STATUTORY INSTRUMENTS

1968 No. 1914

EDUCATION, ENGLAND AND WALES

The Teachers' Superannuation (Family Benefits) (Amending) Regulations 1968

Made - - -	*29th November* 1968
Laid before Parliament	*9th December* 1968
Coming into Operation	*10th December* 1968

The Secretary of State for Education and Science, with the consent of the Minister for the Civil Service and after consultation with representatives of local education authorities and of teachers appearing to him to be likely to be affected, in exercise of the powers conferred upon him by section 7 of the Teachers' Superannuation Act 1967(**a**) as amended by the Minister for the Civil Service Order 1968(**b**) hereby makes the following Regulations :—

1.—(1) These Regulations may be cited as the Teachers' Superannuation (Family Benefits) (Amending) Regulations 1968 and shall come into operation on 10th December 1968.

(2) The Teachers' Superannuation (Family Benefits) Regulations 1966 and 1967(**c**) and these Regulations may be cited together as the Teachers' Superannuation (Family Benefits) Regulations 1966 to 1968.

2.—(1) In these Regulations the expression "the principal Regulations" means the Teachers' Superannuation (Family Benefits) Regulations 1966 as amended by the Teachers' Superannuation (Family Benefits) (Amending) Regulations 1967.

(2) The Interpretation Act 1889(**d**) shall apply for the interpretation of these Regulations as it applies for the interpretation of an Act of Parliament.

3. Except as in these Regulations expressly provided, the amendment of the principal Regulations by these Regulations shall not—

(*a*) affect the previous operation of the principal Regulations or anything duly done or suffered under those Regulations ; or

(*b*) affect any right, obligation or liability acquired, accrued or incurred under the principal Regulations before the coming into operation of these Regulations.

4. In regulation 11 of the principal Regulations (which relates to expenses of the Board of Management) for paragraph (1) there shall be substituted the following paragraph—

"(1) The Board shall, in such manner and for such period as the Secretary of State may from time to time require, prepare estimates of its administrative expenses, including expenses incurred in connection with investments other than those which under regulation 17(2) are to be debited to the Investment Account, and shall submit such estimates for the approval of the Secretary of State."

(**a**) 1967 c. 12. (**b**) S.I. 1968/1656 (1968 III, p.4485).
(**c**) S.I. 1966/357, 1967/1856 (1966 I, p.813; 1967 III, p.4975). (**d**) 1889 c. 63.

5. Regulation 13 of the principal Regulations (which relates to the appointment and removal of a trustee or trustees) is hereby revoked.

6. In regulation 17 of the principal Regulations (which relates to the Investment Account) for sub-paragraph (*c*) of paragraph (2) there shall be substituted the following sub-paragraph :—

"(*c*) any expenses incurred in connection with any investment or proposed investment by way of—

(i) brokerage, commission and professional fees ; and

(ii) stamp duty on any contract, transfer and other assurance."

7. For regulation 18 of the principal Regulations there shall be substituted the following regulation :—

"Investments

18.—(1) Subject as hereafter in this regulation provided, the Board shall invest any property for the time being held for the purposes of the Investment Account and not needed as a balance for working purposes, whether at the time in a state of investment or not, in accordance with the provisions of this regulation, and may also from time to time vary any investments so made.

(2) The property held for the purposes of the Investment Account on 10th December 1968 shall, as soon as may be thereafter, be divided into two parts (hereafter in this regulation referred to as the narrower-range part and the wider-range part) in such manner that the value at cost of the wider-range part shall as nearly as possible be three times that of the narrower-range part.

(3) When the division required by paragraph (2) above has been made no transfer shall be made from one part to the other unless either—

(*a*) the transfer is authorised or required by the following provisions of this regulation ; or

(*b*) a compensating transfer is made at the same time.

(4) When any property accrues to the Investment Account after the division required by paragraph (2) above has been made, then—

(*a*) if, not being dividends or interest in respect of investments, it accrues in respect of property comprised in either the narrower-range part or the wider-range part, it shall be treated as belonging to that part ; and

(*b*) in any other case, by apportionment of the accruing property or the transfer of property from one part to the other, or both, the value of the wider-range part shall be increased by an amount equal to three-quarters of the value of the accruing property and of the narrower-range part by an amount equal to one-quarter of that value.

(5) Property belonging to the narrower-range part shall be invested only in investments for the time being falling within Part I or Part II of the First Schedule to the Act of 1961 and any property invested in any other manner which is or becomes comprised in the narrower-range part shall either be transferred to the wider-range part, with a compensating transfer, or be re-invested in such investments as aforesaid as soon as may be.

(6) Subject as hereafter in this regulation provided, property belonging to the wider-range part shall be invested in—

(*a*) investments for the time being falling within Part I, Part II or Part III of the First Schedule to the Act of 1961 ;

(*b*) the acquisition, development or management (whether in association with any other person or not) of land situated in the United Kingdom or any interest in such land;

(*c*) fixed interest securities issued by the government of any country outside the United Kingdom or by a public, municipal or local authority or a publicly controlled or nationalised industry or undertaking in such a country; or

(*d*) the stocks, shares, debentures or other securities issued in the United Kingdom or elsewhere by a company incorporated outside the United Kingdom.

(7) No investment shall be made in pursuance of sub-paragraphs (*c*) and (*d*) of paragraph (6) above if it would result in more than one-tenth of the total value at cost of the property held for the purposes of the Investment Account being invested in securities the price of which is not quoted on a recognised stock exchange within the meaning of the Prevention of Fraud (Investments) Act 1958(**a**) or the Belfast stock exchange.

(8) In relation to investments made in pursuance of paragraph (5) above and sub-paragraph (*a*) of paragraph (6) above—

(*a*) paragraphs 1, 2 and 3 of Part IV of Schedule 1 to the Act of 1961 shall not apply; and

(*b*) paragraphs 4, 5, 6 and 7 of that Part shall apply.

(9) If for the purposes of paragraph (4) above the Board obtains, from a person reasonably believed by the Board to be qualified to make it and whether made in the course of his employment as an officer or servant or not, a valuation in writing of any property, the valuation shall be conclusive in determining whether any transfer or apportionment of property made under paragraph (4) above has been duly made.

(10) When property falls to be taken out of the Investment Account nothing in this regulation shall restrict the discretion of the Board as to the choice of property to be taken out.

(11) For the purposes of this regulation the Board may make such arrangements as they think fit for the management of investments, including the employment of an investment manager, and for obtaining proper advice in relation to investments.

(12) In this regulation—

"the Act of 1961" means the Trustee Investments Act 1961(**b**);

"compensating transfer", in relation to any property transferred between the narrower-range part and the wider-range part, means a transfer in the opposite direction of property of equal value;

"proper advice" means the advice of a person who is reasonably believed by the Board to be qualified by his ability in, and practical experience of, investment matters notwithstanding that he may give it in the course of his employment as an officer or servant;

"property" includes real and personal property of any description, including money and things in action, but does not include an interest in expectancy."

8. Regulation 36 of the principal Regulations (which relates to the payment of additional contributions on death) is hereby revoked.

(**a**) 1958 c. 45. (**b**) 1961 c. 62.

9. In regulation 46 of the principal Regulations (which relates to the amount of a widow's pension) for paragraph (1) there shall be substituted the following paragraph :—

"(1) Subject as in regulation 54 provided, the annual amount of a widow's pension shall be determined in accordance with the provisions of the following paragraphs of this regulation, except that it shall be not less than—

(*a*) £125 in the case of a widow whose husband, on or after 10th December 1968, ceased to be employed in reckonable service or class A external service or died while so employed ; or

(*b*) £115 in any other case."

10. For regulation 49 of the principal Regulations there shall be substituted the following regulation :—

"*Amount of Short Service Widow's Pension*

49. Subject as in regulation 54 provided, the annual amount of a short service widow's pension shall be the amount which, opposite to the number in column (1) of the following Table of the years of service counting for benefit of her husband, is specified—

(*a*) in column (2) thereof, in the case of a widow whose husband, on or after 10th December 1968, ceased to be employed in reckonable service or class A external service or died while so employed ; or

(*b*) in column (3) thereof, in any other case :—

TABLE

(1) Years of Service	(2) Annual Amount	(3) Annual Amount
3	£ 63	£ 58
4	£ 71	£ 66
5	£ 80	£ 74
6	£ 89	£ 82
7	£ 98	£ 90
8	£107	£ 98
9	£116	£106

"

11. In regulation 52 of the principal Regulations (which relates to the amount of a children's pension) for paragraphs (1) and (2) there shall be substituted the following paragraphs :—

"(1) Subject as hereafter in this regulation and in regulation 54 provided, the annual amount of a children's pension shall be the amount which, opposite to the number of eligible children in respect of whom it is for the time being payable specified in column (1) of the following Table, is specified—

(*a*) under letter A in column (2) or column (3) thereof, whichever column shall for the time being be appropriate, where the pension is payable to or for the benefit of a child or children of a contributor who, on or after 10th December 1968, ceased to be employed in reckonable service or class A external service or died while so employed; or

(*b*) under letter B in column (2) or (3) thereof, whichever column shall for the time being be appropriate, in any other case:—

TABLE

(1) Number of Eligible Children	(2) Annual Amount of Pension where there is a Surviving Widow of the Contributor or Deceased Teacher		(3) Annual Amount of Pension where there is not a Surviving Widow of the Contributor or Deceased Teacher	
	A	*B*	*A*	*B*
1	£ 65	£ 60	£ 95	£ 85
2	£120	£110	£180	£165
3	£175	£160	£265	£245
4 or more	£230	£210	£355	£325

(2) Where the eligible child or eligible children to or for whose benefit a children's pension is payable is or include an incapacitated child who has attained the age of sixteen the annual amount of the pension shall be the aggregate of the following two amounts:—

(*a*) the amount for the time being payable under paragraph (1) above in respect of four or more eligible children; and

(*b*) the amount, if any, for the time being payable under paragraph (1) above in respect of not more than three other eligible children."

12. In regulation 57 of the principal Regulations (which relates to the nomination of dependants by teachers for the purposes of the Teachers' Dependants' Pension Scheme) the proviso to paragraph (5) shall be amended as follows:—

(*a*) for the amount of £210 specified in sub-paragraph (*a*)(iii) there shall be substituted the amount of £230; and

(*b*) for the amount of £320 specified in sub-paragraph (*b*)(ii) there shall be substituted the amount of £350.

Given under the Official Seal of the Secretary of State for Education and Science on 27th November 1968.

(L.S.)

Edward Short,
Secretary of State for Education
and Science.

Consent of the Minister for the Civil Service given under his Official Seal on 29th November 1968.

(L.S.)

J. E. Herbecq,
Authorised by the Minister
for the Civil Service.

EXPLANATORY NOTE

(This Note is not part of the Regulations.)

These Regulations amend the Teachers' Superannuation (Family Benefits) Regulations 1966 and 1967 with respect to the management and investment of the Teachers' Family Benefits Fund. The previous requirement that not more than one half of the total value of the Fund should be invested in preference, preferred or ordinary stocks or shares is replaced by provision for the division of the Fund's investments into wider-range and narrower-range parts in the proportions, respectively, of three to one and for limited investment in real property. Provision for the Board of Management to employ an investment manager and to make arrangements for obtaining investment advice replaces the provision previously made for appointment of a trustee or trustees, and there are consequential amendments of the regulations which deal with the expenses of administration payable by the Secretary of State.

New rates are laid down for the minimum widow's pension and for the flat-rate children's and short service widows' pensions in respect of contributors who die in reckonable service or who retire after the Regulations come into operation.