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STATUTORY INSTRUMENTS

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**1967 No. 80**

**The Redundant Association Officers  
Compensation Regulations 1967**

**PART I**

**PRELIMINARY**

**Citation and commencement**

1. These regulations may be cited as the Redundant Association Officers Compensation Regulations 1967 and shall come into operation on 31st January 1967.

**Interpretation**

2.—(1) In these regulations, unless the context otherwise requires, the following expressions have the meanings hereby respectively assigned to them, that is to say:—

“Association” means an Association established for the purposes of the Auxiliary Forces Act 1953;

“annual emoluments” means the annual rate of fixed salary or wages excluding commissions, bonuses, allowances for overtime and other fluctuating emoluments;

“net annual emoluments” means—

- (a) in relation to employment as an officer of an Association which has been lost or the emoluments of which have been diminished, the annual rate of the emoluments of that employment immediately before such loss or the commencement of such diminution less such part of those emoluments as the officer was then liable to contribute under the relevant pension scheme, and
- (b) in relation to any other employment, the annual rate of the emoluments of that employment at the time in question, less such part of those emoluments as the employed person was then liable to contribute under any pension scheme associated with his employment;

“long term compensation” has the meaning assigned to it by regulation 12;

“national service” means service which is 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 of the employer;

“normal retiring age” means the age of sixty-five years;

“officer of an Association” means any person in the employment of an Association and does not include the president, vice-president and members of an Association;

“pensionable officer” means an officer of an Association entitled to participate in the benefits of a relevant pension scheme;

“pension scheme” means a scheme, arrangement, contract or regulation providing for the payment of superannuation benefits to a person as part of the terms and conditions of any employment held by him; but does not include regulations providing for payment of gratuities on termination of employment unless such regulations are made for the purposes of a contributory pension scheme;

“qualifying date” means, in relation to a person who has suffered loss of employment or diminution in emoluments as an officer of an Association—

- (a) if on the coming into force of these regulations he was employed on the civilian staff of a unit of or headquarters of a formation of the Territorial Army, the 31st March 1967,
- (b) if on the coming into force of these regulations he was otherwise employed, the 31st March 1968,

unless he suffered the loss of employment or began to suffer the diminution in emoluments before the date which would otherwise be the qualifying date in relation to him, when “qualifying date” means the date of the loss or commencement of the diminution as the case may be;

“reckonable service” means any period of whole-time or part-time employment in relevant employment which is not (unless these regulations otherwise provide) a period in respect of which superannuation benefits have been paid otherwise than under the relevant pension scheme;

“relevant cause” in relation to a loss of employment or diminution in emoluments as an officer of an Association means—

- (a) a change in the activities of an Association or a proposal to change its activities consequent upon the reconstitution of the Territorial Army in 1967, or
- (b) a change in the activities of an Association taking place or a proposal to change its activities made in the years 1966, 1967, 1968 or 1969, by reason of powers and duties previously transferred or assigned to it under section 6 of the Auxiliary Forces Act 1953 no longer being so assigned or transferred, or
- (c) a winding-up of an Association taking place or a proposal to wind up an Association made during the years 1966, 1967, 1968 or 1969,

or any combination of those causes;

“relevant employment” means—

- (a) employment as an officer of an Association,
- (b) employment preceding employment as an officer of an Association which is reckonable for the purposes of the relevant pension scheme or of regulations providing for payment of gratuities on termination of employment as such an officer, or in respect of which a contribution has been made to the relevant pension scheme, or
- (c) other employment approved by the Secretary of State as being relevant employment in the case of a particular officer;

“relevant pension scheme” means in relation to a person who has lost his employment or suffered a diminution in emoluments as an officer of an Association the pension scheme applying to him as such an officer immediately before the loss or the commencement of the diminution;

“resettlement compensation” has the meaning assigned to it by regulation 7;

“retirement compensation” has the meaning assigned to it by regulation 17;

“superannuation benefit” means any payment, whether by way of pension or periodic payment or otherwise, payable to a person by reason of his employment terminating, whether under a superannuation scheme, under the conditions of his employment or under any statutory

provision or prerogative instrument relating to service under the Crown, not being a payment made by virtue of these regulations.

(2) 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, the annual or capital value shall be ascertained in accordance with tables for the time being approved by the Secretary of State for the purposes of these regulations.

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

## PART II

### APPLICATION TO SPECIAL CLASSES

#### **Transferred officers**

3.—(1) An officer of an Association who has suffered loss of employment with that Association through a relevant cause, but

(a) is taken into the civil service of the State in circumstances in which section 33 of the Superannuation Act 1965 applies, or

(b) takes up, in place of his previous employment, employment with another Association,

shall not for the purposes of these regulations be regarded as having lost his employment as an officer of the Association by which he was first employed.

(2) No compensation shall be payable under these regulations in respect of any loss of employment in the civil service of the State.

#### **Persons in national service**

4.—(1) If a person in national service who has been employed as an officer of an Association and would be so employed but for that national service is not offered re-employment in his former office on the conclusion of that national service, or is offered re-employment with emoluments less than those which he would have enjoyed had his employment not ceased by reason of his national service, he shall for the purposes of these regulations be deemed to have lost his employment or suffered a diminution in his emoluments, as the case may be, as such an officer;

Provided that this regulation shall not apply to a person who has not before the expiry of two months from the cessation of national service, or, if prevented by sickness or other reasonable cause, as soon as practicable thereafter, given notice to the Association by which he was employed that he is or will be available for employment.

(2) For the purpose of these regulations the date at which such a person as is referred to in paragraph (1) of this regulation is deemed to have lost his employment as an officer of an Association shall be the earlier of the two following dates, that is to say:—

(a) the date of refusal of re-employment, or

(b) the date one month after the date on which he gave notice that he was or would be available for employment:

and he shall on the date on which he is deemed to have lost his employment be deemed to have been entitled to the emoluments which he would have enjoyed on that date had he continued in his employment without having been engaged in national service.

### **Persons employed by the Council of Territorial and Auxiliary Forces Associations**

5. These regulations apply in relation to persons employed by the body commonly known as the Council of Territorial and Auxiliary Forces Associations as they apply in relation to officers of Associations, and accordingly references to officers of an Association and references to an Association or to Associations shall be construed as including references to persons so employed and references to that Council respectively.

### **Persons suffering loss of employment or diminution in emoluments after 10 years**

6. If ten years or more after the qualifying date a person suffers loss of employment as an officer of an Association or a diminution in his emoluments as such begins, that loss or diminution shall not be regarded as being due to a relevant cause.

## **PART III**

### **RESETTLEMENT COMPENSATION FOR LOSS OF EMPLOYMENT**

#### **Eligibility for resettlement compensation**

7.—(1) Subject to the provisions of these regulations, compensation under this Part of these regulations (referred to in these regulations as “resettlement compensation”) may be paid to a person who since the coming into force of these regulations has lost his employment as an officer of an Association if

- (a) in the opinion of the Secretary of State the loss of employment was due to a relevant cause;
- (b) the person had been for a period of not less than three years immediately preceding the qualifying date continuously engaged (which for the purposes of this regulation means without breaks of more than six months in the aggregate) for the whole or part of his time in relevant employment;
- (c) the person had at the date of the loss of employment not attained normal retiring age;
- (d) the person has made a claim for resettlement compensation in accordance with the provisions for making claims set out in Part X of these regulations not later than thirteen weeks after the loss of employment which is the cause of his claim; and
- (e) the person has not, subject to paragraph (3) of this regulation, been offered any reasonably comparable employment under the Crown or by an Association.

(2) In determining for the purposes of this regulation whether a person has been offered employment which is reasonably comparable with the employment which he has lost no account will be taken of the fact that the duties of the employment offered are duties which involve a transfer of his employment from one place to another within England and Wales, within Scotland, within Northern Ireland or within the Isle of Man.

(3) No account shall be taken for the purposes of this regulation of an offer of employment which a person has refused before the coming into operation of these regulations or of any offer of employment where the Secretary of State is satisfied—

- (a) that acceptance would have involved undue hardship to that person, or
- (b) that he was prevented from accepting the offer by reason of ill-health or other circumstances beyond his control.

### **Amount of resettlement compensation**

**8.**—(1) Subject to the provision of paragraph (2) of this regulation, the amount of resettlement compensation which may be paid to a person shall for each week for which such compensation is payable be a sum ascertained by taking two thirds of the weekly rate of the net annual emoluments which that person has lost and deducting therefrom such of the following items as may be applicable:

- (a) two thirds of the net annual emoluments received by him in respect of that week from work or employment which he has undertaken since the loss;
- (b) any periodical payment paid or immediately payable in respect of such week by virtue of the relevant pension scheme.

(2) Resettlement compensation may be withheld or reduced to take into account any payments to which the person to whom it is payable becomes entitled in consequence of the loss of his employment under any contract or arrangement with an Association by whom he was employed (other than payments by way of a return of contributions under a pension scheme or in respect of which deductions have been made under paragraph (1) of this regulation) as well as for the purpose of effecting a deduction for a redundancy payment or for national insurance benefits in accordance with regulation 27.

(3) For the purposes of this regulation the weekly rate of a person's net annual emoluments shall be deemed to be seven three hundred and sixty-fifths of those emoluments.

### **Period for payment of resettlement compensation**

**9.** Subject as hereinafter provided, resettlement compensation shall be payable only in respect of the period of thirteen weeks next succeeding the week in which the person to whom it is payable lost the employment in respect of which the compensation is payable or, in the case of a person who has at the date of losing that employment attained the age of forty-five years, the said thirteen weeks extended by one additional week for every year by which his age then exceeds the age of forty-five years, subject to a maximum addition of thirteen such weeks.

### **Claimant for resettlement compensation to furnish particulars of employment**

**10.** Every person claiming or in receipt of resettlement compensation shall (after as well as before the compensation begins to be paid)—

- (a) forthwith supply the Secretary of State in writing with particulars of any employment which he obtains or of any change in his earnings from any such employment, and
- (b) if the Secretary of State so requires, so long as he is out of employment and is not receiving sickness or injury benefit, register with the Ministry of Labour.

### **Additional provision relating to resettlement compensation**

**11.** Resettlement compensation shall cease to be payable if the person to whom it is payable, on being requested to do so, fails to satisfy the Secretary of State that, so far as he is able, he is seeking suitable employment.

## PART IV

### LONG TERM COMPENSATION FOR LOSS OF EMPLOYMENT OR DIMINUTION IN EMOLUMENTS

#### **Eligibility for long term compensation**

**12.**—(1) Subject to the provisions of these regulations, compensation under this Part of these regulations (referred to in these regulations as “long term compensation” ) may be paid to a person who since the coming into force of these regulations has lost employment as an officer of an Association or has suffered a diminution in his emoluments as such an officer if

- (a) in the opinion of the Secretary of State the loss of employment or diminution in emoluments was due to a relevant cause;
- (b) the person had been for a period of not less than eight years immediately preceding the qualifying date continuously engaged (which for the purposes of this regulation means without a break of more than twelve months at any one time) for the whole or part of his time in relevant employment;
- (c) the person had at the date of the loss of employment or commencement of diminution in emoluments not attained normal retiring age;
- (d) the person has made a claim for compensation in accordance with the procedure for making claims set out in Part X of these regulations not later than two years after the loss of employment or commencement of the diminution in emoluments in respect of which the claim is made; and
- (e) in the case of a claim in respect of loss of employment he has not been offered any reasonably comparable employment under the Crown or by an Association.

(2) Regulation 7(2) and (3) of these regulations (which relate to offers of employment) shall apply for the purposes of this regulation as they apply for the purposes of regulation 7.

#### **Factors in determining payment of long term compensation**

**13.**—(1) For the purpose of determining whether compensation should be paid under this Part of these regulations, and if so the amount of the compensation (subject to the limits set out in these regulations), regard shall be had to the following factors, that is to say:—

- (a) the conditions upon which a person claiming compensation for loss of employment held that employment, including in particular its security of tenure, whether by law or by practice;
- (b) the emoluments and other conditions, including security of tenure, whether by law or practice, of any work or employment undertaken by a person claiming compensation for loss of employment since the loss;
- (c) the extent to which a person claiming compensation has sought suitable employment and the emoluments which he might have acquired by accepting other suitable employment offered to him;
- (d) the amount of any compensation recovered by him 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, or payable to him otherwise than under these regulations in respect of the loss or diminution, whether by reason of any service agreement or contract, or otherwise howsoever (not being a payment in respect of which a deduction falls to be made under regulation 27);
- (e) all the other circumstances of his case.

(2) In ascertaining for the purposes of sub-paragraph (c) of the last foregoing paragraph whether a person has been offered suitable employment, regulation 7(3) shall apply as it applies for the purposes of regulation 7.

### **Long term compensation for loss of employment**

**14.**—(1) Subject to the provisions of these regulations, long term compensation for loss of employment may be paid until the normal retiring age or death of a person to whom it is payable, whichever first occurs, but shall not exceed a maximum annual sum calculated in accordance with the provisions of paragraphs (2), (3) and (4) of this regulation.

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

- (a) for every year of the reckonable service of the person to whom the compensation is payable, one sixtieth of the net annual emoluments which he has lost; and
- (b) in the case of a person who has attained the age of forty years at the date of the loss, a sum calculated in accordance with the provisions of paragraph (3) of this regulation as being appropriate to his age at that date:

Provided that the said maximum annual sum shall not in any case exceed a sum equivalent to two thirds of the net annual emoluments which he has lost reduced in accordance with paragraph (4) of this regulation.

(3) The sum referred to in sub-paragraph (b) of the last foregoing paragraph shall be—

- (a) in the case of a person who has attained the age of forty years but has not attained the age of fifty years at the date of the loss, the following fraction of the net annual emoluments which he has lost—
  - (i) where his reckonable service is less than ten years, one sixtieth for each year of such service after attaining the age of forty years; or
  - (ii) where his reckonable service amounts to ten years but is less than fifteen years, one sixtieth for each year of such service after attaining the age of forty years and one additional sixtieth; or
  - (iii) where his reckonable service amounts to fifteen years but is less than twenty years, one sixtieth for each year of such service after attaining the age of forty years and two additional sixtieth; or
  - (iv) where his reckonable service amounts to twenty years or more, one sixtieth for each year of such service after attaining the age of forty years and three additional sixtieths;

but the sum so calculated shall not in any case exceed one sixth of the said net annual emoluments;

- (b) in the case of a person who has attained the age of fifty years but has not attained the age of sixty years at the date of the loss, one sixtieth of the said net annual emoluments for each year of his reckonable service after attaining the age of forty years, up to a maximum of fifteen such years; and
- (c) in the case of a person who has attained the age of sixty years at the date of the loss, one sixtieth of the said net annual emoluments for each year of the claimant's reckonable service after attaining the age of forty-five years.

(4) In order to calculate the maximum annual sum referred to in paragraph (1) of this regulation (in addition to deduction from long term compensation for a redundancy payment or for national insurance benefits effected in accordance with regulation 27) the following deductions shall be made from the aggregate of the sums referred to in paragraph (2) of this regulation:—

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- (a) a deduction equivalent to the amount of any resettlement compensation paid in respect of a period in respect of which long term compensation under this regulation is also payable; and
- (b) a deduction equivalent to the amount of any payment of pension or other periodic payment under the relevant pension scheme payable in respect of a period in respect of which long term compensation under this regulation is also payable.

### **Long term compensation for diminution in emoluments**

15. Long term compensation for diminution in emoluments may, subject to the provisions of these regulations, be paid until the normal retiring age or death of a person to whom it is payable, whichever first occurs, but shall not exceed the annual sum which bears to the maximum annual sum which could have been awarded to him under regulation 14, if he had suffered loss of employment, the same ratio as the amount by which his net annual emoluments have been diminished bears to his net annual emoluments before diminution, so, however, that no compensation shall be payable under this regulation if this ratio is less than 2½%.

### **Date from which long term compensation is to be payable**

16.—(1) Long term compensation may be paid with effect from the date on which the claim for such compensation is received by the Secretary of State or from such earlier date as is mentioned in the succeeding provisions of this regulation.

(2) Where a claim for long term compensation is submitted within thirteen weeks of the occurrence of the loss or commencement of the diminution which is the subject of the claim, the compensation may be made payable with effect from the date on which the loss occurred or the diminution commenced.

(3) Where a claim for long term compensation is submitted after the expiry of the period mentioned in the last foregoing paragraph, the compensation may be made payable with effect from a date not earlier than thirteen weeks prior to the date on which the claim was received:

Provided that if the Secretary of State is satisfied that the failure to make the claim within the period mentioned in the last foregoing paragraph was due to ill-health or other circumstances beyond the claimant's control the compensation may be made payable with effect from a date not earlier than that on which the loss occurred or the diminution commenced.

## **PART V**

### **RETIREMENT COMPENSATION**

#### **Eligibility for Retirement Compensation**

17.—(1) Subject to the provisions of these regulations, compensation under this Part of these regulations (referred to in these regulations as “retirement compensation”) may be paid in the cases provided for in the following provisions of this Part to a person who after attaining the age of forty years has lost his employment as a pensionable officer of an Association or has suffered a diminution in his emoluments as such an officer if

- (a) in the opinion of the Secretary of State the loss of employment or diminution in emoluments was due to a relevant cause;
- (b) the person had been for a period of not less than eight years immediately preceding the qualifying date continuously engaged (which for the purposes of this regulation means



engaged without a break of more than twelve months at any one time) for the whole or part of his time in relevant employment;

- (c) the person had at the date of the loss of employment or commencement of diminution in emoluments not attained normal retiring age;
- (d) the person has made a claim for compensation in accordance with the procedure for making claims set out in Part X of these regulations not later than two years after the loss of employment or commencement of the diminution in emoluments in respect of which the claim is made;
- (e) the person has subsequently been granted a pension under the relevant pension scheme either on reaching normal retiring age, or by virtue of any provision of the relevant pension scheme providing for payment of a reduced pension on retirement before that age; and
- (f) the person is a person who in accordance with regulation 18 is deemed to have made further or increased contributions to the relevant pension scheme.

(2) For the purposes of this regulation a lump sum payable to a person under a pension scheme to which he has contributed shall be regarded as a pension.

#### **Notional additional and increased contributions**

**18.**—(1) For the purpose of computing the amount of retirement compensation which may be paid to such a person as is mentioned in regulation 17—

- (a) if he has lost his employment, there shall be deemed to have been made after the loss further contributions to the relevant pension scheme at the rate at which contributions were being made immediately before the loss of employment, or
- (b) if he has suffered a diminution in emoluments, the contributions made after the commencement of the diminution shall be deemed to have been increased to the rate at which contributions were being made immediately before the diminution began,

for the period specified in the following paragraph of this regulation.

(2) The period for which by virtue of this regulation contributions are deemed to have been made or increased, as the case may be, shall comprise the sum of the following periods—

- (a) two years, whether or not he has completed any years of service after attaining the age of forty years, and
- (b) two years for each of the first four completed years of his reckonable service between the date when he attained the age of forty years and the date of the loss, and
- (c) one year for each such year of service after the fourth;

but shall not exceed the shortest of the following periods, namely—

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

(3) When retirement compensation is awarded or when an award is reviewed under regulation 32 the periods specified in paragraph (2) of this regulation may be reduced to such extent as the Secretary of State may think reasonable having regard to the pension scheme (if any) attaching to any further employment obtained by the person to whom the compensation has been awarded.

(4) In this regulation reckonable service includes service in respect of which superannuation benefits have been paid or are immediately payable.

### **Retirement compensation payable to pensionable officers at normal retiring age**

**19.** The retirement compensation which may be paid to such a person as is mentioned in regulation 17 who has reached normal retiring age without previously having been in receipt of retirement compensation shall be the equivalent of the difference between the pension and the lump sum or either of them paid to him under the relevant pension scheme and the pension and the lump sum or either of them to which he would have been entitled under that scheme if,—

- (a) where retirement compensation is payable by reason of loss of employment, there had been made, in addition to the actual contributions made, the further contributions which, by virtue of regulation 18, are deemed to have been made,
- (b) where retirement compensation is payable by reason of diminution in emoluments, there had been made the increased contributions which, by virtue of that regulation, are deemed to have been made,

subject to any deduction for a redundancy payment effected in accordance with regulation 27.

### **Retirement compensation payable to pensionable officers before reaching normal retiring age**

**20.—(1)** The retirement compensation which may be paid to such a person as is mentioned in regulation 17 who has been granted a pension before reaching normal retiring age shall be the equivalent of the retirement compensation payable to him on attaining normal retiring age, adjusted —

- (a) so that the period during which for the purpose of computing retirement compensation further contributions or increased contributions are deemed to have been made does not extend beyond the date on which the claim for compensation under this regulation is received by the Secretary of State;
  - (b) by such a reduction as shall appear to the Secretary of State to be appropriate having regard to the period by which payment of retirement compensation to a person under this regulation precedes his attaining normal retiring age; and
  - (c) by any reduction for a redundancy payment effected in accordance with regulation 27.
- (2) The Secretary of State will notify a person claiming compensation under this regulation whether compensation under this regulation may be paid and if so the amount of such compensation.
- (3) Retirement compensation shall not be payable under this regulation to a person unless—
- (a) he has submitted a claim to the Secretary of State in writing to be paid retirement compensation under this regulation, and
  - (b) within one month after receiving a notification by the Secretary of State that retirement compensation under this regulation will be payable and of the amount thereof, he has in writing informed the Secretary of State of his desire to receive that amount as retirement compensation.
- (4) Where retirement compensation is payable under this regulation, the first annual sum payable shall be payable in respect of the year beginning on the date on which the Secretary of State received the claim.
- (5) Long term compensation shall not be payable to a person in respect of a period in respect of which retirement compensation is payable to him.

### **Retirement compensation payable to joint pensioners**

**21.**—(1) If, under the relevant pension scheme, a pension is paid to such a person as is mentioned in regulation 17 for the joint lives of himself and his spouse or a dependant, and thereafter to the survivor for his life, retirement compensation may be similarly paid.

(2) Accordingly in such a case regulations 19 and 20 shall have effect as if the references to pensions paid to such a person as is mentioned in regulation 17 were references to joint pensions, and as if references to payment of retirement compensation to such a person were references to payment of retirement compensation in accordance with paragraph (1) of this regulation.

## **PART VI**

### **PAYMENTS ON DEATH**

#### **Application of this Part of these Regulations**

**22.** This Part of these regulations applies to persons who

- (a) had been for a period of not less than eight years immediately before the qualifying date continuously engaged (which for the purposes of this regulation means engaged without breaks of more than twelve months at any one time) for the whole or part of their time in relevant employment;
- (b) had suffered loss of employment or diminution in emoluments as pensionable officers of Associations, and in the opinion of the Secretary of State the loss or diminution was due to a relevant cause;
- (c) had at the date of the loss of employment or diminution in emoluments not attained normal retiring age; and
- (d) have died since the loss or commencement of the diminution.

#### **Continuation of retirement compensation where pension continues after death**

**23.** If a pension which has been payable to a person to whom this Part of these regulations applies continues by virtue of the relevant pension scheme to be paid to his personal representatives for a period after the death or a part of the pension continues to be so paid, retirement compensation or a proportionate part of retirement compensation as appropriate may continue to be paid for a like period.

#### **Other payments on death**

**24.**—(1) If the personal representatives of, or the widow, child or other dependant of, a person to whom this Part of these regulations applies receive a payment under the relevant pension scheme by reason of the death of that person, and that payment is calculated by reference to contributions which have been made to that scheme, or is made by virtue of a policy of assurance effected under the scheme, the premiums of which policy are defrayed by contributions thereto, an additional sum may be paid by the Secretary of State which shall not exceed the sum calculated in accordance with paragraph (2) of this regulation.

(2) The maximum sum payable under this regulation shall be the equivalent of the difference between the sum paid under the relevant pension scheme and the sum which would have been paid if there had been made the further contributions or increased contributions deemed to have made in accordance with regulation 18 for the purpose of computing the amount of retirement compensation which might have been paid to the deceased person, not being contributions deemed to have been made during any part of the period specified in that regulation which extends beyond his death.

## PART VII

### PAYMENTS TO NON-PENSIONABLE OFFICERS WHO HAVE REACHED RETIRING AGE

#### **Payments to officers discharged before normal retiring age**

**25.**—(1) This regulation applies to persons who have been in receipt of long term compensation by reason of loss of employment as non-pensionable officers of Associations and have reached normal retiring age.

(2) If the Secretary of State is satisfied that a person to whom this regulation applies lost his employment through a relevant cause and would, but for that loss, have continued to be an officer of an Association for a substantial period beyond normal retiring age, that person may be paid compensation for the rest of his life at a rate equivalent to half the rate at which long term compensation was payable to him immediately before he attained normal retiring age, subject to any set off of a redundancy payment effected in accordance with regulation 27.

#### **Payments to officers discharged after normal retiring age**

**26.**—(1) This regulation applies to persons who suffer loss of employment as non-pensionable officers of Associations on or after normal retiring age in circumstances which would, if they had suffered the loss before attaining that age, have rendered them eligible for payment of long term compensation in accordance with Part IV of these regulations.

(2) If the Secretary of State is satisfied that a person to whom this regulation applies lost his employment through a relevant cause and would, but for that loss, have continued to be an officer of an Association beyond normal retiring age for a further substantial period, that person may be paid compensation for the remainder of his life at half the rate of long term compensation which would have been payable under regulation 14 had he not attained normal retiring age when he lost the employment.

## PART VIII

### GENERAL PROVISIONS AS TO ASSESSMENT AND PAYMENT OF COMPENSATION

#### **Deductions for redundancy payments and national insurance benefits**

**27.**—(1) A deduction shall be made from compensation payable to a person under these regulations by reason of loss of employment as an officer of an Association of a sum equivalent to any payments assessed in accordance with the Redundancy Payments Act 1965 which are made to him by reason of that loss.

(2) A deduction shall be made from resettlement compensation payable to a person under these regulations of a sum equivalent to any national insurance benefits claimable by him in respect of a period in respect of which resettlement compensation is also payable.

(3) A deduction shall be made from long term compensation payable to a person under these regulations by reason of loss of employment as an officer of an Association of a sum equivalent to the amount by which the aggregate of the national insurance benefits claimable by him in respect of a week in respect of which long term compensation is also payable, and the weekly rate at which long term compensation, but for this regulation, would be payable, exceeds two thirds of the weekly rate of the net annual emoluments as such an officer which he has lost.

(4) The deduction under this regulation of a sum from compensation shall be effected by reducing the compensation to such extent and for such period as the Secretary of State may determine until the sum has been deducted.

- (a) (5) (a) In this regulation “national insurance benefits” means unemployment, sickness or injury benefits claimable under the statutes relating to national insurance (excluding any amount claimable in respect of a dependant).
- (b) For the purposes of this regulation the weekly rate at which long term compensation is payable shall be deemed to be seven three hundred and sixty-fifths of the annual rate at which long term compensation is payable at the time in question, and the weekly rate of net annual emoluments shall be deemed to be seven three hundred and sixty-fifths of those emoluments.

#### **Calculation of reckonable service**

**28.**—(1) If a person has been employed in any relevant employment and under the conditions of his service in that employment for all or any part of it worked for less hours than are normally worked by persons in that employment (excluding overtime) for the purpose of calculating compensation under these regulations his reckonable service shall be proportionately reduced.

- (2) For the purpose of calculating compensation under these regulations:—
  - (a) periods of reckonable service shall be aggregated;
  - (b) if the total reckonable service amounts to a fraction of a year, or to a complete year or complete years and a fraction of a year, the fraction shall if it equals or exceeds six months be treated as a year, and if not shall be disregarded.

#### **Intervals for payment of compensation**

**29.** Resettlement and long term compensation may be paid to a person at intervals corresponding to those at which his emoluments as an officer of an Association were paid, and compensation awarded as annual sums under Parts V, VI and VII of these regulations may be paid to a person at intervals equivalent to those at which a corresponding benefit would have been payable under the relevant pension scheme if any, or in either case at such intervals as may be agreed between the recipient and the Secretary of State, or in the absence of agreement as may be determined by the Secretary of State.

#### **Persons to whom compensation may be paid**

**30.**—(1) Subject to paragraph (2) of this regulation, compensation under these regulations payable to a person may be paid to his authorised representative or agent for the benefit of that person; but, subject to any statutory provision providing for other payment, not otherwise.

(2) Where a person to whom compensation under these regulations might have been paid has died, any compensation by way of a lump sum which might have been paid to that person before his death, and any compensation by way of a periodic payment relating to a period before his death which might have been paid to him, may be paid to his personal representatives, and his personal representatives may present a claim for any such compensation, and reference to the submission or making of claims by a person shall be construed accordingly.

#### **Duty to notify changes in public employment and receipt of national insurance benefits**

**31.** Where a person in receipt of long term compensation enters employment the remuneration whereof is payable out of public funds, or ceases to hold such employment, or receives any increase

in his remuneration in such employment or receives national insurance benefits as defined by regulation 27 he shall forthwith inform the Secretary of State in writing of that fact.

## PART IX

### REVIEW AND COMPOUNDING OF COMPENSATION

#### Review of decisions

**32.**—(1) A decision of the Secretary of State as to eligibility for long term compensation or retirement compensation or as to the amount of such compensation may, subject to the following provisions of this regulation, be reviewed by him from time to time, and as a result of a review of such compensation he may vary his decision.

(2) A person to whom such a decision as is mentioned in paragraph (1) relates may request the Secretary of State to carry out a review under that paragraph if that person considers that there has been a change in the circumstances of his case which is material for the purposes of these regulations.

(3) No review under paragraph (1) of this regulation of a decision on eligibility for long term compensation for loss of employment as an officer of an Association or on the amount of such compensation shall take place more than two years after the initial decision of the Secretary of State thereon has been notified to the person to whom the decision relates except in the cases provided for in the following provisions of this regulation.

(4) No review under paragraph (1) of this regulation of a decision on eligibility for long term compensation for diminution in emoluments as an officer of an Association or on the amount of such compensation shall take place after the person to whom the decision relates ceases to be employed as such an officer except a review which takes into account the circumstances obtaining on that person ceasing to be so employed, and except in the cases provided for in the following provisions of this regulation.

(5) A decision as to the amount of long term compensation for loss of employment as an officer of an Association may be reviewed after the expiration of the period mentioned in paragraph (3) of this regulation if—

- (a) the decision took into account the emoluments of other employment;
- (b) that other employment has been lost by the person to whom the decision relates or its emoluments have been reduced; and
- (c) the Secretary of State is satisfied that the loss or reduction was not by reason of the misconduct or inefficiency of that person, and is causing him hardship.

(6) A decision as to the amount of long term compensation for loss of employment or for diminution in emoluments as an officer of an Association may be reviewed (notwithstanding the expiration of the period mentioned in paragraph (3) of this regulation and notwithstanding the provisions of paragraph (4)) if the person to whom the decision relates is for the time being engaged in employment the remuneration of which is payable out of public funds (including employment as an officer of an Association), and if the aggregate of the net annual emoluments of that employment and the long term compensation payable to him exceeds the net annual emoluments of the employment as an officer of an Association which he has lost:

Provided that on such a review the long term compensation shall not be reduced below the amount by which the net annual emoluments of the employment in which he is for the time being engaged fall short of the net annual emoluments of the employment as an officer of an Association which he has lost or, as the case may be, the employment as such in which his emoluments were diminished.

(7) Not less than 14 days' notice of a review under this regulation shall be given to the person to whom the decision to be reviewed relates, unless the review is carried out at his request.

(8) Nothing in this regulation shall preclude the making of any adjustment of compensation provided for by Part VIII or Part X of these regulations.

### **Compounding of awards**

**33.**—(1) In a case where an annual sum which has been or might be paid under these regulations does not exceed £26, the Secretary of State may commute the annual sum by paying a lump sum equivalent to the capital value of the annual sum.

(2) In any other case the Secretary of State may, if a person to whom long term or retirement compensation is payable requests him to do so and the Secretary of State, after having regard to the state of health of that person and the other circumstances of the case, thinks fit, permit the commutation of up to one quarter of the annual sum payable (not being a sum payable to a spouse or dependant under Part VI of these regulations) by the payment of an equivalent amount as a lump sum or, where any compensation is payable as a lump sum, by increasing that compensation to such equivalent amount; and in calculating for this purpose annual sums payable, account shall be taken of the annual value of lump sum payments of compensation.

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

(4) In lieu of paying a person retirement compensation or compensation under Part VI of these regulations the Secretary of State may arrange with the authority administering the relevant pension scheme that sums payable under the scheme to that person shall be increased by an amount equivalent to the amount of the compensation which but for this paragraph would have been payable and may make any payment which may be required to secure the payment of the increase.

## **PART X**

### **PROCEDURE AND MISCELLANEOUS**

#### **Procedure on making claims**

**34.**—(1) Every claim for compensation under these regulations and every request for a review of long term or retirement compensation shall be made to the Secretary of State in a form approved by him for the purpose and shall state whether any other claim for compensation has been made by the claimant under these regulations.

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

(3) The decision of the Secretary of State on a claim shall be notified to a claimant in writing, shall give reasons for the decision, shall show how compensation which the Secretary of State has determined to be payable has been calculated, and shall specify any factors to which, in accordance with these regulations, regard has been had and by reason of which less than the maximum compensation provided for by these regulations is to be paid.

#### **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 as the Secretary of State may at any time reasonably require; and shall verify the same in any such manner, including the production of books or of original documents in his possession or control, as may be reasonably so required.

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(2) Any such person as aforesaid shall, on receipt of reasonable notice, present himself for interview at any such place as the Secretary of State may reasonably require.

(3) Any person who attends for interview as aforesaid may, if he so desires, be represented by his adviser.

**Effect of non-compliance with regulations**

**36.** Except in so far as the Secretary of State may otherwise direct, compensation under these regulations shall not be payable to a person while he does not comply with regulation 10, 31, 34 or 35, and any compensation paid in error during a period of non-compliance may be recovered (without prejudice to any other right of recovery there may be) by deduction from any compensation payable under these regulations.

24th January 1967

*Denis Healey*  
One of Her Majesty's Principal Secretaries of  
State

We consent.

24th January 1967

*Harry Gourlay*  
*George Lawson*  
Two of the Lords Commissioners of Her  
Majesty's Treasury