STATUTORY INSTRUMENTS

2000 No. 1410

The Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2000

PART VII

EFFECT OF CESSATION OF NEW EMPLOYMENT ON PART IV COMPENSATION

Effect of cessation of new employment

19.—(1) Where a person who has been awarded a credited period has ceased to hold a new employment in which he was a Scheme member or an assumed member, and the sum, in years, of—

- (a) his earlier extra service adjusted in accordance with paragraph (4) of regulation 9 if paragraph (3) of that regulation applies to him; and
- (b) his total membership for the purpose of calculating under the Pension Regulations, on the relevant assumptions, his retirement pension on cessation of his new employment,

exceeds the total membership which would have been used for the purpose of that calculation if he had held his terminated employment until his 65th birthday, his employing authority must reduce his annual compensation by such amount as they consider appropriate.

(2) For the purposes of this regulation, "total membership" includes membership which would be excluded by virtue of paragraph (4) of regulation 9 of the Pension Regulations (periods of membership: "total membership" and transfer of rights).

(3) In deciding what is appropriate, the employing authority must seek to secure that the person is not able to obtain for himself or for any dependant of his greater financial benefits under these Regulations and the Pension Regulations than those to which he or they would have been entitled had he remained in his terminated employment until age 65.

(4) But if the position referred to in paragraph (3) cannot be secured by reduction of his annual compensation, his entitlement to that compensation shall cease.