
STATUTORY INSTRUMENTS

1978 No. 1682

**The Justices of the Peace Act 1949
(Compensation) Regulations 1978**

**PART I
PRELIMINARY**

Title and commencement

1.—(1) These Regulations may be cited as the Justices of the Peace Act 1949 (Compensation) Regulations 1978.

(2) These Regulations shall come into operation on 20th December 1978 and shall have effect from 1st April 1974.

Interpretation

2.—(1) In these Regulations, unless the context otherwise requires—

“accrued pension”, in relation to a pensionable officer who has suffered loss of office, means the pension to which he would have become entitled under the pension scheme to which he was last subject before suffering loss of office according to the method of calculation (modified where necessary for the purpose of giving effect to these Regulations) prescribed by that scheme if, at the date on which he ceased to be subject to that scheme, he had attained normal retiring age and complied with any requirement of that scheme as to a minimum of qualifying service or contribution and completed any additional contributory payments or payments in respect of added years which he was in the course of making;

“accrued retiring allowance”, in relation to a pensionable officer who has suffered loss of office, means any lump sum payment to which he would have become entitled under the pension scheme to which he was last subject before suffering loss of office according to the method of calculation (modified where necessary for the purpose of giving effect to these Regulations) prescribed by that scheme if, at the date on which he ceased to be subject to that scheme, he had attained normal retiring age and complied with any requirement of that scheme as to a minimum period of qualifying service or contribution and completed any additional contributory payments or payments in respect of added years which he was in the course of making;

“accrued incapacity pension” and “accrued incapacity retiring allowance” have the same respective meanings as “accrued pension” and “accrued retiring allowance” except that the reference to a person's attaining normal retiring age shall be construed as a reference to his becoming incapable of discharging efficiently the duties of his office by reason of permanent ill-health or infirmity of mind or body;

“the Act” means the Justices of the Peace Act 1949;

“added years”, in relation to a pensionable employee who suffers loss of office, means any additional years of service being purchased by him in his office immediately prior to the

*Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format. The electronic version of this UK Statutory Instrument has been contributed by Westlaw and is taken from the printed publication. **Read more***

loss in question under Regulation D10 or D11 of the Local Government Superannuation Regulations 1974 and includes any additional years of service which having been granted under any provision similar to that referred to in the said Regulation D10 or D11 were being so purchased under or by virtue of interchange rules, being additional years which were being purchased partly at the expense of the paying authority and partly at the expense of the person under arrangements which were entered into before the magistrates' courts committee either gave him notice in writing that his office was to be terminated or gave him written notice of termination of his office;

“additional contributory payments” means—

- (a) additional contributory payments of the kind referred to in Regulation D6, D7 or D8 of the Local Government Superannuation Regulations 1974; or
- (b) any similar payments made under the last relevant pension scheme as a condition of—
 - (i) reckoning any period of employment as service or as a period of contribution for the purposes of the scheme, or
 - (ii) reckoning non-contributing service as contributing service (which expressions have the same meaning as in the scheme) for the purposes of the scheme, or
 - (iii) increasing the length at which any period of service or of contribution would be reckonable for the purpose of calculating a benefit under the scheme, or
- (c) any payments similar to any of those mentioned in the foregoing paragraphs made in pursuance of interchange rules;

“compensation question” means a question arising under these Regulations—

- (a) as to a person's entitlement to compensation for loss of office, or for loss or diminution of emoluments; or
- (b) as to the manner of a person's employment or the comparability of his duties;

“determining authority” means the magistrates' courts committee by whom the claimant was last appointed or employed or the emoluments were last paid, as the case may be, prior to the loss of office or diminution of emoluments;

“emoluments” has the meaning given by Regulation 38(1), and “annual rate of emoluments” has the meaning given by Regulation 38(3);

“enactment” means any Act or any instrument made under an Act;

“fund authority” in relation to any person, means the authority maintaining the superannuation fund or account in relation to that person;

“instrument” means an Order in Council, regulation, order, rule, scheme, direction or agreement;

“interchange rules” means rules made under section 2 of the Superannuation (Miscellaneous Provisions) Act 1948 (which provides for the pension of persons transferring to different employment) and includes any similar instrument made, or having effect as if made, under any other Act which makes similar provision;

“justices' clerk” includes a clerk to a stipendiary magistrate, a clerk to a metropolitan stipendiary court and a clerk to the justices of a liberty;

“last relevant pension scheme”, in relation to a pensionable officer, means the pension scheme to which he was subject immediately before suffering loss of office or loss or diminution of emoluments;

“local authority” means—

- (a) (i) the council of an administrative county, county borough or county district, or the representative body of a parish (which ceased to exist after 31st March 1974),

- (ii) the council of a county or district (established by or under the Local Government Act 1972),
 - (iii) in England, any parish council, common parish council or parish meeting,
 - (iv) in Wales, a parish council, common parish council or parish meeting (which ceased to exist after 31st March 1974), or
 - (v) in Wales, a community council (established by or under the Local Government Act 1972),
 - (vi) in Scotland, the council of a county, council of city, large burgh, small burgh or district referred to in section 1(5) of the Local Government (Scotland) Act 1973 or a regional, islands or district council established under that Act;
- (b) the council of a metropolitan borough or London borough, the Common Council of the City of London, the Greater London Council and the Council of the Isles of Scilly;
 - (c) any joint board or joint body constituted by or under any enactment for the purpose of exercising the functions of two or more authorities described in paragraphs (a) or (b);
 - (d) any two or more authorities described in paragraphs (a), (b) or (c) above acting jointly or as a combined authority; or
 - (e) a police authority (other than the Secretary of State) within the meaning of section 62 of the Police Act 1964 both as originally enacted and as subsequently amended and any previous police authority for whom Schedule 11 (Transitional Provisions) to that Act had effect or who was the police authority for an area or district which was before 1st April 1947 or after 31st March 1946 a separate police area;

“long term compensation” means compensation payable in accordance with the provisions of Part IV of these Regulations for loss of office or loss or diminution of emoluments;

“material date” means—

- (a) in relation to any person who has suffered loss of office or loss or diminution of emoluments which is attributable to the making of an order under section 18 of the Act, the date on which the order was made or such other date or dates as may be specified in the order in relation to him for all or any of the purposes of these Regulations; and
- (b) in relation to any person who has suffered such loss or diminution which is attributable to one of the events specified in paragraphs (b) or (c) of Regulation 4(1), the date on which the event occurred;

“minimum pensionable age” means, in relation to a pensionable officer, the earliest age at which, under his last relevant pension scheme, he could have become entitled to receive payment of an unreduced pension solely by virtue of his having attained a specified age and completed a specified period of service;

“national service” means service which is compulsory national service or relevant service within the meaning of the Reserve and Auxiliary Forces (Protection of Civil Interests) Act 1951, and includes service immediately following such service as aforesaid, being service in any of Her Majesty's naval, military or air forces pursuant to a voluntary engagement entered into with the consent—

- (a) in the case of a person whose last relevant employment was as a justices' clerk, of the authority by whom he was appointed, or
- (b) in the case of any other person, of the authority or person under whom he held his last relevant employment;

“normal retiring age” means, in the case of a pensionable officer to whom an age of compulsory retirement applied by virtue of any pension scheme to which he was subject in the office he

*Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format. The electronic version of this UK Statutory Instrument has been contributed by Westlaw and is taken from the printed publication. **Read more***

has lost or the emoluments of which have been diminished or by virtue of the conditions of that office, that age, and in any other case—

- (a) in relation to a person claiming compensation in respect of the office of justices' clerk, the age of 70, and
- (b) in relation to any other person, the age of 65 if the officer is male, or 60 if the officer is female;

“paying authority” means—

- (a) where the office in respect of which the claim arises was that of clerk to the justices for a petty seasonal division—
 - (i) where that division is a division of a non-metropolitan county, the council of that county; or
 - (ii) where that division is a division of a metropolitan district, the council of that district; or
 - (iii) where that division is a division of one of the outer London areas (which expression has the same meaning as in the Administration of Justice Act 1964) the Greater London Council; and
- (b) where the employment in respect of which a claim arises consisted of assisting the holder of such an office as aforesaid, the authority which would be the paying authority if the claim was in respect of the said office;

“pensionable employee” has the same meaning as in the Local Government Superannuation Regulations 1974;

“pensionable officer” in relation to a person who has suffered loss of office or loss or diminution of emoluments, means a person who immediately before such loss or diminution was subject to a pension scheme associated with the office he has lost, or, as the case may be, the office in which his emoluments have been diminished;

“pensionable remuneration” and “relevant period” shall have the same meanings as in Regulation E1 of the Local Government Superannuation Regulations 1974, or if those Regulations do not apply to the pension scheme concerned, shall mean the remuneration and the period which correspond in that scheme to the pensionable remuneration and the relevant period in Regulation E1;

“pension scheme”, in relation to a pensionable officer, means any form of arrangement associated with his employment for the payment of superannuation benefits, whether subsisting by virtue of any enactment, trust, contract or otherwise;

“reckonable service”, in relation to a person, means any period of whole-time or part-time employment in any relevant employment and includes any period of national service or war service undertaken on his ceasing to hold such an employment, but does not include employment in respect of which he has become entitled to receive a benefit from a pension scheme other than his last relevant pension scheme;

“relevant employment” means employment in any of the following offices or employments, that is to say—

- (a) clerk of the peace,
- (b) deputy clerk of the peace,
- (c) justices' clerk,
- (d) employment in assisting the holder of an office mentioned in any of the foregoing paragraphs of this definition in the performance of the duties of that office,
- (e) service as a collecting officer or in the employment of a collecting officer,

- (f) employment under the Crown or in the service of a local authority in Great Britain,
- (g) employment by any authority or body for the purposes of the Crown or of local government in Great Britain,
- (h) employment under any officer employed as mentioned in paragraph (f) or (g) of this definition for the purpose of the functions of the employing authority or body,
- (i) employment preceding any of the foregoing offices or employments which was reckonable for the purposes of any pension scheme associated with the office which has been lost, or
- (j) such other employment as the Secretary of State may, in the case of any named officer, approve;

but, except for national service and war service, does not include service in the armed forces of the Crown;

“resettlement compensation” means compensation payable in accordance with Part III of these Regulations for loss of office;

“retirement compensation” means compensation payable in accordance with the provisions of Regulations 18, 19 or 20;

“tribunal” means a tribunal established under section 12 of the Industrial Training Act 1964;

“war service” means war service within the meaning of the Local Government Staffs (War Service) Act 1939, the Police and Firemen (War Service) Act 1939, the Teachers' Superannuation (War Service) Act 1939, the Education (Scotland) (War Service Superannuation) Act 1939 or employment for war purposes within the meaning of the Superannuation Schemes (War Service) Act 1940, if such service or employment immediately followed a period of relevant employment and was rendered either compulsorily or with the permission of the authority or person by whom the holder of that employment was appointed or employed.

(2) The holder of any office, appointment, place, situation or employment shall, for the purposes of these Regulations, be regarded as an officer employed in that office, appointment, place, situation or employment, and “officer” and “employment” and related expressions shall be construed accordingly.

(3) In relation to a justices' clerk who before the coming into operation of section 19 of the Act was a collecting officer of any court, any emoluments in respect of his services as a collecting officer shall, for the purpose of these Regulations, be treated as emoluments in respect of the duties of the clerkship and his duties as clerk shall, for the said purposes, be treated as including his services as collecting officer.

(4) Where under any provision of these Regulations an annual value is to be assigned to a capital sum or a capital value to an annual amount—

- (a) the annual or capital value shall be ascertained in accordance with the tables set out in the Schedule to these Regulations insofar as they provide for the particular case;
- (b) where the said tables do not provide for a case in which an annual value is to be assigned to a capital sum or a capital value to an annual amount, the annual or capital value shall be the value as may be agreed between the determining authority and the person to whom the capital sum or annual amount is payable; and
- (c) for the purpose of determining the application of the said tables, the headings and the note to each table shall be treated as part of the table.

(5) In these Regulations, unless the context otherwise requires, references to any enactment shall be construed as references thereto as amended, re-enacted, applied or modified by any subsequent enactment.

*Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format. The electronic version of this UK Statutory Instrument has been contributed by Westlaw and is taken from the printed publication. **Read more***

(6) References in these Regulations to a numbered Regulation shall, unless the reference is to a Regulation of specified Regulations, be construed as references to the Regulation bearing that number in these Regulations.

(7) References in any of these Regulations to a numbered paragraph shall, unless the reference is to a paragraph of a specified Regulation, be construed as references to the paragraph bearing that number in the first mentioned Regulation.

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

PART II

ENTITLEMENT TO COMPENSATION

Persons to whom the Regulations apply

3. These Regulations shall apply to any person who—

- (a) was, immediately before the material date, either for the whole or for a part only of his time, the holder of the office of justices' clerk or employed in assisting the holder of such an office in the performance of the duties of that office, or
- (b) would have been the holder of such an office or so employed at that time but for any national service on which he was then engaged.

Grounds of entitlement to compensation

4.—(1) Subject to the provisions of these Regulations, any person to whom these Regulations apply and who, on or after the coming into operation of these Regulations suffers loss of office or loss or diminution of emoluments which is attributable to—

- (a) the making of an order under section 18 of the Act,
- (b) the grouping of clerkships under a justices' clerk under Part III of the Act, or
- (c) the conversion of part-time justices' clerkships to a whole-time clerkship under the said Part III,

shall be entitled to have his case considered for the payment of compensation under these Regulations and such compensation shall be determined in accordance with these Regulations.

(2) Subject to the provisions of these Regulations, any person to whom these Regulations apply and who—

- (a) has suffered loss of office or loss or diminution of emoluments which occurred during the period beginning on 1st April 1974 and ending immediately on the coming into operation of these Regulations (“the transitional period”), which loss or diminution is attributable to any of the events set out in paragraph (1), and
- (b) is not placed in a worse position under these Regulations than under the Justices of the Peace Act 1949 (Compensation) Regulations 1965, as amended⁽¹⁾,

shall be entitled to have his case considered for the payment of compensation under these Regulations and such compensation shall be determined in accordance with these Regulations, except that, as respects the transitional period, there shall be deducted from the amount of compensation payable under these Regulations the amount of any payments made to him by way of compensation under the said Regulations of 1965.

(1) S.I. 1971/1119.

National Service

5.—(1) Where any person to whom these Regulations apply would have been employed immediately before the material date in any capacity referred to in Regulation 3(a) but for any national service on which he was then engaged, then if before the expiry of 2 months after ceasing to be so engaged, or if prevented by sickness or other reasonable cause, as soon as practicable thereafter, he gives notice to the determining authority that he is available for employment, that person shall be entitled to have his case considered for the payment of compensation on the ground—

- (a) if he is not given or offered re-employment in his former office or in any reasonably comparable office (whether in the administration of the same or in a different service), of loss of office; or
- (b) if he is so re-employed with diminished emoluments as compared with the emoluments which he would have enjoyed had he continued in his former office, of diminution of emoluments.

(2) The loss of office which is the cause of a claim for compensation under paragraph (1)(a) shall be treated as having occurred on the earlier of the two following dates, that is to say, the date of the refusal of re-employment or a date one month after the date on which the person gave notice that he was available for employment; and the person shall be deemed to have been entitled to the emoluments which he would have enjoyed at such earlier date had he continued in his former office.

PART III

RESETTLEMENT COMPENSATION

Resettlement compensation for loss of office

6. The determining authority shall, subject to the provisions of these Regulations, consider and determine the entitlement to resettlement compensation of every person to whom these Regulations apply and who satisfies the conditions set out in Regulation 7.

Conditions for payment of resettlement compensation

7.—(1) Without prejudice to any other requirement of these Regulations, the conditions for the payment of resettlement compensation to any person are that—

- (a) he has suffered loss of office attributable to one of the events specified in Regulation 4 on, or not later than 10 years after, the material date,
- (b) he had not at the date of the loss attained normal retiring age;
- (c) he had been for a period of 2 years immediately before the material date continuously engaged (disregarding breaks not exceeding in the aggregate 6 months) for the whole or part of his time in relevant employment;
- (d) he has made a claim for such compensation in accordance with the provisions of Part VII of these Regulations not later than 13 weeks after the loss of office which is the cause of his claim, or 13 weeks after the coming into operation of these Regulations, whichever is the later, or within any longer period which the determining authority allow in any particular case where they are satisfied that the delay in making the claim was due to ill health or other circumstances beyond the claimant's control;
- (e) the loss of office which is the cause of his claim has occurred for some reason other than misconduct or incapacity to perform the duties that, immediately before the loss, he was performing or might reasonably have been required to perform; and

- (f) he has not, subject to paragraphs (3) and (4), after he has received from the magistrates' courts committee either written notice that his office was to be terminated or written notice of termination of his office, been offered in writing—
- (i) any relevant employment which is reasonably comparable with the office he has lost, or
 - (ii) any employment specified in paragraph (2) which is suitable for him.
- (2) For the purposes of paragraph (1)(f)(ii), the following employment shall be deemed to be suitable—
- (a) in the case of a person holding the office of justices' clerk, the holding of another such office; and
 - (b) in the case of a person assisting the holder of the office of justices' clerk, the holding of the office of justices' clerk, or employment assisting the holder of such an office:
- Provided that the said employment shall be at the same place or in the same locality as that where the person who has lost office was employed immediately before his loss.
- (3) In ascertaining for the purposes of this Regulation whether a person has been offered employment which is reasonably comparable with that which he has lost, no account shall be taken of the fact that the duties of the employment offered are in relation to the administration of a different service from that in connection with which his office was held or are duties which involve a transfer of his employment from one place to another within England and Wales.
- (4) For the purposes of this Regulation, where the determining authority are satisfied—
- (a) that acceptance of an offer would have involved undue hardship to the person;
 - (b) that he was prevented from accepting an offer by reason of ill-health or other circumstances beyond his control; or
 - (c) that, either before the coming into operation of these Regulations or before the employer gave him written notice that his employment was, or was to be, terminated, an offer—
 - (i) has not been accepted by him, and
 - (ii) has lapsed or otherwise terminated,
- no account shall be taken of that offer.

Amount of resettlement compensation

- 8.—**(1) The amount of resettlement compensation which may be paid to a person shall, subject to the provisions of paragraphs (2) to (6), be the amount described in sub-paragraph (a) or (b) whichever is the greater, namely—
- (a) an amount equal to 13 weeks' emoluments and, in the case of a person who has attained the age of 45, one additional week's emoluments for every year of his age after attaining the age of 45 and before the loss of office subject to a maximum addition of 13 such weeks; or
 - (b) an amount equal to—
 - (i) one and one half week's emoluments for each completed year of reckonable service in which the person was not below the age of 41,
 - (ii) one week's emoluments for each completed year of reckonable service (not falling within sub-paragraph (i) above) in which the person was not below the age of 22, and
 - (iii) one half week's emoluments for each completed year of reckonable service not falling within sub-paragraph (i) or (ii) above.

(2) For the purposes of paragraph (1)(a), if the loss of office takes place within three years of the date on which the person would have attained normal retiring age, the amount shall be reduced by the fraction of which—

- (a) the numerator is the number of complete periods of 6 months in the period beginning on the date 3 years before that on which he would have attained normal retiring age and ending on the date of loss of office, and
- (b) the denominator is 6;

but the amount payable to a person who, on the material date, has not been continuously engaged in relevant employment as described in Regulation 11(1)(c), shall not by this paragraph be reduced to less than the equivalent of 13 weeks' emoluments.

(3) For the purpose of paragraph (1)(b), in the case of a person who has completed more than 20 years' reckonable service, only the period of 20 years immediately prior to the loss of office shall be taken into account.

(4) For the purpose of paragraph (1)(b), if the loss of a person's office takes place after he has attained the age described in paragraph (5), the amount shall be reduced by the fraction of which the numerator is the number of whole months in the period beginning on the date on which he attained that age and ending on the date of loss of office and of which the denominator is 12.

(5) The age mentioned in paragraph (4) is—

- (a) the age of compulsory retirement applied to the person by virtue of any enactment to which he was subject in the office which he has lost or by virtue of the conditions of that office, less 12 months, or
- (b) if no age of compulsory retirement is applied to the person as described in subparagraph (a) above, the age of 64.

(6) For the purposes of this Regulation, the weekly rate of emoluments shall be deemed to be seven 365ths of the annual rate of emoluments.

Adjustment of resettlement compensation

9. A person who is entitled to—

- (a) a redundancy payment under the Redundancy Payments Act 1965, or
- (b) any similar payment in consequence of the loss of his office under any other enactment or under any contract or arrangement with the magistrates' courts committee by whom he was employed (other than payments by way of a return of contributions under a pension scheme), or
- (c) any payment under or by virtue of the provisions of any enactment relating to the reinstatement in civil employment of persons who have been in the service of the Crown,

shall—

- (i) if the amount of any resettlement compensation that would, apart from this Regulation, be payable exceeds the payment or payments specified in (a), (b) and (c) above, be entitled to resettlement compensation equal to that excess, or
- (ii) if the amount of any resettlement compensation that would apart from this Regulation be payable is equal to or less than the payment or payments specified in (a), (b) and (c) above, not be entitled to resettlement compensation.

PART IV

LONG-TERM COMPENSATION

Long-term compensation for loss of office or loss or diminution of emoluments

10. The determining authority shall, subject to the provisions of these Regulations, consider and determine the entitlement to long-term compensation of every person to whom these Regulations apply and who satisfies the conditions set out in Regulation 11.

Conditions for payment of long-term compensation

11.—(1) Without prejudice to any other requirement of these Regulations, the conditions for the payment of long-term compensation to any person are that—

- (a) he has suffered loss of office or loss or diminution of emoluments attributable to one of the events specified in Regulation 4 on, or not later than 10 years after, the material date;
- (b) he had not, save as is provided in Regulation 26, at the date of the loss or diminution attained normal retiring age;
- (c) he had been, for a period of not less than 5 years immediately before the material date, continuously engaged (without a break of more than 12 months at any one time) for the whole or part of his time in relevant employment;
- (d) he has made a claim for such compensation in accordance with the provisions of Part VII of these Regulations not later than 2 years after the loss or diminution which is the cause of the claim or 2 years after the coming into operation of these Regulations whichever is the later;
- (e) if the cause of the claim for compensation is loss of office—
 - (i) the loss has occurred for some reason other than misconduct or incapacity to perform the duties that, immediately before the loss, he was performing or might reasonably have been required to perform; and
 - (ii) he has not, subject to paragraph (2), after he has received from the magistrates' courts committee either written notice that his office was to be terminated or written notice of termination of his office, been offered in writing any relevant employment which, is reasonably comparable with the office he has lost; and
- (f) he is not in receipt of benefits payable in accordance with regulations made under section 260 of the Local Government Act 1972 or any corresponding regulation.

(2) Regulation 7(3) and (4) (which relate to offers of employment) shall apply for the purposes of this Regulation in ascertaining whether a person has been offered reasonably comparable employment.

(3) Claims for long-term compensation for loss of office shall in all respects be treated as claims for such compensation for the loss of emoluments occasioned thereby and the provisions of these Regulations shall apply to all such claims accordingly.

Factors to be considered in determining payment of long-term compensation

12.—(1) For the purpose of determining whether long-term compensation for loss or diminution of emoluments should be paid to any person and, if so, the amount of the compensation (subject to the limits set out in these Regulations) the determining authority shall, subject to the provisions of paragraphs (2) and (3), have regard to such of the following factors as may be relevant, that is to say—

- (a) the conditions upon which the person held the office which he has lost, including in particular its security of tenure, whether by law or practice;
- (b) the emoluments and other conditions, including security of tenure, whether by law or practice, of any work or employment undertaken by the person as a result of the loss of office;
- (c) the extent to which he has sought suitable employment and the emoluments which he might have acquired by accepting other suitable employment which, after he has received from the magistrates' courts committee by whom he was employed either written notice that his office was to be terminated or written notice of termination of his office, has been offered to him in writing;
- (d) the amount of any retirement compensation or any compensation equivalent thereto which the person is receiving under regulations made under section 24 of the Superannuation Act 1972 or under any provision to the like effect in any other enactment (whenever enacted) if—
 - (i) the service by reference to which that compensation is calculated is reckonable service for the purpose of these Regulations, and
 - (ii) the loss of employment or diminution of emoluments giving rise to that compensation occurred before the loss or diminution as respects these Regulations; and
- (e) all the other circumstances of his case,

Provided that if at the time when the claimant first undertook the office which he has lost, or in which he has suffered a diminution of emoluments, proposals had been made leading to the event specified in Regulation 4 to which the loss or diminution was attributable, no account shall be taken of that fact.

(2) In ascertaining for the purposes of paragraph (1)(b) and (1)(c) the emoluments in respect of any work or employment that gives the employee or his widow, child or other dependant the right to benefit under a pension scheme under which the employee is not under an obligation to pay contributions, the amount of emoluments shall be increased by the amount of contributions which the employee would have to pay to secure equivalent benefits under a pension scheme in respect of which both the employer and the employee are under an obligation to pay equal contributions.

(3) Regulation 7(4) shall apply for the purposes of this Regulation in ascertaining whether a person has been offered suitable employment.

Amount of long-term compensation payable for loss of emoluments

13.—(1) Long-term compensation for loss of emoluments shall, subject to the provisions of these Regulations, be payable until the normal retiring age or death of a person to whom it is payable, whichever first occurs, and shall not exceed a maximum annual sum calculated in accordance with the provisions of paragraphs (2) to (4).

(2) The said maximum annual sum shall, subject as hereinafter provided, be the aggregate of the following sums, namely—

- (a) for each year of the person's reckonable service up to a maximum of 40 such years, one sixtieth of the emoluments which he has lost, and
- (b) in the case of a person who has attained the age of 40 at the date of the loss, a sum calculated in accordance with the provisions of paragraph (3) appropriate to his age at that date.

(3) Subject to the said maximum annual sum in no case exceeding two-thirds of the emoluments which the person has lost, the sum referred to in paragraph (2)(b) shall be—

*Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format. The electronic version of this UK Statutory Instrument has been contributed by Westlaw and is taken from the printed publication. **Read more***

- (a) in the case of a person who has attained the age of 40 but has not attained the age of 50 at the date of the loss, the following fraction of the emoluments which he has lost—
 - (i) where his reckonable service is less than 10 years, one-sixtieth for each year of that service after attaining the age of 40, or
 - (ii) where his reckonable service amounts to 10 years but is less than 15 years, one-sixtieth for each year of that service after attaining the age of 40 and one additional sixtieth, or
 - (iii) where his reckonable service amounts to 15 years but is less than 20 years, one-sixtieth for each year of that service after attaining the age of 40 and two additional sixtieths, or
 - (iv) where his reckonable service amounts to 20 years or more, one-sixtieth for each year of that service after attaining the age of 40 and three additional sixtieths,
 but the sum so calculated shall not in any case exceed one-sixth of the said emoluments,
 - (b) in the case of a person who has attained the age of 50 but has not attained the age of 60 at the date of the loss, one-sixtieth of the said emoluments for each year of his reckonable service after attaining the age of 40, up to a maximum of 15 years, and
 - (c) in the case of a person who has attained the age of 60 at the date of the loss, one-sixtieth of the said emoluments for each year of his reckonable service after attaining the age of 45,
- and for the purpose of applying Regulation 29(5) or 30(3) to long term compensation, a period of years made up of one year for each sixtieth of the said emoluments comprised in the sum referred to in paragraph 2(b) shall be deemed to be an additional period of service credited under Regulation 17(2).

(4) The amount of long-term compensation calculated in accordance with paragraphs (2) and (3), shall be reduced by the amount by which the aggregate of—

- (a) the emoluments of any work or employment undertaken by him as a result of the loss of office, and
- (b) the long-term compensation which apart from this paragraph and any reduction under Regulation 30(3) and (4) would be payable to him,

exceeds the emoluments of the office which has been lost; and where at any time a person is receiving long term compensation or compensation equivalent thereto under any statutory or other provision and—

- (i) the service by reference to which that compensation is calculated is reckonable service for the purpose of these Regulations, and
- (ii) the date of the loss of office or diminution of emoluments giving rise to that compensation occurred before the loss or diminution as respects these Regulations,

the amount of long term compensation calculated in accordance with paragraphs (2) and (3) shall be reduced, or further reduced, as the case may be, by the amount of that compensation.

(5) Long-term compensation shall be payable to a person at intervals equivalent to those at which the emoluments of his office were previously paid or at such other intervals as may be agreed between the person and the paying authority.

Long-term compensation for diminution of emoluments

14.—(1) Long-term compensation for diminution of emoluments in respect of any office shall, subject to the provisions of these Regulations, consist of an annual sum calculated in accordance with the provisions of paragraph (2).

(2) The said annual sum shall not exceed the sum that would be the annual sum under the provisions of Regulation 13(1) to (4) calculated on the assumptions—

- (a) that there was a loss of office, and
- (b) that emoluments after diminution were emoluments of any work or employment undertaken as a result of a loss of office within the meaning of Regulations 12(1)(b) and 13(4).

(3) Long-term compensation for diminution of emoluments shall be payable to a person at intervals equivalent to those at which the emoluments of his office are or were previously paid or at such other intervals as may be agreed between the person and the paying authority.

Period during which long-term compensation is to be payable

15.—(1) Long-term compensation shall be payable with effect from the date of the claim or from any earlier date permitted by the succeeding provisions of this Regulation.

(2) Where a claim for long-term compensation is duly made within 13 weeks of the coming into operation of these Regulations or the occurrence of the loss or diminution which is the cause of the claim (whichever is the later), the award shall be made effective from the date on which the loss or diminution occurred.

(3) Where a claim for long-term compensation is made after the expiry of the period mentioned in paragraph (2), the determining authority may—

- (a) at their discretion make the award effective from a date not earlier than 13 weeks prior to the date on which the claim was made, or
- (b) if they are satisfied that the failure to make the claim within the period mentioned in paragraph (2) was due to ill-health or other circumstances beyond the claimant's control, make the award effective from a date not earlier than that on which the loss or diminution occurred.

(4) Long-term compensation shall not be payable to a person for any period in respect of which compensation under Part V of these Regulations is payable to him.

PART V

RETIREMENT COMPENSATION AND PAYMENTS ON DEATH

Entitlement to retirement compensation and other payments

16.—(1) The determining authority shall, subject to the provisions of these Regulations consider and determine the entitlement to retirement compensation and the other payments for which provision is made in Regulations 23 to 27, of every person to whom this Part of these Regulations apply.

(2) Save as is provided in Regulation 26, this Part of these Regulations applies to a pensionable officer who satisfies the conditions set out in Regulation 11.

(3) Regulation 12 shall apply in relation to compensation under this Part of these Regulations as it applies in relation to compensation under Part IV.

Additional factors governing payment of retirement compensation

17.—(1) Where retirement compensation is payable under any one of Regulations 18, 19 or 20, compensation shall not be payable under any other of those Regulations.

(2) If a person has attained the age of 40 at the date on which he lost his office or suffered a diminution of his emoluments, the determining authority, in calculating the amount of the retirement compensation payable to him, shall credit him with an additional period of service on the following basis, namely—

- (a) 2 years, whether or not he has completed any years of service after attaining the age of 40,
- (b) 2 years for each of the first 4 years of his reckonable service between the date when he attained the age of 40 and the date of the loss or diminution, and
- (c) one year for each year of that reckonable service after the fourth,

but the additional period so credited shall not exceed the shortest of the following periods, namely—

- (i) the number of years that, when added to his pensionable service, would amount to the maximum period of service which would have been reckonable by him had he continued in his office until attaining normal retiring age,
- (ii) the period of his reckonable service, or
- (iii) 15 years;

and in calculating the amount of any retirement compensation payable to him any period so added shall be aggregated with any period entailing reduction of the relevant pension or retiring allowance because of a retirement pension payable under section 28 of the Social Security Act 1975 or which was paid under section 30 of the National Insurance Act 1965.

(3) The benefit in respect of the additional period described in paragraph (2) shall be calculated at the same rate as is applicable for the day immediately preceding the loss or diminution.

(4) When retirement compensation is awarded, or when an award is reviewed under Regulation 32, the additional compensation payable in consequence of any period credited to a person under paragraph (2) may be reduced or withheld to the extent that the determining authority may think reasonable having regard to the pension scheme (if any) associated with any further employment obtained by him.

(5) If under his last relevant pension scheme the amount of any benefit to which a person might have become entitled could have been increased at the discretion of the authority administering the pension scheme or of any other body, the determining authority may increase, to an extent not exceeding that to which his accrued pension, accrued retiring allowance, accrued incapacity pension or accrued incapacity retiring allowance might have been increased or supplemented, the corresponding component of any retirement compensation payable to him; and in this connection the determining authority shall have regard to the terms of any relevant resolutions of the authority or body with regard to the increase of benefits and to the provisions of any enactment protecting the interests of that person.

(6) If under his last relevant pension scheme a person would have been entitled to surrender a proportion of any pension which might have become payable to him in favour of his spouse or any dependant, then, if he so desires and informs the determining authority by notice in writing accordingly within one month after becoming entitled to retirement compensation under these Regulations, he may surrender a proportion of so much of the said compensation as is payable by way of an annual sum on the like terms and conditions and in consideration of the like payments by the paying authority as if the said annual sum were a pension to which he had become entitled under the said pension scheme.

(7) In calculating for the purpose of Regulation 18 or 19 the amount of the annual sum which is equal to a person's accrued pension, no account shall be taken of any reduction falling to be made in that pension by reason of the provisions of any enactment relating to national insurance or social security until the person reaches the age at which under his last relevant pension scheme the pension would have been so reduced.

Retirement compensation for loss of emoluments payable to pensionable officer on attainment of normal retiring age

18.—(1) Subject to the provisions of these Regulations, when a person to whom this Part of these Regulations applies reaches normal retiring age, the retirement compensation payable to him for the loss of emoluments shall be—

- (a) an annual sum equal to the amount of his accrued pension, and
- (b) a lump sum equal to the amount of his accrued retiring allowance (if any).

(2) No compensation shall be payable under this Regulation if the person has continued to pay superannuation contributions as if he had suffered no loss of emoluments.

Retirement compensation payable to pensionable officer on his becoming in-capacitated or reaching minimum pensionable age

19.—(1) Where a person to whom this Part of these Regulations applies and who has suffered loss of office before attaining what would have been his normal retiring age—

- (a) becomes incapacitated in circumstances in which, if he had continued in the office which he has lost, he would have become entitled to a pension under his last relevant pension scheme, or
- (b) attains the age which, had he continued to serve in the office which he has lost, would have been his minimum pensionable age,

he shall be entitled on the happening of either event to claim—

- (i) in the case mentioned in sub-paragraph (a) above, an annual sum equal to the amount of his accrued incapacity pension and a lump sum equal to the amount of his accrued incapacity retiring allowance (if any), and
- (ii) in the case mentioned in sub-paragraph (b) above, an annual sum equal to the amount of his accrued pension and a lump sum equal to the amount of his accrued retiring allowance (if any),

subject however to the conditions specified in paragraph (5).

(2) On receipt of a claim under paragraph (1), the determining authority shall consider whether the claimant is a person to whom that paragraph applies, and—

- (a) if they are satisfied that he is not such a person, they shall notify him in writing accordingly, or
- (b) if they are satisfied that he is such a person, they shall assess the amount of compensation payable to him and notify him in writing accordingly;

and notification as described in sub-paragraph (a) or (b) above shall, for the purposes of these Regulations, be deemed to be a notification by the authority of a decision on a claim for compensation.

(3) A determining authority may require any person who makes a claim under paragraph (1) (a) to submit himself to a medical examination by a registered medical practitioner selected by that authority, and if they do so, they shall also offer the person an opportunity of submitting a report from his own medical adviser as a result of an examination by him, and the authority shall take that report into consideration together with the report of the medical practitioner selected by them.

(4) If a person wishes to receive compensation under this Regulation, he shall so inform the determining authority in writing within one month from the receipt of a notification under paragraph (2) or, where the claim has been the subject of an appeal, from the decision of the tribunal thereon; and the compensation shall be payable as from the date on which the determining authority received the claim.

(5) The calculation of compensation under this Regulation shall be subject to the following conditions—

- (a) where the determining authority, by virtue of Regulation 17, have credited the person with an additional period of service, no account shall be taken of any additional period beyond the period which he could have served, had he not lost his office, before the date on which the claim was received by the determining authority;
- (b) if, by reason of any provision of the relevant pension scheme for a minimum benefit, the amount of any such pension or retiring allowance is in excess of that attributable to the person's actual service, no account shall be taken of any such additional period of service except to the extent (if any) by which it exceeds the number of years represented by the difference between his actual service and the period by reference to which the minimum benefit has been calculated; and
- (c) if the number of years by reference to which an accrued incapacity pension or accrued incapacity retiring allowance is to be calculated is less than any minimum number of years of qualifying service prescribed by the last relevant pension scheme, the amount of the pension or retiring allowance shall, notwithstanding any minimum benefit prescribed by the pension scheme, not exceed the proportion of the minimum benefit which the number of years of pensionable service bears to the minimum number of years of qualifying service.

Retirement compensation for diminution of emoluments

20.—(1) A person to whom this Part of these Regulations applies and who has suffered a diminution of his emoluments shall be entitled to receive retirement compensation in accordance with the provisions of this Regulation.

(2) The provisions of Regulations 18 and 19 shall apply to any such person as if he had suffered loss of office immediately before the diminution occurred; but the amount of retirement compensation payable shall be the amount which would have been payable in respect of loss of office multiplied by a fraction of which—

- (a) the numerator is the amount by which his pensionable emoluments have been diminished, and
- (b) the denominator is the amount of his pensionable emoluments immediately before they were diminished;

and for the purposes of this calculation no account shall be taken of any reduction which might otherwise fall to be made in the accrued pension or accrued incapacity pension because of a retirement pension payable under section 28 of the Social Security Act 1975 or which has been paid under section 30 of the National Insurance Act 1965.

(3) No compensation shall be payable under this Regulation—

- (a) if the person has continued to pay superannuation contributions as if his emoluments had not been diminished, or
- (b) as respects any period in respect of which the person is entitled to retirement pension and retiring allowance under his last relevant pension scheme if, as respects that scheme, the whole of the relevant period for calculating the pensionable remuneration of that person falls before he suffered the diminution in his emoluments.

Superannuation contributions

21.—(1) A person entitled to retirement compensation under Regulation 18 or 19 shall pay an amount equal to any sum which was paid to him by way of return of superannuation contributions (including any interest) after ceasing to be employed—

- (a) if the provisions of his last relevant pension scheme enable him to be credited with benefits attributable to that sum, to the fund authority, and
- (b) in any other case, to the paying authority.

(2) If the person does not pay as specified in paragraph (1), his retirement compensation shall be reduced by an annual amount the capital value of which is equal to the amount of the said superannuation contributions.

(3) For the purposes of this Regulation the expression “superannuation contributions” shall include payments made by the person in respect of added years, any additional contributory payments made by him and any other payments made by him for the purpose of increasing the benefits to which he would have become entitled under his last relevant pension scheme.

(4) Any sums paid to a paying authority under this Regulation in respect of returned contributions shall be applied for the payment of compensation which the authority is liable to pay under this Part of these Regulations.

Retirement compensation of a person who obtains further pensionable employment

22.—(1) Where a person to whom this Part of these Regulations applies, after suffering loss of office or diminution of emoluments, enters employment in which he is subject to a pension scheme and thereafter becomes entitled to reckon for the purposes of that scheme any service or period of contribution which falls to be taken into account for the purpose of assessing the amount of any retirement compensation payable to him, his entitlement to retirement compensation shall be reviewed, and, subject to the provisions of this Regulation, no retirement compensation shall be payable in respect of that service or period unless the annual rate of the emoluments to which he was entitled immediately before the loss or diminution exceeds the annual rate on entry of the emoluments of the new employment, and any retirement compensation so payable to him shall, insofar as it is calculated by reference to remuneration, be calculated by reference to the difference between the said annual rates.

(2) The provisions of this Regulation shall not operate to increase the amount of any retirement compensation payable in respect of diminution of emoluments beyond the amount which would have been payable if the person had attained normal retiring age immediately before he ceased to hold the office in which he suffered the diminution of emoluments.

(3) No retirement compensation shall be payable in the circumstances mentioned in this Regulation if the person has continued to pay superannuation contributions as if his emoluments had not been diminished.

Compensation payable to widow or dependants of a claimant

23.—(1) Where a person to whom this Part of these Regulations applies dies, payments in accordance with this Regulation and Regulations 24 and 25 shall be made to or for the benefit of his widow, child or other dependant or to his personal representatives or, as the case may be, to trustees empowered by him to stand possessed of any benefit under his last relevant pension scheme.

(2) Where the widow, child or other dependant has become, or but for the person's loss of office would have become, entitled to benefits under his last relevant pension scheme, the widow, child or other dependant, as the case may be, shall (subject to the provisions of this Regulation) be entitled to compensation calculated from time to time in accordance with the methods prescribed by the last relevant pension scheme modified as follows:—

- (a) where the person dies before becoming entitled to receive retirement compensation and the last relevant pension scheme provides that when he dies in service his widow, child or other dependant shall be entitled for any period to a benefit equal to his pensionable remuneration, the annual rate of compensation for that period shall be equal to the annual

amount of his long-term compensation calculated in accordance with paragraphs (1) to (3) of Regulation 13;

- (b) where the person dies before becoming entitled to receive retirement compensation and the last relevant pension scheme provides that when he dies in service his widow, child or other dependant shall be entitled for any period to a benefit calculated by reference to the pension or incapacity pension which would have been payable to him if he had retired immediately before his death, the compensation for that period shall be calculated by reference to the retirement compensation to which he would have been entitled under Regulation 19 if that Regulation had been applied to him immediately before his death;
- (c) where a person dies after becoming entitled to receive retirement compensation and the last relevant pension scheme provides that when he dies after having retired his widow, child or other dependant shall be entitled for any period to a benefit equal to his pension, the annual rate of compensation for that period shall be equal to the annual amount of retirement compensation;
- (d) where a person dies after he has become entitled to receive retirement compensation and the last relevant pension scheme provides that when he dies after having retired his widow, child or other dependant shall be entitled for any period to a benefit calculated by reference to his pension, the annual rate of compensation for that period shall be calculated by reference to the annual rate of compensation for that period shall be calculated by reference to the annual amount of retirement compensation that would have been payable to him but for any reduction or suspension under Regulation 30(1);
- (e) for the purposes of calculating compensation in accordance with the foregoing provisions, each year added to a person's reckonable service under Regulation 17 (or which would have been added if retirement under Regulation 19 were assumed) shall be deemed to have been service rendered immediately before the loss of office.

(3) Calculation of the amounts described in paragraph (2) shall be subject to the following adjustments:—

- (a) where any retirement compensation has been surrendered under Regulation 17(6) or compounded under Regulation 33, any sum payable under paragraph (2)(b) and (d) shall be calculated as if such surrender or compounding had not taken place;
- (b) it shall be assumed the retirement compensation payable, or which would have been payable, had been such sum as would have been payable if the accrued pension or accrued incapacity pension had not been reduced by reason of the provisions of any enactment relating to national insurance or social security; and
- (c) if immediately before his death the person's long-term compensation was reduced under Regulation 13(4) or 32(7) or his retirement compensation was reduced or suspended under Regulation 30(1) by reason of employment in which he was subject to a pension scheme and the widow, child or other dependant is entitled under that scheme for any period to a benefit equal to his pensionable remuneration, regard shall be had to any such reduction or suspension for the purposes of paragraph 2(a) and (c).

(4) Where the widow, child or other dependant has become, or but for the person's loss of office would have become, entitled to a benefit other than a benefit mentioned in paragraph (2)(a) to (d), the widow, child or other dependant, as the case may be, shall be entitled (subject to the provisions of paragraph (5)), to an annual sum equal to the annual amount of the pension which would have been payable if he had died immediately before the date on which he suffered the loss of office, having then complied with any requirements of the last relevant pension scheme as to a minimum period of qualifying service or contribution and completed any additional contributory payments or payments in respect of added years which he was then in the course of making.

(5) The calculation referred to in paragraph (4) shall be made on the basis of the method prescribed by the last relevant pension scheme of the person in question for the calculation of benefits for a widow, child or other dependant, and insofar as the age at which he died is relevant for the purposes of the said calculation, the calculation shall be made by reference to his age at the date of death.

(6) Any sums payable to or for the benefit of a widow, child or other dependant under this Regulation shall cease to be payable when a corresponding pension under the last relevant pension scheme would have ceased to be payable; and where that scheme provides for payment of the pension to any person on behalf of a child or other dependant, any sum payable under this Regulation to a child or other dependant shall be paid to that person on behalf of the child or dependant in the like manner and for the like period as is provided in the pension scheme.

(7) Except where the compensation has been reduced under Regulation 21, compensation payable under this Regulation and Regulation 24 shall in the aggregate be reduced by an amount the capital value whereof is equal to the amount of any superannuation contributions as defined in Regulation 21(3) returned to the person in respect of whom the compensation is payable and not paid to the paying authority, the compensation under each of those Regulations being reduced in proportion to the capital value of each amount.

(8) If the person in question suffered a diminution of emoluments, then—

- (a) where his last relevant pension scheme provides benefits of a kind described in paragraph (2), the provisions of that paragraph shall apply with the substitution of references to diminution of emoluments for references to loss of office, and the sums payable to his widow, child or other dependant shall be calculated as if he had suffered loss of office and as if the loss of emoluments occasioned thereby had been equivalent to the amount of the diminution; but no sum shall be payable under this sub-paragraph—
 - (i) if the person has continued to pay superannuation contributions as if his emoluments had not been diminished, or
 - (ii) as respects any period in respect of which benefits are payable to the widow, child or other dependant of any person under his last relevant pension scheme if, as respects that scheme, the whole of the relevant period for calculating the pensionable remuneration of that person falls before he suffered the diminution of his emoluments,
- (b) where his last relevant pension scheme provides benefits of a kind described in paragraph (4), the provisions of that paragraph and of Regulation 30(3)(a) shall apply with the substitution of references to diminution of emoluments for the references to loss of office and of a reference to office in which he has suffered such a diminution for the reference to office which he has lost.

Compensation where death gratuity would have been payable

24.—(1) If the widow, the personal representatives of a person to whom this Part of these Regulations applies or trustees empowered by that person to stand possessed of any benefit under his last relevant pension scheme might have become entitled to a death gratuity under that scheme, she or they, as the case may be, shall be entitled to receive a sum calculated in accordance with the provisions of Regulation 23(7) and paragraph (2) of this Regulation.

(2) The amount of the sum referred to in paragraph (1) shall be ascertained in accordance with the method of calculation prescribed by the last relevant pension scheme for the ascertainment of death gratuity as if the person had died immediately before losing his office, subject to the following modifications—

- (a) account shall be taken of any additional period of service credited to him under Regulation 17(2)—

*Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format. The electronic version of this UK Statutory Instrument has been contributed by Westlaw and is taken from the printed publication. **Read more***

- (i) in the case of a person who had been in receipt of retirement compensation under Regulation 19, to the extent of the period between the loss of office and the date of the claim made under that Regulation, and
 - (ii) in any other case, to the extent of the period between the loss of office and the person's death;
- (b) if the aggregate of the person's pensionable service and the additional period under Regulation 17(2) is less than any minimum period of qualifying service prescribed by the pension scheme for the receipt of a death gratuity, the said sum shall not exceed that proportion of the death gratuity calculated as aforesaid which is equal to the proportion which the aggregate service bears to the minimum period of qualifying service prescribed by the pension scheme; and
- (c) there shall be deducted from the sum described above the amount of any retirement compensation paid to the person under Regulation 18 or 19, or where any part of the compensation has been surrendered under Regulation 17(6), the amount which would have been so paid but for such a surrender.
- (3) In calculating a death gratuity under this Regulation, any sum payable under Regulation 23(2) or (8)(a) to or for the benefit of the widow, child or other dependant shall be deemed to be a pension payable to or for the benefit of the widow, child or dependant, as the case may be.
- (4) This Regulation shall apply in the case of a person who has suffered a diminution of emoluments with the substitution of references to diminution of emoluments for references to loss of office, and the sum payable to the widow, personal representatives or trustees of such a person shall be calculated as if he had lost emoluments equivalent to the amount of the diminution; but no such sum shall be payable under this paragraph—
- (a) if the person has continued to pay superannuation contributions as if his emoluments had not been diminished, or
 - (b) where under the person's last relevant pension scheme a death gratuity is payable if, as respects that scheme, the whole of the relevant period for calculating the pensionable remuneration of that person falls before he suffered the diminution in his emoluments.

Balance payable to claimant's widow or personal representatives

25.—(1) If no sum is payable to the widow, child or other dependant of any person under Regulation 23(2) or (8)(a) and no sum is payable under Regulation 24 and the person dies before he has received in the aggregate by way of retirement compensation a sum equivalent to the aggregate of—

- (i) any superannuation contributions paid by him which have not been returned to him, and
 - (ii) any amount paid by him in accordance with Regulation 21(1),
- together with compound interest thereon calculated—
- (a) at the rate of 3 per cent per annum with half yearly rests up to the date of his death as from 1st April or 1st October following the half year in which the amount was paid, or
 - (b) in such other manner as may be provided by the last relevant pension scheme, (whichever calculation gives the greater amount), there shall be paid to his personal representatives the difference between the aggregate amount received by way of retirement compensation as aforesaid and the said equivalent sum.

(2) If any annual sum which became payable to a widow under Regulation 23(2) or (8)(a) has ceased to be payable on her remarriage or death, and any sum payable to a child or other dependant under either of those paragraphs has ceased to be payable, and if the aggregate amount of the payments which were made as aforesaid to her husband by way of retirement compensation and to

the widow or personal representatives or trustees under Regulation 24 is less than a sum equivalent to the amount which would have been payable to the personal representatives under that Regulation if no sum had been payable under either of the said paragraphs (2) or (8)(a), there shall be paid to her or her personal representatives the difference between such aggregate amount and the said equivalent sum.

(3) For the purpose of this Regulation, a person who has surrendered any part of his retirement compensation under Regulation 17(6), or whose retirement compensation has been reduced in accordance with Regulation 30(3), shall be deemed to have received during any period the amount of compensation for that period which he would have received but for such a surrender or such a reduction.

Compensation payable to non-pensionable officer on reaching normal retiring age

26.—(1) Where a person who is not a pensionable officer is receiving long-term compensation for loss of office and attains normal retiring age, the determining authority shall, if satisfied that the person would, but for the loss, have continued in the office he has lost for a substantial period beyond that age, determine that compensation shall continue to be paid to him for the remainder of his life at half its former rate.

(2) Where a person who is not a pensionable officer suffers loss of office on or after attaining normal retiring age, the determining authority may, if satisfied that the person would in the normal course have continued in the office he has lost for a further substantial period, determine that compensation shall be paid to him for the remainder of his life at half the rate to which he would have been entitled under Regulation 13 had he not attained normal retiring age at the date on which he lost his office.

Persons subject to policy schemes

27.—(1) Regulations 18, 19, 20 and 24 shall not apply to a person (in this Regulation referred to as a “policy scheme participant”) who had been participating in a scheme associated with his employment for providing superannuation benefits by means of contracts or policies of insurance, and who, after the loss of his office or the diminution of his emoluments, continued to participate in that scheme or became entitled to a benefit or prospective benefit thereunder other than a return of contributions.

(2) If a policy scheme participant has lost his office, the determining authority may, if the relevant scheme so permits, determine that such payments shall be made to or in respect of him, whether by way of the payment of premiums or otherwise, as are actuarially equivalent to the amounts by which his retirement compensation might have been increased under Regulation 17(2) or (5) had he been a person to whom Regulation 18 or 19 applied.

(3) If a policy scheme participant has suffered a diminution of his emoluments, the determining authority may, if the relevant scheme so permits, determine that such payments shall be made to or in respect of him, whether by way of the payment of premiums or otherwise, as will secure to him the like benefits as if his emoluments had not been diminished.

(4) If a policy scheme participant becomes entitled to a benefit under such a scheme as is mentioned in paragraph (1) before reaching normal retiring age, the determining authority may reduce any long-term compensation payable to him by the amount of such benefit.

Intervals for payments of compensation under Part V

28. Any compensation awarded under this Part of these Regulations to or in respect of any person shall be payable at intervals equivalent to those at which the corresponding benefit would have been payable under the person's last relevant pension scheme or at such other intervals as may be agreed between the person entitled to receive the compensation and the paying authority.

PART VI

ADJUSTMENT, REVIEW AND COMPOUNDING OF COMPENSATION

Adjustment of compensation where superannuation benefit is also payable

29.—(1) Where any period of service of which account was taken in calculating the amount of any compensation payable under Part IV or V of these Regulations is subsequently taken into account for the purpose of calculating the amount of any superannuation benefit payable to or in respect of any person in accordance with a pension scheme associated with any employment undertaken subsequent to the loss of office or diminution of emoluments which was the subject of the claim for compensation, the determining authority may in accordance with this Regulation adjust the compensation by determining that the compensation payable shall be withheld or reduced.

(2) If the part of any superannuation benefit which is attributable to a period of service mentioned in paragraph (1) equals or exceeds the part of any compensation which is attributable to the same period, that part of the compensation may be withheld, or if the part of the superannuation benefit is less than the part of the compensation, the compensation may be reduced by an amount not exceeding that part of the superannuation benefit.

(3) In the case of a death benefit payable in respect of any person, the sum payable under Regulation 24 may be reduced by an amount not greater than the proportion of the death benefit which the period of service mentioned in paragraph (1) bears to the total period of service of which account was taken in the calculation of the death benefit.

(4) In addition to any reduction authorised by paragraph (2) or (3), if, in the circumstances mentioned in paragraph (1), compensation is attributable in part to any provision of the last relevant pension scheme for a minimum benefit, the compensation may be reduced by an amount not exceeding that part.

(5) Where any additional period of service has been credited to a person under Regulation 17(2) or under Regulation 13(3) is deemed to be so credited and that period is equal to or less than the period spent in the subsequent employment mentioned in paragraph (1) and taken into account in calculating the amount of any superannuation benefit payable in accordance with the pension scheme associated with that employment the compensation may be reduced (in addition to any other reduction authorised by this Regulation) by an amount not exceeding that part of the superannuation benefit which is attributable to a period of service equal to the additional period of service credited or deemed to be credited under Regulation 17(2), or, if the period so credited is greater, by an amount not exceeding the part of the superannuation benefit which is attributable to the period spent in the subsequent employment and for the purpose of this paragraph the period spent in the subsequent employment shall be deemed to be increased by any additional period of service with which the person was credited under the pension scheme associated with that employment.

(6) Where compensation has been calculated in accordance with Regulation 22, any reduction that may be made under paragraphs (2) to (5) shall not exceed the amount of the pension or lump sum comprising the part (if any) of the superannuation benefit relating to the subsequent employment which is attributable to annual emoluments in excess of those to which the person was entitled on entering the new employment referred to in Regulation 22.

(7) Where compensation is payable in respect of diminution of emoluments, any reduction that may be made under paragraphs (2) to (5) shall not exceed the amount of the pension or lump sum comprising the part (if any) of the superannuation benefit relating to the subsequent employment which is attributable to annual emoluments in excess of those to which the person was entitled immediately after the diminution and taken into account in calculating the compensation.

(8) In making any reduction under paragraphs (2) to (5), or in applying paragraphs (6) or (7), the amount of pension or, as the case may be, lump sum to be taken into account relating to the

subsequent employment shall be the amount of such pension or lump sum reduced by a fraction of that pension or lump sum, where—

- (a) the numerator is equivalent to the aggregate of the amount of increases which would have been awarded under the provisions of the Pensions (Increase) Act 1971, during the period beginning with the day following loss of the office or diminution of the emoluments, as the case may be, for which compensation is payable and ending on the day the subsequent employment terminated, on an official pension (within the meaning of that Act) of £100 a year which commenced from the first mentioned day, and
- (b) the denominator is equivalent to the aggregate of an official pension of £100 a year and the amount of the increase so determined.

Reduction of compensation in certain cases

30.—(1) If under a person's last relevant pension scheme any benefit for which the scheme provided would have been subject to reduction or suspension on his taking up other specified employment, any retirement compensation to which he is entitled for loss of office or diminution of emoluments shall, where such an employment is taken up, be reduced or suspended in the like manner and to the like extent; but in calculating the amount of the reduction there shall be aggregated with the emoluments of the employment taken up the amount of any superannuation benefit by way of annual amounts payable to the person under a pension scheme associated with the office which he has lost or, as the case may be, the office in which the emoluments were diminished.

(2) There shall be deducted from the retirement compensation payable to any person any additional contributory payments remaining unpaid at the date when he suffered loss of office that are not recovered in accordance with the provisions of the last relevant pension scheme; and any additional contributory payments not recovered at the date of his death shall be deducted from any compensation payable in respect of that person under Regulation 23, 24 or 25(2).

(3) Where compensation for loss of office is payable under these Regulations to or in respect of any person and that person or his widow, child or other dependant or his personal representatives or trustees as are mentioned in Regulation 24(1) is or are also entitled (whether immediately or on the person's attaining some greater age) to a superannuation benefit under his last relevant pension scheme in respect of any service of which account was taken in calculating the compensation—

- (a) any instalment of that compensation which is payable in respect of any period shall be reduced by the amount of the instalment of such superannuation benefit which is payable in respect of the same period, and
- (b) any of that compensation which is payable under Part IV or Part V of these Regulations and which is payable as a lump sum shall be reduced by the amount of any lump sum superannuation benefit,

and where part of the superannuation benefit is attributable to any additional period of service with which the person was credited under his last relevant pension scheme and—

- (i) that period is equal to or less than any additional period credited to that person under Regulation 17(2) or under Regulation 13(3) deemed to be so credited, the amount of the compensation shall be reduced by that part of the superannuation benefit;
- (ii) that period is greater than any additional period so credited, the amount of the compensation shall be reduced by an amount equal to the amount of the superannuation benefit attributable to a period equal in length to the additional period credited or deemed to be credited under Regulation 17(2).

(4) Where compensation is payable under Part IV of these Regulations to any person and that person is, or becomes entitled to receive a superannuation benefit under a previous pension scheme other than his last relevant pension scheme in respect of service of which account was taken in calculating the compensation any instalment of that compensation which is payable in respect of

any period shall be reduced by the amount of the instalment of such superannuation benefit which is payable in respect of the same period.

(5) For the purposes of paragraphs (3) and (4) no account shall be taken of any sum payable in consequence of the surrender by any person of part of his superannuation benefit under any provision in that behalf in the last relevant pension scheme or the previous pension scheme with a view to obtaining or increasing allowances for his widow, child or other dependant and the person shall be deemed to have received during any period the amount of superannuation benefit which he would have received but for such a surrender.

(6) Where in any week a person entitled to long-term compensation for loss or diminution of emoluments is also entitled to a national insurance benefit, there shall be deducted from the long-term compensation payable in respect of that week a sum equal to the amount by which the aggregate of—

- (a) the national insurance benefit that would be payable in respect of that week if calculated at the rate applicable at the date of loss or diminution, and
- (b) the weekly rate at which the long-term compensation would be payable but for this Regulation,

exceeds two-thirds of the weekly rate of the emoluments of the office which he has lost or in which the emoluments have been diminished.

(7) No deduction shall be made under paragraph (6) insofar as—

- (a) an equivalent sum is deducted from the emoluments of his current employment, and
- (b) that deduction from those emoluments has not occasioned an increase in his long-term compensation.

(8) In paragraph (6) the expression “weekly rate” means seven 365ths of the relevant annual rate, and the expression “national insurance benefit” means any unemployment, sickness, invalidity or injury benefit or retirement pension payable under any enactment relating to national insurance or social security, other than a benefit claimable by him in respect of a dependant.

Notification of change of circumstances

31. Where—

- (a) a pensionable officer after suffering loss of office or diminution of emoluments enters any employment referred to in Regulation 22 or becomes entitled to any superannuation benefit on ceasing to hold such an employment,
- (b) a person entitled to long-term compensation, whilst that compensation is liable to review in accordance with the provisions of Regulation 32, enters any employment, or ceases to hold an employment, or receives any increase in his emoluments in an employment,
- (c) a person entitled to retirement compensation enters employment in which the compensation is subject to reduction or suspension under Regulation 30 or ceases to hold such an employment, or receives any increase in his emoluments in an employment, or
- (d) a person entitled to long-term compensation starts to receive any benefit, any increase in benefit or any further benefit, under any enactment relating to national insurance or social security,

he shall forthwith in writing inform the determining authority of that fact.

Review of awards of long-term or retirement compensation

32.—(1) The determining authority shall—

- (a) on the expiry of 6 months from the decision date, or
- (b) on the occurrence of any material change in the circumstances of the case,

whichever shall first occur, and thereafter within a period of 2 years after the decision date, or for any longer period specified in the subsequent provisions of this Regulation, and at intervals of not more than 6 months, review its decision or, where the claim has been the subject of an appeal, the decision of the tribunal, and (subject to paragraph (7)) these Regulations shall apply in relation to such a review as they apply in relation to the initial determination of the claim; and on such a review, in the light of any material change in the circumstances of the case, compensation may be awarded, or compensation previously awarded may be increased, reduced or discontinued, subject to the limits set out in these Regulations.

(2) The person to whom the decision relates may require the determining authority to carry out the review mentioned in paragraph (1) at any time within 2 years after the decision date if he considers that there has been a change in the circumstances of his case which is material for the purposes of these Regulations.

(3) The determining authority shall carry out a review in accordance with paragraph (1), notwithstanding the expiration of the period of 2 years mentioned in that paragraph, if—

- (a) the emoluments of employment or work undertaken as a result of the loss of office have been taken into account in determining the amount of any compensation awarded,
- (b) that employment or work has been lost or the emoluments thereof reduced, otherwise than by reason of misconduct or incapacity to perform the duties which the person might reasonably have been required to perform, and
- (c) the determining authority are satisfied that the loss or reduction is causing him hardship,

and where any decision is so reviewed, the decision shall be subject to further review in accordance with paragraph (1) as if the review carried out under this paragraph had been the initial determination of the claim.

(4) Paragraphs (1) and (2) shall apply in relation to any decision on a claim for long-term or retirement compensation in respect of diminution of emoluments as they apply in relation to any decision mentioned in paragraph (1) and as if in paragraph (1) “decision date” means the date on which any decision on a claim for long-term compensation for diminution of emoluments is notified to the claimant, but—

- (a) where the person to whom the decision relates ceases to hold the office in which his emoluments were diminished, a review shall be held within 3 months after that date, but no further review shall be held after the expiry of that period, and
- (b) while that person continues to hold that office, there shall be no limit to the period within which a review may take place.

(5) Notwithstanding anything contained in the foregoing provisions of this Regulation, the determining authority shall review a decision, whether of the authority or the tribunal, on a claim for long-term compensation for loss of office or diminution of emoluments after the expiration of any period within which a review is required to be made if at any time—

- (a) the person to whom the decision relates becomes engaged in any employment (hereinafter referred to as “his current employment”) the emoluments of which are payable out of public funds and which he has undertaken subsequent to the loss or diminution, and
- (b) the aggregate of the emoluments of his current employment, any superannuation benefit by way of annual amounts payable to him in respect of the office which he has lost or the office in which his emoluments have been diminished and the long-term compensation payable to him exceeds the emoluments of the office which he has lost or, as the case may be, in which the emoluments have been diminished.

(6) The determining authority shall further review any decision reviewed under paragraph (5) whenever the emoluments of the person's current employment are increased.

(7) On any review under this Regulation, the amount of long-term compensation which, apart from this paragraph and any reduction under Regulation 30(3) and (4), would be payable to the person may be reduced by an amount not exceeding the amount by which the aggregate of the compensation and the annual rate of emoluments of his current employment exceeds the annual rate of emoluments of the office which he has lost or, as the case may be, in which the emoluments have been diminished.

(8) The determining authority shall give to a person to whom a decision relates not less than 14 days' notice of any review of that decision to be carried out under this Regulation unless the review is carried out at his request.

(9) In this Regulation the expression "decision date" means the date on which any decision on a claim for long-term or retirement compensation for loss of office is notified to a claimant under Regulation 34.

(10) For the purposes of Regulations 13(4), 22(1) and 29(6) and (7) and on any review under this Regulation, no account shall be taken of any increase in the emoluments of any work or employment undertaken as a result of the loss of office or diminution of emoluments, or of any superannuation benefit attributable to such an increase, if any such increase is effective from any date after the date of the loss or diminution and is attributable to a rise in the cost of living.

(11) Nothing in this Regulation shall preclude the making of any adjustment of compensation required by Regulation 29 or 30.

Compounding of awards

33.—(1) In the case where an annual sum which has been or might be awarded under these Regulations does not exceed £35, the determining authority may, at their discretion, determine that the liability of the paying authority in respect thereof shall be compounded by payment of a lump sum equivalent to the capital value of the annual sum and, if any lump sum payment has been awarded or might be awarded in addition to such sum under Regulation 18, 19 or 20, the determining authority may likewise determine that the liability of the paying authority in respect thereof shall be discharged by an immediate payment.

(2) In any other case, if the person who has been awarded long-term or retirement compensation requests them to do so, the determining authority may, in their discretion, after having regard to the state of health of that person and the other circumstances of the case, determine that up to one quarter of the liability of the paying authority to make payments under the award (other than payments to a widow, child or other dependant under Regulation 23) shall be compounded by the payment of an equivalent amount as a lump sum or, where any compensation has been awarded as a lump sum, by increasing that compensation to such equivalent amount; and in calculating for this purpose the liability of the paying authority to make such payments, account shall be taken of the annual value of lump sum payments of compensation other than payments of compensation under Part III of these Regulations.

(3) The making of a composition under paragraph (2) in relation to an award of long-term or retirement compensation shall not prevent the subsequent making of a composition under paragraph (1) in relation to that award but, subject as aforesaid, not more than one composition may be made in relation to any award.

PART VII

PROCEDURE AND MISCELLANEOUS

Procedure on making claims

34.—(1) Every claim for compensation under these Regulations and every request for a review of an award of long-term or retirement compensation shall be made in accordance with this Regulation.

(2) Every such claim or request shall be made to the determining authority in writing and shall state whether any other claim for compensation has been made by the claimant under these Regulations.

(3) Resettlement compensation shall be claimed separately from any other form of compensation claimable under these Regulations.

(4) The determining authority shall consider any such claim or request in accordance with the relevant provisions of these Regulations and shall notify the claimant and the paying authority in writing of their decision—

- (a) in the case of a claim for resettlement compensation, not later than one month after the receipt of the claim,
- (b) in the case of a claim for, or request for the review of an award of, compensation under Part IV or V of these Regulations, not later than one month after the receipt of the claim or request, and
- (c) in any other case, as soon as possible after the decision;

but the decision of the determining authority shall not be invalidated by reason of the fact that notice of the decision is given after the expiry of the period mentioned in this paragraph.

(5) Every notification of a decision by the determining authority (whether granting or refusing compensation or reviewing an award, or otherwise affecting any compensation under these Regulations) shall contain a statement—

- (a) giving reasons for the decision;
- (b) showing how any compensation has been calculated and, in particular, if the amount is less than the maximum which could have been awarded under these Regulations, showing the factors taken into account in awarding that amount; and
- (c) directing the attention of the claimant to his right under Regulation 41, if he is aggrieved by the decision, to institute proceedings before a tribunal and giving him the address to which any application instituting those proceedings should be sent.

Claimants to furnish information

35.—(1) Any person claiming or receiving compensation or whose award of compensation is being reviewed shall furnish all such information that the determining authority may at any time reasonably require; and he shall verify that information in such manner, including the production of documents in his possession or control, as may be reasonably so required.

(2) Such a person shall, on receipt of reasonable notice, present himself for interview at any place that the determining authority may reasonably require; and any person who attends for interview may, if he so desires, be represented by his adviser.

Procedure on death of claimant

36.—(1) In the event of the death of a claimant or of a person who, if he had survived, could have been a claimant, a claim for compensation under these Regulations may be continued or made, as the case may be, by his personal representatives.

(2) Where any such claim is continued or made as aforesaid by personal representatives, the personal representatives shall, as respects any steps to be taken or thing to be done by them in order to continue to make the claim, be deemed for the purposes of these Regulations to be the person entitled to claim, but, save as aforesaid, the person in whose right they continue or make the claim shall be deemed for the purposes of these Regulations to be that person, and the relevant provisions of the Regulations shall be construed accordingly.

(3) The determining authority may in any case where a person who, if he had survived, could have been a claimant has died, extend the period within which a claim under Regulation 7 or 11 is to be made by his personal representatives.

Calculation of service

37.—(1) For the purpose of determining the amount of any compensation payable in respect of the loss of an office to which, or of any two or more offices to which in the aggregate, a person devoted substantially the whole of his time, any previous period of part-time employment shall be treated as though it were whole-time employment for a proportionately reduced period.

(2) For the purpose of making any calculation under these Regulations in respect of a person's reckonable service, all periods of that service shall be aggregated by reference to completed years and completed days; and any provision in these Regulations requiring compensation to be calculated by reference to a year of reckonable service shall (unless the provision specifically states that compensation is payable in respect of completed years) be construed as including completed days, each completed day over and above a completed year being expressed as one 365th of a year.

General provisions as to emoluments

38.—(1) In these Regulations, subject to the provisions of paragraph (2) and Regulation 39 the expression “emoluments” means all salary, wages, fees and other payments paid or made to an officer as such for his own use, and also the money value of any accommodation or other allowances in kind appertaining to his office, but does not include payments for overtime which are not a usual incident of his office, or any allowances payable to him to cover the cost of providing office accommodation or clerical or other assistance, or any travelling or subsistence allowance or other moneys to be spent, or to cover expenses incurred, by him for the purposes of his office.

(2) Where fees or other variable payments were paid to an officer as part of his emoluments during any period immediately preceding the loss or diminution, the amount in respect of fees or other variable payments to be included in the annual rate of emoluments shall be the annual average of the fees or other payments paid to him during the period of 5 years immediately preceding the loss or diminution, or such other period as the determining authority may think reasonable in the circumstances.

(3) For the purposes of these Regulations the annual rate of emoluments in relation to any office which has been lost or the emoluments whereof have been lost or diminished shall be the amount described in (a), (b) or (c) of this paragraph, whichever is the greater—

- (a) the emoluments received by him in the period of 12 months immediately preceding the loss or diminution;
- (b) in the case of emoluments payable monthly, the emoluments payable in respect of the last complete month immediately preceding the loss or diminution multiplied by 12; or

- (c) in the case of emoluments payable weekly, the emoluments payable in respect of the last complete week immediately preceding the loss or diminution multiplied by 52.

Emoluments of part-time office

39. In ascertaining for the purposes of these Regulations whether, and how far, the emoluments of alternative employment fall short of emoluments which have been lost where those emoluments were payable in respect of two or more part-time offices, the emoluments of the alternative employment or of the aggregate of two or more alternative employments shall be apportioned in the proportion which the emoluments of the part-time offices bore to each other.

Payment of compensation

40.—(1) Subject to the provisions of these Regulations, any compensation to which a person becomes entitled under these Regulations shall be paid by the paying authority.

(2) Subject to the provisions of any enactment in that behalf, any such compensation shall be payable to, or in trust for, the person who is entitled to receive it, and shall not be assignable.

(3) Without prejudice to any other right of recovery, any compensation paid in error may be recovered by the paying authority by deduction from any compensation payable under these Regulations.

Right of appeal from decision of determining authority

41.—(1) Every person who is aggrieved by any decision of the determining authority with respect to a compensation question or by any failure on the part of the determining authority to notify him of any such decision within the appropriate time prescribed by these Regulations, may within 13 weeks of the notification to him of the decision or the expiry of the prescribed time, as the case may be, institute proceedings for the determination of the question by a tribunal in accordance with the Industrial Tribunal (Labour Relations) Regulations 1974 and these Regulations; and the tribunal shall determine the question accordingly.

(2) Every paying authority aggrieved by any decision of the determining authority with respect to the compensation question may, within 13 weeks of the notification to them of the decision, institute proceedings for the determination of the question by a tribunal in accordance with the Industrial Tribunal (Labour Relations) Regulations 1974 and these Regulations; and the tribunal shall determine the question accordingly.

(3) For the purpose of any proceedings instituted in pursuance of this Regulation, a person or persons may be appointed to sit with the tribunal as assessor or assessors.

(4) The paying authority shall give effect to the decision of a tribunal subject to any modifications that may be required in consequence of any appeal from that decision on a point of law.

Application of Regulations of 1965

42. The Justices of the Peace Act 1949 (Compensation) Regulations 1965, as amended, shall not apply to any person who suffers loss of office or employment or loss or diminution of emoluments after the coming into operation of these Regulations; and accordingly in Regulation 4 of the said Regulations of 1965 after the words “after the coming into operation of these Regulations” there shall be inserted the words “and before 20th December 1978”.

Status: *This is the original version (as it was originally made). This item of legislation is currently only available in its original format. The electronic version of this UK Statutory Instrument has been contributed by Westlaw and is taken from the printed publication. **Read more***

20th November 1978

Merlyn Rees
One of Her Majesty's Principal Secretaries of
State
Home Office