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STATUTORY INSTRUMENTS

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**1968 No. 72**

**PENSIONS**

**The Superannuation (Civil Service and  
Local Government) Interchange Rules 1968**

<i>Made</i>	- - - -	<i>19th January 1968</i>
<i>Laid before Parliament</i>		<i>29th January 1968</i>
<i>Coming into Operation</i>		<i>1st February 1968</i>

The Lords Commissioners of Her Majesty's Treasury, the Minister of Housing and Local Government and the Secretary of State, in exercise of their powers under section 2 (as amended by section 11(6) of the Superannuation (Miscellaneous Provisions) Act 1967) and section 15 of the Superannuation (Miscellaneous Provisions) Act 1948, and of all other powers enabling them in that behalf, hereby jointly make the following rules:—

**PART I**  
**GENERAL**

**Title and commencement**

**1.** These rules may be cited as the Superannuation (Civil Service and Local Government) Interchange Rules 1968, and shall come into operation on 1st February 1968.

**Interpretation**

**2.—(1)** In these rules, unless the context otherwise requires, the following expressions have the meanings hereby respectively assigned to them—

“the Act” means the Superannuation (Miscellaneous Provisions) Act 1948;

“the Act of 1909” means the Asylums Officers' Superannuation Act 1909;

“the Act of 1937” means the Local Government Superannuation Act 1937;

“the Scottish Act of 1937” means the Local Government Superannuation (Scotland) Act 1937;

“the Act of 1953” means the Local Government Superannuation Act 1953;

“added years” means—

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(a) in relation to a person in local government employment, any additional years of service reckonable by him under regulation 12 of the benefits regulations, any corresponding provision of a local Act scheme, or that regulation or any such provision as applied by or under any enactment, and includes any additional years of service which, having been granted under any such provision or under any similar provision contained in any other enactment or scheme, have subsequently become and are reckonable under or by virtue of rules made under section 2 of the Act or any other enactment;

(b) in relation to a civil servant, any additional years of service of the nature of additional years of service referred to in paragraph (a) of this definition which have been granted in, or have otherwise become reckonable in, his employment as a civil servant;

“the benefits regulations” means in relation to England and Wales the Local Government Superannuation (Benefits) Regulations 1954(1), and in relation to Scotland the Local Government Superannuation (Benefits) (Scotland) Regulations 1954(2);

“local government employment” means—

(a) employment by virtue of which the person employed is or is deemed to be a contributory employee or local Act contributor within the meaning of the Act of 1937 or the Scottish Act of 1937; or

(b) employment (not being such employment as is specified in paragraph (a) of this definition) by virtue of which the person employed is entitled to participate in any of the benefits of a superannuation fund maintained under a local Act scheme in England and Wales;

“national service”, in relation to any person, means service which is relevant service within the meaning of the Reserve and Auxiliary Forces (Protection of Civil Interests) Act 1951, and any similar service immediately following relevant service entered into with the consent of the authority or person by whom he was employed before undertaking that service or, in the case of a person who holds an appointment to an office and is not employed under a contract of employment, with the consent of the authority by whom he was appointed;

“the Rules of 1935” means the Unemployment Assistance Board (Superannuation) Rules 1935(3);

“the Rules of 1936” means the Local Government and Civil Service (Superannuation) Rules 1936(4);

“the Rules of 1950” means the Superannuation (Transfers between the Civil Service and Local Government) Rules 1950(5);

“the Superannuation Act” means the Superannuation Act 1965;

“the transfer value regulations” means, in relation to England and Wales, the Local Government Superannuation (Transfer Value) Regulations 1954(6), and in relation to Scotland, the Local Government Superannuation (Transfer Value) (Scotland) Regulations 1954(7);

“voluntary contributions” means—

(a) in relation to a person who has become employed as a civil servant after leaving local government employment, payments made voluntarily by him while in local government employment or in overseas employment within the meaning of the Superannuation

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(1) (1954 II, p. 1595).

(2) (1954 II, p. 1632).

(3) (Rev.XXV, p. 327).

(4) (Rev. XVII, p. 519).

(5) (1950 II, p. 277).

(6) (1954 II, p. 1723).

(7) (1954 II, p. 1736).

(Local Government and Overseas Employment) Interchange Rules 1958<sup>(8)</sup> or the Superannuation (Local Government and Overseas Employment) Interchange (Scotland) Rules 1958<sup>(9)</sup> for the purpose of securing benefits for his widow, children or other dependants and payments (other than completed payments, that is to say, payments made in respect of a liability which has been wholly discharged) of any of the following categories—

- (i) additional contributory payments of the kind referred to in section 2(3) and (4) of the Act of 1953;
  - (ii) any similar payments made under a local Act scheme as a condition of reckoning any period of employment as service or as a period of contribution for the purposes of the scheme, or where the local Act scheme provides for the reckoning of non-contributing service, as contributing service for the purposes of the scheme;
  - (iii) any payments made for the purpose of increasing the length at which any period of service or of contribution would be reckonable for the purpose of calculating a benefit under a local Act scheme;
  - (iv) any payments made in respect of added years; and
- (b) in relation to a person who has entered local government employment after ceasing to be employed as a civil servant, any payments similar in character to any such payments for the continuation of which, during the period of his employment as a civil servant, provision was made by or under an enactment;

“war service” means war service within the meaning of the Local Government Staffs (War Service) Act 1939, but does not include, in the case of a person who before the termination of his war service made a claim under section 10 of the Act of 1937, or section 10 of the Scottish Act of 1937, or any corresponding provision of a local Act scheme, for the return of contributions made by him for superannuation purposes, any part of his war service after the date on which the claim was made;

and the following expressions have the meanings respectively assigned to them by the Act—“civil servant”; “contributory employee”; “local Act scheme”; “local Act contributor”; “local authority”; “pension”; “pension scheme”; and “pensionable employment” .

(2) The Interpretation Act 1889 shall apply to the interpretation of these rules as it applies to the interpretation of an Act of Parliament and as if these rules and the rules hereby revoked were Acts of Parliament.

(3) References in these rules to the provisions of any enactment, rules or regulations shall be construed, unless the context otherwise requires, as references to those provisions as amended, modified, applied, extended or reenacted by any subsequent enactment, rules or regulations.

(4) For the purposes of these rules a justices' clerk shall be deemed to be in the employment of the magistrates' courts committee or committee of magistrates by whom he is, or under the provision of the Justices of the Peace Act 1949 or the Administration of Justice Act 1964 is deemed to have been, appointed, and in relation to any such person references to “employment” shall be construed accordingly.

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<sup>(8)</sup> (1958 II, p. 1845).

<sup>(9)</sup> (1958 II, p. 1857).

## PART II

### PROVISIONS RELATING TO OFFICERS TRANSFERRING FROM LOCAL GOVERNMENT EMPLOYMENT TO THE CIVIL SERVICE

#### Persons to whom part II of the rules applies

3.—(1) In this part of these rules, a person to whom this part of these rules applies is referred to as “the officer”, the local authority in whose employment the officer last was before he became employed as a civil servant or, if that authority has ceased to exist, the authority by whom the expenses of that authority were defrayable, is referred to as “the employing authority”, and the local authority maintaining the superannuation fund to which he was last a contributor before he became employed as a civil servant is referred to as “the fund authority”.

(2) This part of these rules shall apply to any person—

(a) who either—

(i) becomes employed as a civil servant within twelve months after leaving local government employment or

(ii) having left local government employment in order to undertake war service, or having become engaged in national service immediately after leaving such employment, becomes employed as a civil servant within six months after the termination of such war service or national service; and

(b) who has not become entitled to any benefit (other than a benefit payable prospectively or a return of contributions) in respect of his local government employment or, if he has become so entitled, is not a person to whom the Rules of 1935 or the Rules of 1936 or similar provisions of a local Act scheme apply; and

(c) in respect of whom no transfer value has been paid by the fund authority since he left his local government employment; and

(d) who within three months after the date on which he becomes employed as a civil servant notifies the Department in which he is then employed or, if he has ceased to be employed as a civil servant, the Department in which he was last employed, that he desires these rules to apply to him, and furnishes such Department with particulars of any war service or national service in which he has been engaged since he left the previous employment; and

(e) who if he has received any payment by way of a return of contributions (other than voluntary contributions) on or after leaving local government employment, pays a sum equal to such payment to the Treasury within three months after the date on which he becomes employed as a civil servant or within such longer period as the Treasury may in any particular case allow, together with any further sum required by way of interest under paragraph (5) of this rule.

(3) The reference in paragraph (2)(a) of this rule to a period of twelve months after the date on which a person leaves local government employment shall be construed in relation to a person to whom section 6 of the Act (which makes special provision as to local government superannuation during periods of emergency) applies as a reference to a period of five years after that date, or such longer period as the Treasury may in any particular case allow.

(4) Without prejudice to the provisions of the last preceding paragraph, any period mentioned in paragraph (2)(a) or (d) of this rule may in any particular case be extended by the Treasury with the consent of the fund authority.

(5) Where a person becomes, or became, a civil servant more than twelve months after leaving local government employment the fund authority may require him to make a payment by way of compound interest on any sum paid to him by way of return of contributions, other than voluntary

contributions, on or after leaving that employment at a rate of three per cent per annum with half-yearly rests for a period beginning either with the date twelve months after the date on which he left that employment or, where this is later, the date on which he received such sum, and ending with the date on which he notified his desire that these rules should apply to him:

Provided that the interest so payable shall not exceed a sum equal to one-half of the difference between the transfer value payable under these rules and the transfer value which would be payable if calculated by reference to the person's age on leaving local government employment.

(6) This part of these rules shall apply to a person and shall be deemed always to have applied to him even though he left local government employment or became employed as a civil servant before the commencement of these rules or the passing of the Act, provided that—

- (a) if he ceased to be employed as a civil servant before the commencement of these rules, the Treasury consent; and
- (b) if he is a person to whom neither the Rules of 1935 nor the Rules of 1936 apply—
  - (i) he left local government employment not earlier than 4th February 1948; and
  - (ii) the fund authority consent.

### **Reckoning of previous service**

4.—(1) The period of the officer's service which is reckonable, at the date when he leaves local government employment, as contributing service for superannuation purposes, or as service or a period of contribution for the purposes of a local Act scheme, and any period of war service or national service after he leaves local government employment which would have been so reckonable had he re-entered local government employment on the termination of his war service or national service, shall be reckoned for the purposes of the Superannuation Act as service in the capacity of a civil servant:

Provided that—

- (a) where any period of service is reckoned at a fraction of its actual length for the purpose of calculating the transfer value paid by the fund authority under rule 5 of these rules, then account shall be taken of that period of service—
  - (i) at its actual length only for the purpose of determining whether the officer has served for the minimum period prescribed by the Superannuation Act as necessary for any pension to be paid to or in respect of him; and
  - (ii) at the said fraction of its actual length for the purpose of calculating the amount of any pension payable to him under the Superannuation Act; and
- (b) in taking account of contributing service or any period of service or period of contribution for the purpose of a local Act scheme, regard shall be had to the provisions of rule 8 of these rules.

(2) Where any period of the officer's service is reckonable, at the date when he leaves local government employment, as non-contributing service for superannuation purposes, one-half of that period shall be reckoned for the purposes of the Superannuation Act as service in the capacity of a civil servant:

Provided that—

- (a) for the purpose of determining whether the officer has served for the minimum period prescribed by the Superannuation Act as necessary for any pension to be paid to or in respect of him, the whole of the period aforesaid shall be reckoned as service in the capacity of a civil servant; and
- (b) where, in exercise of the powers conferred upon them by rule 5(1)(a)(i) of the Rules of 1935 or rule 9(1)(a) of the Rules of 1936, a local authority have passed a resolution in

respect of the officer determining a higher rate for calculation of benefits than one one-hundred-and-twentieth of his emoluments in respect of each completed year or part of a year exceeding six months of his non-contributing service, then for the purposes of these rules his non-contributing service shall be treated as though it were contributing service, but the length of such service shall be reckoned at such proportion only of its actual length as is obtained by multiplying the number of years of its actual length by sixty and by dividing the resulting figure by the denominator of the fraction constituting such higher rate.

(3) Where part of the officer's service, not being a part to which any of the preceding provisions of this rule relates, is reckonable at the time he leaves local government employment for the purpose of determining whether he is eligible to receive a pension but not for calculating the amount thereof, account shall be taken of that part for the purpose of determining whether the officer has served for the minimum period prescribed by the Superannuation Act as necessary for any pension to be paid to or in respect of him and for no other purpose.

(4) Where during his local government employment the officer has been employed as a part-time employee, the period of his part-time service shall be treated for the purposes of these rules as though it were whole-time service for a proportionately reduced period.

(5) Any of the officer's service which is reckonable by virtue of section 17 of the Act of 1937 or section 15 of the Scottish Act of 1937 as contributing or non-contributing service shall be disregarded for the purposes of these rules.

### **Transfer values payable by local authorities**

5.—(1) Subject to the provisions of these rules, the fund authority shall upon this part of these rules becoming applicable to the officer—

- (a) pay to the Treasury in respect of him out of their superannuation fund a transfer value of an amount equal to the transfer value which would have been payable under the transfer value regulations if on ceasing to be a contributory employee or local Act contributor the officer had become such an employee or contributor under another local authority, less—
  - (i) an amount equal to any sum which the trustees of the fund may become liable to pay by way of income tax in respect of the amount transferred by way of transfer value, and
  - (ii) an amount equal to any sum required by way of interest under rule 3(5) of these rules, and
- (b) furnish the employing Department and the officer with the particulars relating to the officer's previous pensionable service which would have been given to the officer if instead of becoming a civil servant he had become a contributory employee.

(2) The transfer value payable in respect of an officer who left local government employment before 1st February 1967 shall be calculated by reference to his age at 1st February 1968 unless—

- (a) he was a person to whom any Rules revoked hereby could have applied and
- (b) he became employed as a civil servant on or after 1st November 1967 but not later than 1st February 1968.

(3) The transfer value payable in respect of an officer who becomes a civil servant after 1st February 1968 and more than twelve months after leaving local government employment shall be calculated by reference to his age on the date on which he becomes a civil servant.

(4) The transfer value payable under this rule shall be calculated as if the words “not being such service as is mentioned in proviso (a) to that sub-section” had been omitted from paragraph (a) of the definition of “service” in paragraph 1 of schedule 1 to the Local Government Superannuation (Transfer Value) Regulations 1954 or, as the case may be, as if the words “not being such service as

is mentioned in proviso (a) to that section” had been omitted from paragraph (a) of the definition of “service” in paragraph 1 of schedule 1 to the Local Government Superannuation (Transfer Value) (Scotland) Regulations 1954, and the transfer value payable in respect of a person who had been an established officer or servant within the meaning of the Act of 1909 shall be calculated as if paragraph (c) had been omitted from the definition of “service” in paragraph 1 of schedule 1 to the transfer value regulations.

(5) Where a transfer value is payable in respect of an officer who before entering local government employment had been an established officer or servant within the meaning of the Act of 1909, and had been a person to whom any regulations for the time being in force under Part V of Schedule 2 to the Act of 1937, or Schedule 2 to the Scottish Act of 1937, had been applicable, and where the body by whom he was last employed while subject to the Act of 1909 would, if he had become entitled to a superannuation allowance on leaving local government employment, have been liable to contribute to that allowance, that body or the appropriate authority in relation to that body (as defined in regulation 56(15) of the National Health Service (Superannuation) Regulations 1950<sup>(10)</sup> or regulation 52(15) of the National Health Service (Scotland) (Superannuation) Regulations 1950<sup>(11)</sup>, as the case may be) shall make a payment to the fund authority of an amount equal to the transfer value which that body or the appropriate authority would have been liable to pay to the Minister of Health under regulation 56(4) of the first-mentioned regulations, or to the Secretary of State under regulation 52(4) of the latter regulations, if either of those Regulations had become applicable to the officer on the date when he became a civil servant, and where that body would in such circumstances have had, in respect of any such contribution to a superannuation allowance, a right of contribution from any other body, that other body or the appropriate authority in relation to that other body (so defined as aforesaid) shall make a payment to the fund authority of an amount equal to the transfer value which that other body or the appropriate authority would have been liable to pay to the Minister of Health under regulation 56(5) of the first-mentioned regulations, or to the Secretary of State under regulation 52(5) of the latter regulations, if either of those regulations had become applicable to the officer when he became a civil servant.

#### **Payments on ceasing to be a civil servant**

**6.** Where the officer ceases to be employed as a civil servant in circumstances which do not render him eligible for a superannuation allowance under the Superannuation Act, the Treasury may pay to or in respect of him whichever is the greater of the following sums:—

- (a) a sum equal to the amount which might have been paid to or in respect of him under section 10 of the Act of 1937 or the Scottish Act of 1937 or, if in his local government employment he was subject to a local Act scheme, under any similar provision in that scheme, if when he ceased to be employed in local government employment he had ceased to be so employed in similar circumstances; or
- (b) such a sum as the officer may be eligible to under the Superannuation Act by way of a short service gratuity or a death gratuity.

receive or as may be paid in respect of him 7.— Exercise by local authority of discretionary powers to increase benefits

(1) Where an officer becomes a civil servant after leaving local government employment and these rules have become applicable in relation to him, the employing authority may, within three months after the date on which they are informed by the Head of the Department in which he is employed as a civil servant of his notification that he desires these rules to apply to him, exercise in relation to him any discretion which, with a view to increasing the benefits payable to him, it would have been open to them to exercise at the time when he left their employment if he had then retired

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<sup>(10)</sup> (1950 I, p. 1327).

<sup>(11)</sup> (1950 I, p. 1458).

and had been entitled to a retirement pension under regulation 5 of the benefits regulations or to any corresponding benefit provided under the superannuation provisions which were applicable to him in his former employment.

(2) A decision made in the exercise of any discretion under the last preceding paragraph shall be subject to the limitations and restrictions (if any) and to the right of appeal (if any) to which it would have been subject if the discretion had been exercised on the person's retirement in the circumstances aforesaid.

(3) Where a discretion has been so exercised, the service reckonable by the officer immediately before he left local government employment shall be deemed to have been correspondingly increased, and the transfer value payable in respect of him shall be calculated accordingly.

(4) Any increase in service, if attributable to a decision under this rule to increase the benefits payable to the person otherwise than by any notional increase or extension of the service reckonable for the purpose of calculating those benefits, or by treating any specified period of non-contributing service as contributing service, or, under a local Act scheme, by similarly converting service of one category to service of another category, shall be ascertained by converting the service in respect of which the higher rate of benefit is payable into contributing service, or service for the purpose of the relevant local Act scheme, in the manner in which non-contributing service is converted into contributing service under section 2(4) of the Act of 1953.

(5) Where the amount of any transfer value payable under rule 5 of these rules is increased in consequence of the exercise by the employing authority of any power conferred upon them by paragraph (1) of this rule, that authority shall repay the amount of the said increase to the superannuation fund out of which the transfer value is payable.

#### **Exercise by local authority of discretionary powers to increase benefits**

7.—(1) Where an officer becomes a civil servant after leaving local government employment and these rules have become applicable in relation to him, the employing authority may, within three months after the date on which they are informed by the Head of the Department in which he is employed as a civil servant of his notification that he desires these rules to apply to him, exercise in relation to him any discretion which, with a view to increasing the benefits payable to him, it would have been open to them to exercise at the time when he left their employment if he had then retired and had been entitled to a retirement pension under regulation 5 of the benefits regulations or to any corresponding benefit provided under the superannuation provisions which were applicable to him in his former employment.

(2) A decision made in the exercise of any discretion under the last preceding paragraph shall be subject to the limitations and restrictions (if any) and to the right of appeal (if any) to which it would have been subject if the discretion had been exercised on the person's retirement in the circumstances aforesaid.

(3) Where a discretion has been so exercised, the service reckonable by the officer immediately before he left local government shall be deemed to have been correspondingly increased, and the transfer value payable in respect of him shall be calculated accordingly.

(4) Any increase in service, if attributable to a decision under this rule to increase the benefits payable to the person otherwise than by any notional increase or extension of the service reckonable for the purpose of calculating those benefits, or by treating any specified period of non-contributing service as a contributing service, or, under a local Act scheme, by similarly converting service of one category to service of another category, shall be ascertained by converting the service in respect of which the higher rate of benefit is payable into contributing service, or service for the relevant local Act scheme, in the manner in which non-contributing service under section 2(4) of the Act of 1953.

(5) Where the amount of any transfer value payable under rule 5 of these rules is increased in consequence of the exercise by the employing authority of any power conferred upon them



by paragraph (1) of this rule, that authority shall repay the amount of the said increase to the superannuation fund out of which the transfer is payable.

### **Continuation of payments**

**8.—(1)** Where the officer was, at the time when he left local government employment, in the course of making payments (other than those to which paragraph (2) of this rule applies) by way of—

- (i) instalments in discharge of a fixed sum, or
- (ii) contributions of a fraction or percentage of emoluments additional to the percentage payable in respect of current service,

as a condition of being entitled to reckon the service in relation to which those payments were being made as a period of contributing service for the purposes of the Act of 1937 or the Scottish Act of 1937, or as service or a period of contribution for the purposes of a local Act scheme, or as a condition of increasing the length at which the said service would be reckonable for the purpose of calculating a benefit under the Act of 1937 or the Scottish Act of 1937 or a local Act scheme, he shall be entitled when giving notice to the Department in pursuance of rule 3(2)(d) of these rules to elect to continue those payments in the manner provided by this paragraph, and—

- (a) if he does so elect and repays forthwith to the Treasury a sum equal to the sum (if any) paid to him by way of a return of such payments on or after leaving local government employment—
  - (i) he shall be liable to pay the outstanding payments to the Treasury in the manner in which they would have been payable by him if he had remained in his local government employment; and
  - (ii) the service in respect of which they are made shall be reckonable for the purposes of the Superannuation Act in the manner in which it would by virtue of these rules have been reckonable if immediately before he left his local government employment he had been under no further liability in respect of such payments;
- (b) if he does not so elect, or if he fails to pay any sum payable to the Treasury under subparagraph (a) of this paragraph, then for the purpose of the Superannuation Act account shall be taken of the service in respect of which the payments were being made only to the extent (if any) to which by virtue of these rules account would have been taken of that service if he had not been in the course of making such payments in respect thereof at the time when he left his local government employment.

(2) Where the officer was, at the time when he left his local government employment, in the course of making payments in respect of added years, he shall be entitled, when giving notice to the Department in pursuance of rule 3(2)(d) of these rules, to elect to continue to make the same payments to the Treasury in respect of added years as he would have been liable to make to the fund authority, and if he does so elect and repays forthwith to the Treasury a sum equal to the sum (if any) paid to him by way of a return of any such payments on or after leaving local government employment, he shall be liable to make payments to the Treasury in respect of the said added years in the manner in which and at the times at which he would have been liable to make them under the superannuation provisions which were applicable to him in his local government employment and, if he makes those payments, he shall be entitled to have the added years reckoned for the purposes of the Superannuation Act as service in the capacity of a civil servant:

Provided that—

- (a) the said added years shall not be reckonable for the purposes of the Superannuation Act if the officer left his local government employment in such circumstances that in consequence of a resolution of the authority by whose consent the added years first became reckonable he ceased to be entitled to reckon the added years; and

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- (b) no account shall be taken of added years for the purpose of determining whether the officer has served for the minimum period prescribed by the Superannuation Act as necessary for any pension to be paid to or in respect of him.

### **Return of contributions**

9. Notwithstanding anything in the Act of 1937 or the Scottish Act of 1937 or any local Act scheme, no payment shall be made thereunder by way of a return of contributions, other than voluntary contributions, to any person to whom this part of these rules has become applicable.

### **Rules of 1935 and 1936 not to apply in certain cases**

10.—(1) In the case of an officer to whom either the Rules of 1935 or the Rules of 1936 apply, those Rules shall cease to apply to him upon his electing that these rules shall apply to him.

(2) The Rules of 1936 shall not apply to any person who has become a civil servant or entered local government employment since 30th January 1950.

## **PART III**

### **PROVISIONS RELATING TO CERTAIN RETIRED OFFICERS WHO HAD TRANSFERRED FROM LOCAL GOVERNMENT EMPLOYMENT TO THE CIVIL SERVICE**

#### **Persons to whom part III of the rules applies**

11.—(1) In this part of these rules, a person to whom this part of these rules applies is referred to as “the officer” and the local authority maintaining the fund to which he was last a contributor before he became employed as a civil servant is referred to as “the fund authority”.

(2) This part of these rules shall apply to any person—

- (a) who has before the commencement of these rules become entitled to receive from a local authority an annual superannuation allowance or annuity under rule 5 of the Rules of 1935 or rule 9 of the Rules of 1936; and
- (b) who within six months after the date of the making of these rules notifies the Department in which he was last employed that he elects that these rules shall apply to him; and
- (c) in respect of whom both the Treasury and the local authority maintaining the fund out of which his superannuation allowance or annuity is paid give their consent that this part of these rules shall apply.

#### **Superannuation allowances payable**

12. From the date when the officer elects that these rules shall apply to him there shall be payable to him such a superannuation allowance as would have been payable to him if part II of these rules had applied to him:

Provided that in the case of an officer who left local government employment not earlier than the February 1948, that superannuation allowance shall be payable to him from the date when he ceased to be a civil servant, but the amount of any such allowance in respect of the period ending on the date when he elects that these rules shall apply to him shall be reduced by the aggregate of the amount of any superannuation allowance paid to him in respect of that period under the Superannuation Act as modified by the Rules of 1935 or the Rules of 1936 and of any

superannuation allowance or annuity paid to him in respect of that period under the Rules of 1935 or the Rules of 1936.

### **Lump sum payments**

**13.**—(1) Where the officer left local government employment not earlier than 4th February 1948, there shall be payable to him a lump sum equal to the difference between the amount of any additional allowance which may have been granted to him and the amount of the additional allowance which would have been payable to him if part II of these rules had applied to him.

(2) Where the officer left local government employment before 4th February 1948, nothing in these rules shall have the effect of increasing the amount of any additional allowance which may have been granted to him.

### **Payment in lieu of transfer value**

**14.** The fund authority shall, upon the officer electing that this part of these rules shall apply to him, pay to the Treasury in respect of him a transfer value of an amount equal to the capitalised value of the annual superannuation allowance or annuity which he had been receiving from the fund authority under rule 5 of the Rules of 1935 or rule 9 of the Rules of 1936, and such capitalised value shall be calculated by reference to the officer's age at the date when he elects that these rules shall apply to him and to the amount of his allowance or annuity in the manner set out in the table contained in the schedule to these rules.

### **Rules of 1935 and 1936 not to apply**

**15.** The Rules of 1935 and the Rules of 1936 shall cease to apply to an officer upon his electing that these rules shall apply to him.

## **PART IV**

### **PROVISIONS RELATING TO OFFICERS TRANSFERRING FROM THE CIVIL SERVICE TO LOCAL GOVERNMENT EMPLOYMENT**

#### **Persons to whom part IV of the rules applies**

**16.**—(1) This part of these rules shall apply to any person (in this part of these rules called “the officer”) who—

- (a) either—
  - (i) enters local government employment within twelve months after ceasing to be employed as a civil servant or
  - (ii) having become engaged in national service immediately after leaving his employment as a civil servant, enters local government employment within six months after the termination of his national service; and
- (b) has (before or after changing his employment) obtained the consent of the Head of the Department in which he ceased to be employed; and
- (c) has not become eligible for a pension under the Superannuation Act or, if he has become so eligible, is a person to whom the Rules of 1936 do not apply; and
- (d) within three months after the date on which he enters local government employment notifies the local authority maintaining the superannuation fund to which he is then a contributor or, if he has left local government employment, the local authority maintaining

the fund to which he was last a contributor that he desires these rules to apply to him, and furnishes that local authority with particulars of any national service in which he has been engaged since he left his previous employment.

(2) Any period mentioned in paragraph (1)(a) or ( d) of this rule may in any particular case be extended by the authority mentioned in the said paragraph (1)(d) with the consent of the Treasury.

(3) This part of these rules shall apply to such person as aforesaid and shall be deemed always to have applied to him notwithstanding that he ceased to be employed as a civil servant or entered local government employment before the commencement of these rules or before the passing of the Act, provided that—

- (a) he has been in local government employment without a break of more than twelve months at any one time from the date when he ceased to be employed as a civil servant until the commencement of these rules or, if he left local government employment before such date, until the date when he ceased to be in such employment; and
- (b) if he left local government employment before the commencement of these rules, the local authority maintaining the superannuation fund to which he was last a contributor consent; and
- (c) if he is a person to whom the Rules of 1936 do not apply—
  - (i) he ceased to be employed as a civil servant not earlier than 4th February 1948; and
  - (ii) the Treasury consent.

### **Reckoning of previous service**

17.—(1) Subject to the provisions of these rules, the period of the officer's service which for the purposes of the Superannuation Act is reckonable as service in the capacity of a civil servant, and any period of national service after the officer's ceasing to be employed as a civil servant which would have been reckonable as service in the capacity of a civil servant for the purposes of the Superannuation Act, had the officer again become employed as a civil servant on the termination of his national service, shall, if the Treasury have paid a transfer value in respect of the officer under rule 19 of these rules, be reckoned as contributing service for the purposes of the Act of 1937 or the Scottish Act of 1937, or as service or a period of contribution for the purposes of a local Act scheme, as the case may be.

(2) Where any part of the officer's service which for the purpose of the Superannuation Act is reckonable as service in the capacity of a civil servant is attributable to service which, before he became a civil servant, was noncontributing service for local government superannuation purposes or for the purposes of regulations made under section 67 of the National Health Service Act 1946 or section 66 of the National Health Service (Scotland) Act 1947, such service shall be reckonable in the officer's local government employment in the manner and to the extent to which it would be reckonable if in his employment as a civil servant he had been a contributory employee.

(3) Where account is taken of any period of the officer's service for the purpose of determining whether he has served for the minimum period prescribed by the Superannuation Act as necessary for any pension to be paid to or in respect of him, that period shall to the same extent be reckonable in his local government employment for the purpose of determining whether he has served for the minimum period prescribed by or under the enactment or scheme applicable to him in his local government employment for any pension to be paid to or in respect of him.

(4) Where at any time after the Rules of 1950 became, or these rules have become, applicable to an officer, any further period of his employment has become or becomes reckonable as service in the capacity of a civil servant, that period shall, if the Treasury have paid a transfer value in respect of it under rule 19 of these rules, be reckoned in the same manner as any other such service of the officer is reckoned under paragraph (1) of this rule.

### **Further provision as to reckoning of service**

**18.** Where the officer is a person who, having entered local government employment before the commencement of these rules, ceased to be so employed before that date and again became or becomes so employed, the provisions of the Act of 1937 or the Scottish Act of 1937 and any local Act scheme relating to the reckoning of service on change of employment shall have effect as if the service in the capacity of a civil servant which he has become entitled to reckon by virtue of the last preceding rule in relation to the employment which he first entered after ceasing to be employed as a civil servant had been reckonable at the date when he ceased to hold the first employment in local government employment.

### **Transfer values payable by the Treasury**

**19.—(1)** Subject to the provisions of these rules, the Treasury may, upon these rules becoming applicable to the officer, pay in respect of him to the local authority maintaining the superannuation fund to which he first became or becomes a contributor after ceasing to be employed as a civil servant a transfer value of an amount equal to the transfer value which would have been payable under the transfer value regulations if, on ceasing to be employed as a civil servant, the officer had ceased to be a contributory employee or a local Act contributor under one local authority and had been entitled to reckon such service as is reckonable under rule 17(1) of these rules and had become a contributory employee or a local Act contributor under another local authority, less an amount equal to any sum which may become payable by way of income tax in respect of the amount transferred by way of transfer value.

(2) The transfer value payable in respect of an officer who ceased to be employed as a civil servant before 1st February 1967 shall be calculated by reference to his age at 1st February 1968 unless—

- (a) he was a person to whom the Rules revoked hereby could have applied and
- (b) he entered local government employment on or after 1st November 1967 but before 1st February 1968.

(3) The transfer value payable in respect of an officer who enters local government employment after 1st February 1968 and more than twelve months after ceasing to be a civil servant shall be calculated by reference to his age on the date when he enters local government employment.

(4) The transfer value payable in respect of a further period of employment described in rule 17(4) of these rules shall be calculated—

- (a) where that period becomes reckonable by virtue of an enactment in force on 1st February 1968, by reference to his age at 1st February 1968;
- (b) where that period becomes reckonable by virtue of an enactment which comes into force after 1st February 1968, by reference to his age at the date on which that enactment comes into force.

(5) In the last foregoing paragraph “enactment” includes any instrument made under an Act.

### **Computation of contributions of a person to whom rule 16 applies**

**20.—(1)** Where the officer—

- (a) leaves local government employment in the circumstances mentioned in section 10(1) of the Act of 1937, or of the Scottish Act of 1937; or
- (b) dies in the circumstances mentioned in section 10(3) thereof; or
- (c) ceases by reason of permanent ill-health or infirmity of mind or body to be in local government employment, or dies, in circumstances in which there is payable to or in respect of him a benefit which falls to be calculated by reference to the amount of his contributions (with or without interest),

he shall be deemed to have made to the appropriate superannuation fund, on becoming a contributor to such fund, contributions in respect of the period of his employment as a civil servant of an aggregate amount equal to three-eightieths of the annual salary and emoluments of his office multiplied by the number of completed years of his service as a civil servant.

(2) In this rule “the annual salary and emoluments of his office” means the average annual amount of the pensionable salary and emoluments of his office during the three years ending with the last day of his service as a civil servant or, where his service during that period is less than three years, the average annual amount of his pensionable salary and emoluments during the actual period of his said service.

### **Rights of insured persons**

**21.** Where the officer, before he ceased to be employed as a civil servant, was an insured person within the meaning of the National Insurance Act 1965, then—

- (a) if he had been excepted from the operation of any provision (in this rule referred to as “the modification provision”) modifying benefits under the Superannuation Act, the provisions of any regulations made or deemed to have been made by the Minister of Housing and Local Government or the Secretary of State under section 110(1) of the National Insurance Act 1965 and the provisions of any other regulations or any scheme replacing wholly or in part the provisions of regulations made or deemed to have been made under the said subsection shall not apply to him; and
- (b) if he had not been so excepted, the provisions of the said regulations shall apply to him as if any service which he reckoned as contributing service or as service or a period of contribution for the purposes of a local Act scheme or as non-contributing service under rule 17 of these rules, being service of which account would have been taken under the modification provision for the purpose of reducing any benefit to which he might have become entitled under the Superannuation Act had he continued to be subject thereto, were service rendered on or after 5th July 1948.

### **Right of appeal**

**22.** The provisions of section 35 of the Act of 1937 and section 30 of the Scottish Act of 1937 shall have effect in relation to a person who enters local government employment in circumstances in which these rules apply as if the reference in those sections to regulations made under those Acts included a reference to these rules:

Provided that this rule shall not apply in relation to a person who is a local Act contributor.

### **Continuation of payments**

**23.** Where under rule 8 of these rules or any similar rule contained in other rules made under sections 2 and 15 of the Act the officer has elected to make payments to the Treasury but has not during his employment as a civil servant completed making such payments, then if he repays forthwith to the authority maintaining the superannuation fund to which he is a contributor in his local government employment a sum equal to any sum paid to him by way of a return of such payments on or after ceasing to be employed as a civil servant—

- (a) he shall be entitled, in continuation of payments made in respect of added years, to make payments to that authority in the manner in which those payments would have been payable to the Treasury if he had remained in his employment as a civil servant, and shall enjoy rights and be subject to liabilities as if those years were added years in respect of which payments are being made in his local government employment under regulation 12 of the benefits regulations or, if in his local government employment

he is subject to a local Act scheme, under such provisions corresponding to the said regulation 12 or to regulation 5 of the Local Government Superannuation (Reckoning of Service on Transfer) Regulations 1954 (**12**) or to regulation 5 of the Local Government Superannuation (Reckoning of Service on Transfer) (Scotland) Regulations 1954(**13**) as are contained in that scheme; and

- (b) he shall be entitled, in continuation of other payments, to make payments and, in respect of the service in respect of which the payments were being made, shall enjoy rights and be subject to liabilities, as if in his previous employment he had been instead of a civil servant a local Act contributor.

## PART V

### REVOCATIONS

#### Revocations

**24.** The Superannuation (Transfers between the Civil Service and Local Government) Rules 1950 and the Superannuation (Transfers between the Civil Service and Local Government) Amendment Rules 1955(**14**) are hereby revoked:

Provided that the rules hereby revoked shall continue to apply in relation to any person who before the commencement of these rules became employed as a civil servant or in pensionable employment within the meaning of those rules as they would have applied if these rules had not been made.

Two of the Lords Commissioners of Her Majesty's Treasury.

19th January 1968

*Joseph Harper*  
*B. K. O'Malley*

Given under the official seal of the Minister of Housing and Local Government on 19th January 1968.

L.S.

*Anthony Greenwood*  
Minister of Housing and Local Government

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(**12**) (1954 II, p. 1676).

(**13**) (1954 II, p. 1680).

(**14**) (1955 II, p. 1812).

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Given under the seal of the Secretary of State for Scotland on 19th January 1968.

L.S.

*William Ross*  
Secretary of State for Scotland



## SCHEDULE

Rule 14

## PAYMENT IN LIEU OF TRANSFER VALUE

Age at date of election	Capital value of a superannuation allowance or annuity of £1 per annum, as at date of election			
	Men		Women	
	£	s.	£	s.
Under 60	11	16	13	14
60 and under 61	11	12	13	10
61 and under 62	11	3	13	1
62 and under 63	10	15	12	13
63 and under 64	10	7	12	4
64 and under 65	9	19	11	16
65 and under 66	9	11	11	7
66 and under 67	9	3	10	18
67 and under 68	8	15	10	9
68 and under 69	8	8	10	0
69 and under 70	8	0	9	12
70 and under 71	7	13	9	3
71 and under 72	7	6	8	14
72 and under 73	6	19	8	6
73 and under 74	6	12	7	18
74 and under 75	6	5	7	10
75 and under 76	5	19	7	2
76 and under 77	5	13	6	15
77 and under 78	5	7	6	7
78 and under 79	5	1	6	0
79 and under 80	4	15	5	13
80 and under 81	4	10	5	6
81 and under 82	4	5	5	0
82 and under 83	4	0	4	14
83 and under 84	3	15	4	8
84 and under 85	3	11	4	3

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## EXPLANATORY NOTE

These Rules consolidate with amendments the Superannuation (Transfers between the Civil Service and Local Government) Rules 1950 and 1955, and provide for the aggregation of service and a single superannuation award where persons transfer within a prescribed period from established service in the Civil Service to employment in local government or vice versa. Where such a transfer is made, the person is enabled, subject to the payment of an appropriate transfer value, to reckon previous service for pension under the superannuation scheme to which he transfers.

The principal amendments give the Treasury and the employing authority discretion to extend the permissible length of any break between employments and the time limits for compliance with certain provisions. But where a person retains superannuation contributions (repaid on leaving local government employment) for more than 12 months, he may be required to pay interest. There are also minor amendments consequential on these provisions.

In addition, officers who transferred from employment in local government to the Civil Service and whose superannuation benefits are subject to the Local Government and Civil Service (Superannuation) Rules 1936 are given the right (subject to the consent of the Treasury and the appropriate authorities) to elect to receive benefits under these Rules. (These officers had no right of election under the Rules of 1950).

The Rules are given retrospective effect to a limited extent under the express powers of, and subject to the safeguards required by, section 2(5) of the Superannuation (Miscellaneous Provisions) Act 1948.