediately before the vesting date was—

(*a*) subject to the scheme, being a person taken into their employment since the passing of the Act, or employed under a contract of service creating rights, liabilities and obligations vesting in them by virtue of the Act;

(*b*) entitled or required to become so subject on attaining a specified age or on the fulfilment of some other condition, being a person who, if he had been then so subject, would have been within the application of sub-paragraph (*a*); and

(*c*) in receipt or entitled to be in receipt of a superannuation allowance or pension payable under the scheme by virtue of the employment of himself or some other person in or in connection with an undertaking vesting in them by virtue of the Act.

(3) While any person to whom this regulation applies is employed by any Area Board or the Gas Council (all such employment being in these regulations collectively referred to as "gas board employment") or until such date earlier than the termination of that employment as would have been appropriate

under the relevant scheme if it remained applicable, he shall pay to his employing Board or Council (by deduction from his remuneration or otherwise) contributions at the rate for the time being appropriate under that scheme:

Provided that, in the case of a person who would have become subject to the scheme on attaining a specified age, or on the fulfilment of some other condition, the period for payment of the said contributions shall not begin until the date when he would have become so subject.

(4) The Board or Council concerned shall for each person to whom this regulation applies, and for each other person who under the relevant scheme would become entitled to any benefits in respect of any such person, afford rights corresponding with those which the person would have had if that scheme remained applicable and any service in gas board employment were service reckoned thereunder.

(5) Where, since the passing of the Act, any person to whom this regulation applies has received any return of contributions or payment under the relevant scheme, and, before the expiry of the period prescribed for that scheme under paragraph (7) of regulation three, he pays to the Board or Council concerned a sum equal to the sum returned or paid to him, the rights afforded to him under the last foregoing paragraph shall correspond with the rights which he would have had if the return or payment had not been made.

(6) Rights afforded to any person in pursuance of the foregoing paragraphs shall be in substitution for any rights which might otherwise at any time have accrued for his benefit under the divided scheme.

**3.**—(1) The trustees or other persons in whom the assets available for the purposes of any divided scheme are vested shall, within the period provided in paragraph (7) of this regulation, transfer to the Board or Council concerned such part of those assets as was immediately before the vesting date held against liability in respect of persons to whom the last foregoing regulation applies, or, in the case of all or any of that part, the equivalent thereof according to the value at the date of transfer, and pay to that Board or Council a sum (or, when the amount of the said part or equivalent is calculated, make an addition thereto) equal to compound interest at the rate of three per centum per annum from the vesting date until the date or dates of transfer on the value as at the vesting date of any amount of the said part or equivalent for the time being remaining to be transferred:

Provided that there shall be deducted from the part or equivalent so transferred an amount equivalent to the total of any expenses actually and necessarily incurred by the said trustees or other persons in the determination of the liability aforesaid.

(2) The liability aforesaid shall, with respect to any person who has received any return or payment under the scheme, and who has duly made a payment in pursuance of paragraph (5) of the regulation aforesaid to the Board or Council concerned, include, notwithstanding anything in the scheme, liability for the payment of any such benefits as would have been payable to or in respect of him if the said return or payment had not been made, after deduction of the sum returned or paid.

(3) If, under the practice of management immediately before the vesting date of any divided scheme, separate assessments were made with respect to one or more distinct sections of the fund maintained thereunder, for the purpose of deficiency payments or payments of a like nature, the amount of

the liability aforesaid shall be deemed to be the aggregate assessed by actuarial valuation as at the day preceding the vesting date, of—

(*a*) for those covered by any section of the fund related to one or more undertakings vested in the Board or Council concerned, the capital value of every current or contingent liability in respect of superannuation allowances or other benefits under the scheme or for return of contributions, whether attributable to service rendered before or to be rendered after the vesting date, in respect of every person covered by any such section, after deduction of the capital value of any contributions payable on or after that date in respect of them, and any sums payable by way of additional contributory payment (or other payment of a like nature made to secure additional rights), so however that the total amount under this sub-paragraph shall be reduced by—

(i) the capital value of outstanding instalments of so much of any deficiency payment, or other payment of a like nature, assessed before the vesting date as was attributable to any section so related ; and

(ii) the amount of the liability in respect of the persons (if any) who are covered by a section so related, but are not, in relation to the Board or Council concerned, persons to whom the last foregoing regulation applies, determined as provided in sub-paragraph (*b*) ; and

(*b*) for all other of the said persons, the proportion attributable to service rendered before the vesting date of the aggregate contingent liability in respect of superannuation allowances or other benefits under the scheme, or for return of contributions, with regard to them,

so however that the aggregate assessed under this paragraph shall be so increased or reduced, as the case may be, that the part of any surplus or deficiency in the scheme immediately before the vesting date attributable to the section or sections of the fund not related as aforesaid is, in proportion to the continuing liabilities of the scheme, not affected by the transfer made under this regulation.

(4) In the case of any other divided scheme, the amount of the liability aforesaid shall be deemed to be an aggregate assessed in accordance with the last foregoing paragraph, save that there shall be substituted for any reference therein to—

(*a*) a section of the fund related to one or more undertakings vested in the Board or Council concerned, a reference to so much of the fund as embraces persons employed immediately before the vesting date in or in connection with one or more undertakings so vested, and persons then in receipt, or entitled to be in receipt, of a superannuation allowance or pension by virtue of the service of any person in such employment ;

(*b*) so much of any deficiency payment, or other payment of a like nature, assessed before the vesting date as was attributable to any section so related, a reference to so much of any such payment as was attributable to persons employed or who had been employed in or in connection with the undertaking or undertakings concerned ; and

(*c*) the section or sections of the fund not related as aforesaid, a reference to so much of the fund as embraces persons who were not and had not been employed in or in connection with any such undertaking, and were not in receipt of an allowance or pension by virtue of the service of any person who had been so employed.

(5) In relation to any person taken into the employment of the Board or Council concerned before the vesting date, references in the foregoing paragraphs (except in sub-paragraph (*a*) (i) of paragraph (3) or in that sub-paragraph as applied by paragraph (4)) to the vesting date shall be construed as references to the date when he was taken into that employment.

(6) Where a liability has vested by virtue of the Act in the Board or Council concerned to make any payment as mentioned in sub-paragraph (*a*) (i) of paragraph (3) (or in that sub-paragraph as applied by paragraph (4)) to the trustees or managers of a divided scheme, no part thereof falling due on or after the vesting date shall be so payable.

(7) The transfer under this regulation shall be effected before the expiry of six months from the completion of the periodical valuation of the scheme next after the coming into operation of these regulations, so however that, if no such valuation has been made on or before the thirty-first day of December, nineteen hundred and fifty-five, a valuation of the scheme to the extent requisite to determine the liability aforesaid shall be made, and the transfer aforesaid effected, not later than the thirty-first day of July, nineteen hundred and fifty-six.

*Local Government Funds*

**4.**—(1) This regulation shall apply where persons taken into the employment of an Area Board or the Gas Council in the period beginning at the passing of the Act and ending on the vesting date, or employed under contracts of service creating rights, liabilities and obligations which vested in an Area Board or the Gas Council by virtue of the Act, were, until employed by that Board or Council, contributory employees or local Act contributors in a superannuation fund maintained under the Local Government Superannuation Act, 1937(**a**), or the Local Government Superannuation (Scotland) Act, 1937(**b**), or under a local Act scheme within the meaning of either of those Acts, any such fund being in these regulations referred to as a "local government fund".

(2) In this and the two next following regulations, in relation to any person, the following expressions have the meanings hereby assigned to them respectively, that is to say, "authority" includes any undertaker to whom Part II of the Act applied whose employees participated in the fund or who was otherwise associated with it; "authority controlling the fund" includes, if the fund is a joint superannuation fund, the joint committee by whom it is administered; "employing authority" means the authority by whom he was employed last before the vesting date; "the fund" means the local government fund in which he was a contributory employee or local Act contributor; "the relevant Act or scheme" means the Local Government Superannuation Act, 1937, the Local Government Superannuation (Scotland) Act, 1937, or the local Act scheme, as the case may be, under which the fund is maintained; "the relevant date" means the date when he was last employed by his employing authority; and "the undertakings" means all undertakings of employing authorities associated with the fund which vested by virtue of the Act in the Board or Council concerned.

(3) In the last foregoing paragraph and in sub-paragraph (*d*) of the next following paragraph, references in relation to the person concerned, to his employment or remuneration or to the fund in which he was a contributory employee or local Act contributor, shall, in the case of a person in receipt, or entitled to be in receipt, at the vesting date of a superannuation allowance

(**a**) 1 Edw. 8 & 1 Geo. 6. c. 68. (**b**) 1 Edw. 8 & 1 Geo. 6. c. 69.

or pension by virtue of the service of another person, be construed as references to the employment or remuneration of that other person or to the fund in which that other person was a contributory employee or local Act contributor, as the case may be.

(4) In relation to the Board or Council concerned, this regulation shall apply to each person—

(*a*) with respect to whom paragraph (1) applies;

(*b*) employed by them under a contract of service which, if it had not vested in them, would have entitled or required him to become a contributory employee or local Act contributor, as the case may be, in the fund on attaining a specified age, or on the fulfilment of some other condition;

(*c*) engaged at the vesting date on war service within the meaning of the Local Government Staffs (War Service) Act, 1939(a), being a person who at the relevant date was either a contributory employee or local Act contributor, as the case may be, in the fund or entitled or required to become such on attaining a specified age or on the fulfilment of some other condition, and who is employed by them within six months of the termination of the war service, or, if prevented by sickness or other reasonable cause, as soon as practicable thereafter; or

(*d*) in receipt, or entitled to be in receipt, at the vesting date of a superannuation allowance or pension payable out of the fund, being a person whose remuneration immediately before the relevant date was charged by his employing authority to any of the undertakings.

(5) While any person to whom this regulation applies is in gas board employment, or (if it occurs earlier) until he attains the age at which under the relevant Act or scheme contributions to the fund would no longer be payable, he shall pay to his employing Board or Council (by deduction from his remuneration or otherwise) contributions at the appropriate rate, as if the relevant Act or scheme were applicable to him in that employment:

Provided that in the case of a person who would have been entitled or required to become a contributory employee or local Act contributor on attaining a specified age, or on the fulfilment of some other condition, the period for payment of the said contributions shall not begin until the date when he would have become a contributory employee or local Act contributor, as the case may be.

(6) The Board or Council concerned shall for each person to whom this regulation applies, and for each other person who under the relevant Act or scheme would become entitled to a superannuation allowance or pension in respect of the service of any such person, afford rights corresponding with those which the person would have had under the relevant Act or scheme and (if they were applicable to him immediately before the vesting date) the Pensions (Increase) Acts, 1944 and 1947, if the relevant Act or scheme—

(*a*) in the case of a person to whom this regulation applies by virtue of sub-paragraph (*d*) of paragraph (4), remained applicable to him; or

(*b*) in any other case, was applicable to him in or in connection with gas board employment, including (for the purpose of determining payments to be made to him, but not otherwise) any provision relating to the reckoning of previous service.

(7) Rights afforded in pursuance of sub-paragraph (*a*) of the last foregoing paragraph shall be in substitution for any rights under the relevant Act or scheme vested in the person concerned immediately before the vesting date.

(a) 2 & 3 Geo. 6. c. 94.

**5.**—(1) The authority controlling any fund shall, before the expiry of six months from the completion of the periodical valuation of the fund next after the coming into operation of these regulations, transfer to the Board or Council concerned such part of the assets held for the fund as was immediately before the vesting date held against liability in respect of persons to whom the last foregoing regulation applies, or, in the case of all or any of that part, the equivalent thereof according to the value at the date of transfer, and pay to that Board or Council a sum (or, when the amount of the said part or equivalent is calculated, make an addition thereto) equal to compound interest at the rate of three per centum per annum from the vesting date until the date or dates of transfer on the value as at the vesting date of any amount of the said part or equivalent for the time being remaining to be transferred:

Provided that there shall be deducted from the part or equivalent so transferred an amount equivalent to the total of any expenses actually and necessarily incurred by the said authority in the determination of the liability aforesaid.

(2) The amount of the liability aforesaid shall be deemed to be the aggregate, assessed by actuarial valuation as at the day preceding the vesting date, of—

(*a*) for every person whose remuneration immediately before the relevant date was charged by his employing authority to any of the undertakings, the capital value of every current or contingent liability in respect of superannuation allowances, pensions or other benefits, or for return of contributions, whether attributable to service rendered before or to be rendered after the vesting date, in respect of every person whose remuneration was then so charged, after deduction of the capital value of any contributions payable on or after that date in respect of them, and any sums so payable by way of additional contributory payment, or, in the case of a local Act scheme, payment of a like nature, so however that—

(i) current liability shall not include liability in respect of a right created under the Pensions (Increase) Acts, 1944 and 1947, or under the first proviso to paragraph (*b*) of subsection (2) of section eight of the Local Government Superannuation Act, 1937, (or, where the relevant Act or scheme is not that last mentioned Act, under any corresponding provision of the relevant Act or scheme) except to the extent of any extra charge resulting therefrom which has before the vesting date been repaid to the fund by the employing authority concerned, and

(ii) the total amount under this sub-paragraph shall be reduced by the capital value of outstanding instalments of so much of any equal annual charge, additional liability or deficiency payment (or, in the case of a local Act scheme, payment of a like nature) assessed before the vesting date as was attributable to the undertakings, and also by amount of the liability in respect of the persons (if any) whose remuneration immediately before the vesting date was charged to any of the undertakings, but who are not, in relation to the Board or Council concerned, persons to whom the last foregoing regulation applies, determined as provided in sub-paragraph (*b*); and

(*b*) for all other of the said persons, the proportion attributable to service rendered before the vesting date of the aggregate contingent liability in respect of superannuation allowances, pensions or other benefits, or for return of contributions, with regard to them,

so however that the aggregate assessed under this paragraph shall be so increased or reduced, as the case may be, that the part of any surplus in the fund, or additional liability or deficiency therein, immediately before the vesting date not attributable to the undertakings is, in proportion to the continuing liabilities of the fund, not affected by the transfer made under this regulation.

(3) In relation to any person taken into the employment of the Board or Council concerned before the vesting date, references in the foregoing paragraphs (except in sub-paragraph (*a*) (ii) of paragraph (2)) to the vesting date shall be construed as references to the relevant date.

(4) No employing authority shall, in so far as concerns such part of any equal annual charge, additional liability or deficiency payment (or, in the case of a local Act scheme, payment of a like nature) assessed before the vesting date as was attributable to any of the undertakings, make any payment to the fund in respect thereof after the vesting date.

(5) Any provision in the relevant Act or scheme, or regulations made thereunder, restricting the right of any person to whom the last foregoing regulation applies to receive a return of his contributions to the fund, or reducing the amount of any transfer value which would be payable in respect of him under the said Act or scheme, shall apply in relation to a transfer under this regulation, as if in relation to a transfer value paid to another local authority under whom he had become a contributory employee or local Act contributor.

*Divided schemes and local government funds—further provisions*

**6.**—(1) The rights afforded and obligations imposed under these regulations with respect to persons to whom regulation two or four applies shall be ascertained by reference to the divided scheme or to the relevant Act or scheme, as the case may be, as it had effect immediately before the vesting date.

(2) Where, under any divided scheme or under the relevant Act or scheme, any discretion was vested in the managers of that scheme, or in any employer or employing authority, that discretion may in relation to any person to whom regulation two or four applies be exercised in like manner by the Board or Council concerned.

(3) Where any person to whom regulation two or four applies is employed by an Area Board or the Gas Council not being the Board or Council concerned in relation to him, his employing Board or Council shall pay to the Board or Council concerned—

(*a*) any sum paid by him to them in pursuance of paragraph (3) of regulation two, or paragraph (5) of regulation four, as the case may be ; and

(*b*) such sum or sums by way of employer's contribution in respect of the period of his said employment as may be agreed between them and the Board or Council concerned, or, in default of agreement, be determined by reference to the relevant scheme or the relevant Act or scheme, as the case may be, by an actuary jointly appointed for the purpose.

(4) Any contribution or other sum required to be paid, or asset transferred, under these regulations to the Board or Council concerned shall be paid or transferred to them or to such other person as they may from time to time direct.

(5) Transfers of assets or equivalents in pursuance of regulation three or five may at the option of the persons or authority required to effect transfer be made on account at any time before determination of the relevant liability.

(6) Where, by reason of or in relation to any transfer in pursuance of regulation three or five, any liability is incurred by the transferors—

(*a*) for income tax, or

(*b*) arising from anything done, in good faith and in accordance with the relevant scheme or the relevant Act or scheme, as the case may be, as it then had effect, by the said transferors after the vesting date without the authority of the Board or Council concerned, in a case where by reason of the retrospective effect of these regulations that authority would have been requisite for the validity of the thing done,

the Board or Council concerned shall indemnify the said transferors against it.

(7) No asset transferred or money paid in pursuance of regulation three or five to the Board or Council concerned, and no interest received by them on any such asset or money, shall be used for a purpose other than that of providing benefits to or in respect of persons mentioned in paragraph (*a*) of subsection (1) of section fifty-eight of the Act.

(8) In the case of any person to whom regulations two and four both apply, transfers shall be effected in pursuance of regulations three and five in respect of any liability attributable to him; but, for the purposes of contributions to be paid and rights afforded with respect to him, regulation two or four at his option only shall apply to him, so however that, when he has elected for regulation two or four, as the case may be, the Board or Council concerned shall give credit to him for anything transferred with respect to him in pursuance of regulation five or three, as the case may be:

Provided that nothing in this paragraph shall restrict the application of these regulations to any person who was at the vesting date subject to, or in receipt of an allowance or pension under, a pension scheme being a local government fund and also another pension scheme in which the employing authority participated in their capacity as employers.

*Amendment of certain pension schemes*

**7.** Every pension scheme or part of a pension scheme excluded from the application of regulation two by sub-paragraph (*b*) of, or by the proviso to, paragraph (1) of that regulation shall have effect subject to the modification that, in the provisions determining the persons eligible for membership or benefits, references in relation to any person to employment by an undertaker to whom Part II of the Act applied, or to employment in connection with one or more undertakings of any such undertaker, shall be construed as references to gas board employment.

*Appointment as member of Area Board or Gas Council*

**8.** Where any person becomes a whole-time member of an Area Board or the Gas Council, being a person mentioned in paragraph (*a*) of subsection (1) of section fifty-eight of the Act, and a person to whom regulation two or four applies or a person subject to a pension scheme to which regulation one or seven applies, the provisions of regulation two or four or of that scheme, as the case may be, may, if he and that Board or Council so agree, have effect as if his service as such a member were service in their employment; and, in any such case, contributions shall be paid by him (by deduction from his salary or otherwise) and by them accordingly.

*Transfer to a pension scheme established by the appropriate Board*

**9** Nothing in these regulations shall restrict any person from agreeing with the Board or Council concerned that, on such terms and conditions as may be agreed, he shall become subject to a scheme approved by the

Minister under the Gas (Pension Scheme) Regulations, 1949(a), and be entitled to the rights conferred thereby in lieu of any rights which he might have under the Act and these regulations.

*Gas and Coke Associations*

**10.** The provisions of these regulations shall take effect as if the British Gas Council, the Federation of Gas Employers, the National Federation of Gas Coke Associations, every constituent association of that last mentioned federation and the Association of Gas Corporations (in these regulations collectively referred to as the "gas and coke associations") had each been an undertaker to whom Part II of the Act applied, and as if the business carried on by each of them had been a gas undertaking.

*General*

**11.**—(1) Where the Board or Council concerned are of opinion that any pension scheme has, on or after the nineteenth day of November, nineteen hundred and forty-five, and in connection with any provision made by the Act, or in anticipation of the making of any such provision, been operated or varied so as to create rights in favour of any person, or class of persons, otherwise than in the ordinary course, they may, before the expiry of six months from the coming into operation of these regulations, give notice thereof to the managers or other executive body of the scheme and, so far as practicable, to every such person; and thereafter, subject to the provisions of the next following paragraph, that scheme shall be deemed never to have been so operated or varied, and these regulations shall apply as if no such creation as aforesaid had taken effect.

(2) During the period of three months following the giving of any notice under the foregoing paragraph, any person to whom the notice was required to be given may give to the Board or Council concerned notice of objection to their said opinion as appearing in their notice. Any such notice of objection shall specify the person or class or description of persons on whose behalf it is given.

(3) If notice of objection is given as aforesaid, the question whether by the operation or variation in question any rights were created otherwise than in the ordinary course in favour of any person on whose behalf the notice of objection was given shall be determined by arbitration under the Act; and paragraph (1) of this regulation shall not affect the rights of any such person unless the arbitration tribunal confirm the Board or Council's notice with respect to him.

**12.**—(1) Subject to the provisions of sub-section (3) of section fifty-eight of the Act, and to any express provision in these regulations for another mode of determination, any question arising as to the application or effect of these regulations shall, in default of agreement between all the parties concerned, be referred for determination, which shall be final and binding on all the said parties,—

(*a*) if the parties consist only of a person having rights under a transferred scheme and the Area Board maintaining that scheme, and the scheme provides a method of determining the question, by that method;

(*b*) if the parties consist only of two or more of the following, that is to say, Area Boards, the Gas Council, persons managing a divided scheme, and authorities within the meaning of regulation four, and—

(i) a fund maintained under the Local Government Superannuation (Scotland) Act, 1937, or a local Act scheme within the meaning of that Act, is concerned, to the Minister and the Secretary of State jointly, or

(a) S.I. 1949 (No. 744) I, p. 1997.

(ii) in any other case under sub-paragraph (*b*), to the Minister;

(*c*) in any other case, to a referee or board of referees appointed by the Minister of Labour and National Service, after consultation with the Lord Chancellor, or, where the proceedings are to be held in Scotland, with the Secretary of State.

(2) Where any question is referred to the Minister and the Secretary of State or to the Minister, a statement of the material facts shall, in so far as is practicable, be agreed between all parties to the question; and shall be delivered by the party by whom the question has been referred to such persons, in such manner, and within such period, as the Minister and the Secretary of State, or the Minister, as the case may be, may direct; any party may in the statement indicate that his agreement extends only to such of the facts set out therein as he then specifies.

**13.**—(1) Any period or date specified in these regulations as the period within which, or the date by which, anything is to be done, may, notwithstanding that the period has expired or the date has passed, being a period be extended, or being a date be postponed,—

(*a*) if a local authority in Scotland are concerned, by the Minister and the Secretary of State jointly, or

(*b*) in any other case, by the Minister,

in any case in which—

(i) written application has been made to them or him, as the case may be, specifying the extension or postponement applied for and the persons on whom notice has been served in pursuance of the next following paragraph, and

(ii) they or he, as the case may be, are or is satisfied that there has been reasonable ground for not doing or for not having done that thing within that period or by that date, as the case may be.

(2) Not less than three clear days notice of any intended application under the foregoing paragraph, specifying the extension or postponement to be applied for, and the date on or after which the application will be made, shall be given by the applicant to every person likely to be affected by action taken by the applicant if that extension or postponement is made. Any person likely to be so affected may make representations with respect to the application to the Minister and the Secretary of State or to the Minister, as the case may be.

(3) The Minister and the Secretary of State, or the Minister, as the case may be, will cause notice of any extension or postponement made under this regulation to be given to each person likely to be affected as aforesaid, or, if the period or date in question is a period or date prescribed by paragraph (1) of regulation eleven, to the managers or other executive body of the scheme in question.

*Interpretation*

**14.**—(1) In these regulations the following expressions have the meanings hereby assigned to them respectively, that is to say:—

"the Act" means the Gas Act, 1948;

"Board or Council concerned" means, in relation to any person—

(*a*) employed until the vesting date by any of the gas and coke associations, the Gas Council;

(*b*) taken into the employment of an Area Board or the Gas Council before the vesting date, that Board or Council;

(*c*) in receipt at the vesting date of a superannuation allowance or pension by virtue of the employment of another person, the Board or Council who would have been the Board or Council concerned in relation to that other person; or

(*d*) in any other case, the Board or Council in whom vested by virtue of the Act the undertaking in connection with which he was chiefly employed when last employed either by an undertaker to whom Part II of the Act applied or in connection with one or more undertakings of any such undertaker;

"divided scheme" has the meaning assigned by paragraph (2) of regulation two;

"employing authority" has in regulations four, five and six the meaning assigned by paragraph (2) of regulation four;

"gas and coke associations" has the meaning assigned by regulation ten;

"gas board employment" has the meaning assigned by paragraph (3) of regulation two;

"local government fund" has the meaning assigned by paragraph (1) of regulation four;

"the Minister" means the Minister of Fuel and Power;

"relevant Act or scheme" has in regulations four, five and six the meaning assigned by paragraph (2) of regulation four;

"transferred scheme" has the meaning assigned by paragraph (1) of regulation one.

(2) Expressions to which meanings are assigned by the Act or by these regulations shall, unless the context otherwise require, bear the same meanings in any instrument issued or made under the provisions of these regulations.

(3) The Interpretation Act, 1889(a), shall apply to the interpretation of these regulations as it applies to the interpretation of an Act of Parliament.

*Citation, commencement and retrospective effect*

**15.**—(1) These regulations may be cited as the Gas (Pension Rights) Regulations, 1950.

(2) These regulations shall come into operation on the first day of September, nineteen hundred and fifty, but, subject to the provisions of subsection (8) of section fifty-eight of the Act, shall then be deemed to have had effect from the vesting date, so however that, in so far as concerns any person who was taken into gas board employment before the vesting date or who, being a person affected by regulation eight, became a member of an Area Board or the Gas Council before that date, they shall be deemed to have had effect from the passing of the Act.

Dated this twenty-first day of July, nineteen hundred and fifty.

*Philip Noel-Baker,*
Minister of Fuel and Power.

(a) 52 & 53 Vict. c. 63.

## SCHEDULE Regulation 1

### MODIFICATIONS TO TRANSFERRED SCHEMES

1. In the provisions of each transferred scheme determining the persons eligible for membership or benefits, references in relation to any person to employment by an undertaker to whom Part II of the Act applied, or to employment in connection with one or more undertakings of any such undertaker, shall be construed as references to gas board employment.

2.—(1) In each transferred scheme, not being a scheme under which the benefits due are provided in pursuance of a contract between the managers of the scheme and an insurer, there shall be inserted a provision that, notwithstanding anything in the scheme, any person subject thereto may, if he so agrees, and subject to the provisions hereinafter set out, cease to be subject thereto and become subject to a pension scheme maintained in pursuance of the Gas (Pension Scheme) Regulations, 1949, in which the Area Board maintaining the transferred scheme participate.

(2) In the case of each pension scheme to which, in pursuance of any such agreement as aforesaid, any person previously subject to the transferred scheme has become subject during the period between any periodical valuation of the transferred scheme and the next such valuation, the trustees or other persons in whom the assets available for the purposes of the transferred scheme are vested shall, before the expiry of six months from the completion of the later of those valuations, pay to the trustees of that pension scheme (as a lump sum or by instalments) a sum equal to the value at the date of payment of such part of the said assets (which assets shall be deemed to include the capital value of outstanding instalments of any deficiency payments, or other payments of a like nature, assessed before the last mentioned valuation) as was held against liability in respect of every person who has become subject to that pension scheme during that period, after deduction of the amount of any expenses actually and necessarily incurred by the said trustees or other persons in the determination of the liability aforesaid, with compound interest thereon from the date or dates when the several persons became so subject at the average rate of interest earned by the fund during the said period.

(3) The liability aforesaid shall be determined by assessing by actuarial valuation as at the date or dates when the person or persons ceased to be subject to the transferred scheme the proportion attributable to service rendered before the relevant date of the aggregate contingent liability in respect of superannuation allowances or other benefits under the scheme, or for return of contributions, with regard to every such person, so however that the assessment shall be so adjusted that the deficiency or surplus in the transferred scheme at the later of the valuations aforesaid, after making full provision as a prior charge for liabilities in respect of persons in receipt of superannuation allowances or other benefits thereunder, and after payment as aforesaid, does not differ in proportion to the continuing liabilities of the scheme from the corresponding deficiency or surplus which would then be ascertained if the transferred scheme had not been relieved of liability in respect of any of the said persons and the said payment were not made.

(4) Any question arising as to the amount of the liability aforesaid, or as to the amount of the expenses or interest aforesaid, shall in default of agreement between the said trustees or other persons and the trustees of the pension scheme concerned be determined by an actuary agreed between them or (in default of agreement) appointed for the purpose by the Minister.

(5) Where, by reason of the payment of any sum in pursuance of sub-paragraph (2), any liability for income tax is incurred by the said trustees or other persons in respect of the transferred scheme which would not otherwise have been incurred, the Area Board maintaining the transferred scheme shall indemnify them against that liability.

3. If any transferred scheme provides that any part of the contributions due from any person to the scheme shall be paid out of the benefit credited in respect of him under any scheme or enactment for enabling persons employed by

the undertaker concerned immediately before the vesting date to participate in the profits of the undertaking, there shall be substituted a provision that that part of his contributions shall be paid either out of any benefit credited in respect of him under the said scheme (as varied by any regulations made under section fifty-nine of the Act) or the said enactment, or in cash by deduction from his remuneration.

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## EXPLANATORY NOTE

*(This note is not part of these regulations, but is intended to indicate their general purport.)*

1. These regulations relate to the pension rights (as defined in the Gas Act, 1948) of certain persons employed by former gas undertakers who, either before the vesting date under that Act (1st May, 1949) or on that date, passed into the employment of gas boards or the Gas Council. For the purposes of the regulations, the gas and coke associations whose assets have vested in the Gas Council are deemed to have been undertakers; and, in addition, certain pensioners of gas undertakers are also provided for.

2. Pension schemes confined to employees of these undertakers (including persons employed in connection with their undertakings) are to be continued by the appropriate gas board or the Gas Council, with modifications permitting an employee to transfer his services to another board without leaving the scheme, or to transfer to a pension scheme established under the Gas (Pension Scheme) Regulations, 1949. But with certain limited exceptions, no new entrants may be accepted (reg. 1 and schedule).

3. Schemes not confined to such employees but which cover twenty-five or more persons taken over by any one board or by the Gas Council are to be split, unless they are schemes financed by insurance. Pension schemes involving local government funds are also to be split. The board concerned or the Gas Council are to afford rights for all persons taken over (including existing pensioners whose service related to gas) corresponding with those which those persons would have had if the pension scheme or the local government enactment had remained applicable (regs. 2 and 4); and are to receive a proportionate part of the assets held for the fund (regs. 3 and 5).

4. Insurance schemes and schemes with persons taken over by a gas board or the Gas Council who number less than twenty-five are modified so that members can transfer from one gas board to another without being compelled to leave the scheme (reg. 7).

5. In all other cases of persons with pension rights, the operation of the Gas Act itself ensures their protection, and no provision is called for in these regulations.

6. Determination of the amount of the assets to be transferred under regs. 3 and 5 will be by actuarial valuation at the next periodical valuation of the scheme or fund. Expenses actually and necessarily incurred by the managers of the scheme or the local authority concerned will be refunded.

7. Provision is also made authorising membership of an Area Board or the Gas Council to be treated for the purposes of certain schemes as service in their employment; for the disclaimer of rights created otherwise than in the ordinary course; and for the settlement of disputes.

8. The regulations are made effective, in the case of persons who assumed office before the vesting date, from the date of the passing of the Gas Act, 1948, and in other cases from the vesting date.