1983 No. 30

LOCAL GOVERNMENT

Local Government (Compensation for Premature Retirement) Regulations (Northern Ireland) 1983

Made . . . . . *2nd March 1983*

Coming into operation . . . *1st April 1983*

ARRANGEMENT OF REGULATIONS

PART I

PRELIMINARY

1. Citation and commencement.
2. Interpretation.

PART II

ENTITLEMENT TO BENEFIT

3. Persons to whom the regulations apply.
4. Additional service.

PART III

COMPENSATION

5. Lump sum compensation and annual compensation.
6. Allocation of part of annual compensation.
7. Entitlement to widow's short-term compensation and long-term compensation.
8. Amount of widow's short-term compensation and long-term compensation.
9. Entitlement to children's short-term compensation and long-term compensation.
10. Amount of children's short-term compensation and long-term compensation.
11. Compensation of widower's, etc.

PART IV

ADJUSTMENT

12. Adjustment of compensation to take account of redundancy payments.
13. Other payments.
14. New employment.
15. Cessation of new employment.

PART V

MISCELLANEOUS

16. Notification of compensation.
17. Supply of information.
18. Payment of compensation.
19. Paying authority.

SCHEDULES

1. Employing authorities.
2. Other entitlement.
3. Adjustment on account of certain redundancy payments.
4. Adjustment on account of new employment.

The Department of the Environment, in exercise of powers conferred by Article 19 of the Superannuation (Northern Ireland) Order 1972(a) and now vested in it(b), and of all other powers enabling it in that behalf, hereby makes the following regulations:—

PART I

PRELIMINARY

Citation and commencement

1. These regulations may be cited as the Local Government (Compensation for Premature Retirement) Regulations (Northern Ireland) 1983 and shall come into operation on 1st April 1983.

Interpretation

2.—(1) In these regulations—

"additional service", in relation to a person, means service with which he is credited under regulation 4, in respect of the cessation of his former employment;

"associated body", "average remuneration", "officer", "remuneration" and "service" have the same respective meanings as in the Superannuation Regulations;

"beneficiary" means an eligible person who has been credited (whether before or after his death) with additional service;

"eligible child" means—

(*a*) a legitimate child of a marriage of a beneficiary which took place on or before the material date, born before the expiration of one year after that date; or

(*b*) an adopted child of a beneficiary, adopted on or before the material date; or

(a) S.I. 1972/1073 (N.I. 10)
(b) S.R. & O. (N.I.) 1973 No. 504 Art. 7(1); Northern Ireland Constitution Act 1973 (c. 36) Sch. 5 para. 8(1); S.I. 1976/424 (N.I. 6)

(c) a step-child or illegitimate child of a beneficiary, an adopted child of the wife of a marriage of a beneficiary which took place on or before the material date or a child accepted by a beneficiary as a member of the family, being a child wholly or mainly dependent on him both on the material date and at the time of his death;

"eligible person" means a person who is described in regulation 3;

"employing authority", in relation to a person whose employment ceased as provided in regulation 3 means the body specified in Schedule 1 by whom that person is employed on the material date;

"excepted payment", in relation to an employment of a beneficiary, means a payment received by him which is—

(i) a redundancy payment in respect of the cessation of that employment, including any amount by which that payment is reduced in accordance with the Contracts of Employment and Redundancy Payments (Pensions) Regulations (Northern Ireland) 1965(a); or

(ii) a payment in respect of that employment made under regulations, or under provisions having effect as provisions of regulations, made under Article 9 of the Superannuation (Northern Ireland) Order 1972; or

(iii) a payment in lieu of notice of termination of that employment, which does not exceed the remuneration he would have received if he had remained in that employment for a period of 3 months after the material date; or

(iv) in the case of a payment in lieu of notice of termination of that employment which exceeds that remuneration, so much of that payment as is equal to that remuneration; or

(v) a payment in lieu of annual leave or other leave to which he was entitled in that employment.

"former employment", in relation to a person, means the employment which ceased as described in regulation 3(a); and paragraphs (3) to (5) of regulation 30 of the Superannuation Regulations shall apply for the purposes of these regulations, as if reference in those paragraphs to "former employment" were a reference to former employment within the meaning of these regulations;

"instrument" includes a direction or agreement;

"material date", in relation to a person, means the date upon which he ceased to hold his former employment;

"new employment", in relation to a beneficiary, means employment in which he is entitled to participate in the benefits provided by the Superannuation Regulations which he enters after the material date; and paragraphs (4) to (6) of regulation 30 of the Superannuation Regulations shall apply for the purposes of these regulations, as if reference in those paragraphs to "new employment" were a reference to new employment within the meaning of these regulations;

"the Northern Ireland Local Government Officers' Superannuation Committee" means the body established by the Local Government (Superannuation) Act (Northern Ireland) 1950(b) for the purpose of administering the Superannuation Regulations;

"occupational pension" in relation to a person means a pension (other than a lump sum) to which he has become entitled, whether payable immediately or

(a) S.R. & O (N.I.) 1965 No. 246 (b) 1950 c. 10 (N.I.)

in the future, in accordance with any enactment whenever enacted, contract, scheme or other arrangement associated with any employment, other than a pension under the Superannuation Regulations;

"periodic payment", in relation to a beneficiary, means an instalment of an allowance (other than annual compensation under these regulations) for life or other period granted to—

(*a*) him, or

(*b*) for the purposes of regulations 8(3) and 10(4)(*b*), his widow or child, by his employing authority, in consequence of or as compensation for the loss of his former employment, under any enactment whenever enacted or under any contract or arrangement with that authority, but does not include an excepted payment in relation to that employment;

"redundancy payment" in relation to an employment of a beneficiary means—

(*a*) a redundancy payment within the meaning of section 11 of the Contracts of Employment and Redundancy Payments Act (Northern Ireland) 1965(a); and

(*b*) any amount which, in pursuance of a contract or arrangement, is payable in addition to such a payment, and is calculated by reference to—

(i) that payment, and

(ii) a period of continuous employment or employments, subject to a maximum period of 20 years, and

(iii) his remuneration in that employment,

if no account were taken of an abatement thereof in accordance with a contract or arrangement;

"the Superannuation Regulations" means the Local Government (Superannuation) Regulations (Northern Ireland) 1981(b).

(2) any reference to the annual rate of compensation payable to a beneficiary immediately before the date of his death shall, if he died before he had been credited with additional service, include a reference to the annual rate of compensation which would have been payable if he had been so credited before his death.

PART II

ENTITLEMENT TO BENEFIT

Persons to whom the regulations apply

3. Subject to the provisions of regulation 4, these regulations shall apply to an officer who—

(*a*) on or after 29 March 1976 ceases to hold his employment with an employing authority by reason of redundancy or in the interests of the efficient exercise of that authority's functions and in relation to whom that authority has certified in accordance with regulation 18(3)(*a*) of the Superannuation Regulations; and

(*b*) is not in respect of the loss of that employment entitled to have his case considered for the payment of compensation within the meaning of Part I of Schedule 2; and

---

(a) 1965 c. 19 (N.I.)
(b) S.R. 1981 No. 96 as amended by S.R. 1982 No. 58

(*c*) on the material date—

(i) has attained the age of 50 years, but has not attained the age of 65 years; and

(ii) is entitled to reckon an aggregate of not less than 5 years' service; and

(iii) his service and any period in respect of which he has become entitled to an occupational pension, does not in aggregate exceed 40 years; and

(iv) the period beginning with the day following the material date and ending on the day on which he attains the age of 65 years, exceeds any period of residual entitlement which he has to his credit (as described in Part II of Schedule 2).

Additional service

4. Subject as hereafter in these regulations provided, an employing authority may, within 6 months after the date upon which these regulations come into operation or the material date, whichever is the later, credit an eligible person with a period of service not exceeding the shortest of the following periods—

(*a*) a period which, when added to his service and any period in respect of which he has become entitled to an occupational pension, does not in the aggregate exceed 40 years; or

(*b*) a period equal to the period beginning with the day following the material date and ending with the day on which he attains the age of 65 years, less any period of residual entitlement which he has to his credit (as described in Part II of Schedule 2); or

(*c*) a period equivalent to his service as an officer; or

(*d*) a period of 10 years.

PART III

COMPENSATION

Lump sum compensation and annual compensation

5.—(1) Subject as hereafter in these regulations provided, a beneficiary shall be entitled to receive compensation in accordance with paragraphs (2) and (3).

(2) Where a beneficiary is entitled to a retiring allowance under the Superannuation Regulations—

(*a*) he shall be entitled to receive lump sum compensation equal to the amount by which that allowance would be increased in accordance with those regulations if the service after 31st March 1972 which he is entitled to reckon as service were increased by the period of his additional service; and

(*b*) the amount of such compensation payable to a beneficiary, whose material date falls on or after the date upon which these regulations come into operation, shall be reduced by the amount of any lump sum to which he is previously entitled.

(3) From the day following the material date—

(*a*) a beneficiary shall be entitled to receive annual compensation at a rate equal to the rate by which his pension under the Superannuation Regulations would be increased in accordance with those regulations if his service were increased by the period of his additional service; and

(*b*) the amount of such compensation payable to a beneficiary, whose material date falls on or after the date upon which these regulations come into operation, in respect of any period which begins after the material date shall be reduced by the amount of any allowance to which he is previously entitled in respect of that period.

(4) In this regulation, in relation to a beneficiary, reference to an allowance or pension under the Superannuation Regulations means an allowance or pension to which, on ceasing to hold his former employment, he is entitled by virtue of regulation 18(1)(*b*)(iii) and (3)(*a*) of those regulations; and the amount of any lump sum or allowance to which he is previously entitled shall be calculated in accordance with Part III of Schedule 2.

Allocation of part of annual compensation

6.—(1) A beneficiary who has been allowed, in accordance with regulation 22 of the Superannuation Regulations, to surrender a part of the pension to which on ceasing to hold his former employment he would otherwise be entitled, may give notice to his employing authority within one month after—

(*a*) he is given written notification pursuant to regulation 16 following credit as described at (*a*) of that regulation, or he attains minimum pensionable age, whichever is the later date, if he has not entered a new employment; or

(*b*) if he has entered a new employment—

(i) cessation of that employment, or

(ii) he is given written notification pursuant to regulation 16 following adjustment as described in (*c*) of that regulation by reason of that cessation, or

(iii) he attains minimum pensionable age,

whichever is the latest date,

that he desires this regulation to apply to him.

(2) A beneficiary who gives notice as described in paragraph (1) shall be entitled to surrender such part of his annual compensation as is described in paragraph (3), on the like terms and conditions and for the like consideration as if his annual compensation were a pension to which he had become entitled by virtue of regulation 18(1)(*b*)(iii) and (3)(*a*) of the Superannuation Regulations.

(3) The part of his annual compensation which a beneficiary is entitled to surrender in accordance with paragraph (2), is any part which bears a proportion to his annual compensation that is equal to or less than the proportion which the part of the pension which he has been allowed to surrender bears to the pension to which he would otherwise be entitled.

(4) In this regulation—

(*a*) "annual compensation" means the compensation payable to a beneficiary under regulation 5(3), adjusted as may be necessary in accordance with—

(i) regulation 12; and

(ii) if he is a person to whom an allowance for life as described in the definition of "periodic payment" in regulation 2(2) has been granted, regulation 13(5); and

(iii) regulation 15, insofar as concerns reduction of that compensation in accordance with paragraph 5 of Schedule 4; and

(*b*) "minimum pensionable age", in relation to a beneficiary, means the earliest age at which, under the Superannuation Regulations, he could have become entitled to receive payment of an unreduced pension solely by virtue of his having attained a specified age and completed a specified period of service.

Entitlement to widow's short-term compensation and long-term compensation

7.—(1) Subject to paragraph (2) and as hereafter in these regulations provided, if a male beneficiary dies and he is survived by a widow who is, or (but for the transfer of benefits to another pension scheme) would be, entitled to receive a pension under

regulation 24(1) of the Superannuation Regulations in relation to his former employment, his widow shall be entitled to receive widow's short-term compensation in respect of the period of 3 months after the day of his death and widow's long-term compensation:

Provided that—

(*a*) a widow shall not be entitled to receive widow's short-term compensation or widow's long-term compensation—

(i) if the marriage took place after the material date; or

(ii) if at the material date or at the date of his death the beneficiary and his wife were judicially separated; and

(*b*) a widow shall not be entitled to receive payment in respect of widow's long-term compensation until the day following the expiration of the period of 3 months after the day of the beneficiary's death.

(2) Widow's short-term compensation and widow's long-term compensation shall not be payable to a widow—

(*a*) if she re-marries, in respect of any period after the re-marriage; or

(*b*) if on the day of the death of the beneficiary she is living with another man as his wife, in respect of any period after that day; or

(*c*) if after that day she commences to live with a man as his wife, in respect of any period after so commencing:

Provided that if at any time—

(i) after her re-marriage she has again become a widow or that marriage has been dissolved; or

(ii) she is no longer living with a man as his wife,

the employing authority may, in their discretion, bring widow's long-term compensation into payment as from that time.

Amount of widow's short-term compensation and long-term compensation

8.—(1) Subject as hereafter in these regulations provided, short-term compensation payable to the widow of a beneficiary shall be at an annual rate equal to the rate at which any annual compensation would have been payable to the beneficiary in accordance with these regulations, immediately before his death, if no account had been taken of any adjustment in accordance with regulation 13 or, insofar as concerned a reduction under paragraph 5 of Schedule 4, regulation 15.

(2) Subject as hereafter in these regulations provided, long-term compensation payable to the widow of a beneficiary shall be one half of any annual compensation which would have been payable to the beneficiary in accordance with these regulations, immediately before his death, if no account had been taken of any adjustment in accordance with regulations 6, 12, 13 or, insofar as concerns a reduction under paragraph 5 of Schedule 4, regulation 15, and—

(*a*) where the beneficiary, at the time of his death, was in a new employment in which he was not an officer, if no account had been taken of any adjustment in accordance with regulation 14, or

(*b*) where the beneficiary, at the time of his death, was in a new employment in which he was an officer, if that annual compensation were reduced in accordance with regulation 15 on the assumption that the service referred to in paragraph 6(*b*)(ii) of Schedule 4 were the service which he would have been entitled to reckon as service if he had been, at the time of his death, a person

such as is mentioned in regulation 18(1)(*b*)(i) of the Superannuation Regulations.

(3) Where the material date in relation to a beneficiary falls on or after the date upon which these regulations come into operation, and the widow's short-term or long-term compensation in respect of any period—

(*a*) exceeds the amount of the aggregate of periodic payments which she receives in respect of that period, the compensation shall be reduced by that amount, or

(*b*) does not exceed the amount of the aggregate of periodic payments which she receives in respect of that period, the compensation shall not be payable.

Entitlement to children's short-term compensation and long-term compensation

9.—(1) Subject to paragraph (3) and as hereafter in these regulations provided, if a male beneficiary dies and he is survived by an eligible child who is, or eligible children who are, or (but for the transfer of benefits to another pension scheme) would be, entitled to receive a short-term pension under regulation 25(1) of the Superannuation Regulations in relation to his former employment, children's short-term compensation in respect of the period of 3 months after the day of his death shall be payable to or for the benefit of an eligible child or eligible children; but such compensation shall not be payable in respect of a period in respect of which widow's short-term compensation is payable to the widow of the beneficiary.

(2) Subject to paragraph (3) and as hereafter in these regulations provided, if a male beneficiary dies and he is survived by an eligible child who is, or eligible children who are, or (but for the transfer of benefits to another pension scheme) would be entitled to receive an annual child's pension under regulation 25(1) of the Superannuation Regulations in relation to his former employment, children's long-term compensation shall, from the day following the expiration of 3 months after the death of the beneficiary, be payable to or for the benefit of such eligible child or eligible children.

(3) Children's short-term compensation and children's long-term compensation shall not be paid to or for the benefit of a female eligible child—

(*a*) if on the day of the death of the beneficiary she is married or living with another man as his wife, in respect of any period after that day; or

(*b*) if after that day she marries or commences to live with a man as his wife, in respect of any period after marriage or so commencing:

Provided that if at any time—

(i) after the marriage she has become a widow or the marriage has been dissolved; or

(ii) she is no longer living with a man as his wife,

the employing authority may, in their discretion, pay the children's short-term compensation or, as the case may be, the children's long-term compensation to her or for her benefit as from that time.

Amount of children's short-term compensation and long-term compensation

10.—(1) Children's short-term compensation shall be at an annual rate equal to the rate at which any annual compensation would have been payable to the beneficiary in accordance with these regulations, immediately before his death, if no account had been taken of any adjustment in accordance with regulation 13 or insofar as concerns a reduction under paragraph 5 of Schedule 4, regulation 15.

(2) Subject to paragraph (3), children's long-term compensation shall be—

(*a*) where the beneficiary is survived by a widow to whom apart from proviso (*a*)(ii) to regulation 7(1) or regulation 7(2), there is or would be payable widow's short-term compensation or widow's long-term compensation, at an annual rate which, opposite to the number of eligible children in respect of whom it is for the time being payable specified in column (1) of the following table, is specified in column (2) thereof; or

(*b*) where the beneficiary is not survived by such a widow as is mentioned in paragraph (2) or in respect of any period after the death of such a widow, at an annual rate which, opposite to the number of eligible children in respect of whom it is for the time being payable specified in column (1) of the said table, is specified in column (3) thereof—

TABLE

(1) *Number of eligible children*	(2) *Annual rate of children's long-term compensation where there is a surviving widow of the beneficiary*	(3) *Annual rate of children's long-term compensation where there is not a surviving widow of the beneficiary*
1 child	One-quarter of the beneficiary's annual compensation	One-third of the beneficiary's annual compensation
2 or more children	One-half of the beneficiary's annual compensation	Two-thirds of the beneficiary's annual compensation

(3) For the purposes of paragraph (2), "the beneficiary's annual compensation" means any annual compensation which would have been payable to the beneficiary in accordance with these regulations, immediately before his death, if no account had been taken of any adjustment in accordance with regulations 6, 12, 13 or, insofar as concerns a reduction under paragraph 5 of Schedule 4, regulation 15, and—

(*a*) where the beneficiary, at the time of his death, was in a new employment in which he was not an officer, if no account had been taken of any adjustment in accordance with regulation 14; or

(*b*) where the beneficiary, at the time of his death was in a new employment in which he was an officer, if that annual compensation were reduced in accordance with regulation 15 on the assumption that the service referred to in paragraph 6(*b*)(ii) of Schedule 4 were the service which he would have been entitled to reckon as service if he had been, at the time of his death, a person such as is mentioned in regulation 18(1)(*b*)(i) of the Superannuation Regulations.

(4) Children's compensation shall be adjusted in the following manner—

(*a*) if an eligible child who has attained the age of 16 and to whom, or for whose benefit, children's long-term compensation is payable is in receipt of remuneration in respect of full-time training for a trade, profession or calling, at an annual rate in excess of £250, increased from time to time by the amount, by which an annual pension of £250 would be increased under the Pensions (Increase) Act (Northern Ireland) 1971(a), if the eligible child were in receipt of such a pension and that pension were specified in Part II of Schedule 2 to that Act and were one which began for the purposes of that Act on 1 April 1974, the annual rate of the children's long-term compensation shall be

(a) 1971 c. 35 (N.I.) as amended by Art. 69 of S.I. 1975/1503 (N.I. 15)

reduced by the amount of the excess less any reduction made in the children's long-term pension in respect of such excess under regulation 25(4) of the Superannuation Regulations or, if it would result in a smaller reduction of the children's long-term compensation, that child shall be disregarded for the purpose of calculating the amount of that compensation; and

(*b*) where the material date in relation to a beneficiary falls on or after the date on which these regulations come into operation and children's short-term or long-term compensation in respect of any period—

(i) exceeds the amount of the aggregate of periodic payments which the child receives in respect of that period, the compensation shall be reduced by that amount, or

(ii) does not exceed the amount of periodic payments which the child receives in respect of that period, the compensation shall not be payable.

(5) Children's short-term compensation and children's long-term compensation shall be payable to the same person and for the benefit of the eligible children in the same proportions, as the Northern Ireland Local Government Officers' Superannuation Committee decide that the children's short-term pension and children's long-term pension is, or (but for the transfer of benefits to another pension scheme) would be, paid in relation to those children under regulation 25 of the Superannuation Regulations.

Compensation of widowers, etc.

11.—(1) Subject to paragraph (2), a female beneficiary who—

(*a*) has either—

(i) a husband who on the material date is permanently incapacitated by reason of ill-health or infirmity of mind or body and who is wholly or mainly dependent on her, or

(ii) no husband, but has an eligible child or eligible children; and

(*b*) not later than—

(i) 13 weeks after the date upon which these regulations come into operation, or

(ii) one month after she is notified in accordance with regulation 16, of the compensation payable to her,

whichever is the later date, notifies the employing authority in writing that she wishes the provisions of this regulation to apply to her,

shall participate in the benefits provided by these regulations as if references therein to a male beneficiary and a man were references respectively to a female beneficiary and a woman; as if references to a wife and a widow were references respectively to a husband and a widower; and as if references to regulation 24(1) or 25(1) of the Superannuation Regulations were references to those regulations as modified by regulation 28 of the Superannuation Regulations.

(2) In any case where a female beneficiary has notified the Northern Ireland Local Government Officers' Superannuation Committee under the said regulation 28, the provisions of this regulation shall apply in relation to her as if she had given a notification within the meaning of paragraph (1).

PART IV

ADJUSTMENT

Adjustment of compensation to take account of redundancy payments

12. Where—

(*a*) the period of a beneficiary's additional service exceeds 6⅔ years; and

(*b*) he has received, or is entitled to receive, a redundancy payment in respect of the cessation of his former employment,

his compensation under these regulations shall be abated in accordance with Schedule 3.

Other payments

13.—(1) Subject to paragraphs (2) to (4), where a beneficiary receives a termination payment which:—

(*a*) is less than the amount of his lump sum compensation, that compensation shall be reduced by the amount of that payment; or

(*b*) is equal to or exceeds his lump sum compensation, that compensation shall not be payable.

(2) Where a beneficiary receives a termination payment which exceeds his lump sum compensation, his annual compensation shall be reduced by the amount of the excess, so that no instalment of annual compensation becomes payable to him until the aggregate of reductions equals the amount of the excess.

(3) Where a beneficiary receives a termination payment but he is, apart from the provisions in paragraph (1), not entitled to receive lump sum compensation, his annual compensation shall be reduced by the amount of the termination payment, so that no instalment of annual compensation becomes payable to him until the aggregate of reductions equals the amount of the termination payment.

(4) Where a beneficiary receives a termination payment or part thereof (in this paragraph referred to as "that payment") after he is credited with his additional service and his compensation has not on account of that payment, been abated in accordance with paragraph (1), paragraphs (1) and (2) or paragraph (3) his annual compensation shall be reduced by the amount of that payment so that no instalment of annual compensation becomes payable to him until the aggregate of reductions equals the amount of that payment.

(5) The annual compensation of a beneficiary in respect of any period shall:—

(*a*) if it exceeds the amount of the aggregate of periodic payments which he receives in respect of that period, be reduced by that amount; and

(*b*) if it does not exceed the amount of the aggregate of periodic payments which he receives in respect of that period, not be payable.

(6) In this regulation in relation to a beneficiary—

"annual compensation" means—

(i) for the purposes of paragraphs (2) and (3), the compensation payable to a beneficiary under regulation 5(3), adjusted as may be necessary in accordance with regulations 6, 12, 14 and 15;

(ii) for the purposes of paragraph (4), compensation as described in (i) adjusted as may be necessary in accordance with paragraphs (2) or (3); and

(iii) for the purposes of paragraph (5), compensation as described in (ii) adjusted as may be necessary in accordance with paragraph (4);

"lump sum compensation" means the compensation payable to him under regulation 5(2), adjusted as may be necessary in accordance with regulation 12; and

"termination payment" means the aggregate of any lump sum payments made to him by his employing authority, in consequence of or as compensation for the loss of his former employment under an enactment whenever enacted or under a contract or arrangement with that authority, but does not include—

(i) an excepted payment in relation to that employment; or

(ii) his lump sum compensation.

New employment

14.—(1) This regulation shall apply to a beneficiary who enters a new employment.

(2) The annual compensation payable to a beneficiary to whom this regulation applies shall, for so long as he holds a new employment, be reduced in accordance with Part I of Schedule 4.

(3) Where, in relation to any beneficiary, two or more awards of annual compensation fall to be reduced in accordance with this regulation, each such award shall be reduced in proportion to its amount.

(4) In this regulation and in Part I of Schedule 4, "annual compensation", in relation to a beneficiary, means:—

(*a*) subject to sub-paragraph (*b*), the annual compensation which would, apart from this regulation, be payable to him under these regulations; and

(*b*) in paragraph 1(*a*) of Schedule 4, the compensation payable to him under regulation 5(3).

Cessation of new employment

15.—(1) This regulation shall apply to a beneficiary who has ceased to hold a new employment in which he was an officer.

(2) The annual compensation of a beneficiary to whom this regulation applies shall, with effect from the day on which he becomes entitled to receive benefits under regulation 18 of the Superannuation Regulations in relation to his new employment, be abated in accordance with Part II of Schedule 4 if the aggregate of his service (to be taken into account, on cessation of his new employment, in the calculation of his retirement pension under the Superannuation Regulations) and the period of residual entitlement which he has to his credit (as described in Part II of Schedule 2) exceeds the service he would have been entitled to reckon if he had held—

(*a*) his former employment; or

(*b*) if a period of extra service has been granted to him in respect of one cessation of employment which occurred before the material date, that employment; or

(*c*) if a period of extra service has been granted to him in respect of more than one such cessation, the first such employment to cease,

until he had attained the age of 65 years.

(3) For the purposes of paragraph (2), the service of a beneficiary shall include service which, but for this paragraph, would have ceased to be reckoned as service by reason of a transfer value having been paid, as described in regulation 2(6)(*d*) of the Superannuation Regulations.

(4) In this regulation—

(*a*) "annual compensation", in relation to a beneficiary means the compensation payable to him under regulation 5(3), adjusted as may be necessary in accordance with—

(i) regulations 6 and 12; and

(ii) if he has held a previous new employment, this regulation, in relation to that employment but disregarding any reduction under paragraph 5 of Schedule 4; and

(*b*) "period of extra service" has the meaning given in paragraph 6(*b*) of Schedule 2; and

(*c*) "previous new employment" means a new employment which ceased before cessation of the new employment referred to in paragraph (1).

PART V
MISCELLANEOUS

Notification of compensation

16. An employing authority, after—

(*a*) crediting an eligible person with additional service, or

(*b*) the death of a beneficiary, or

(*c*) making any adjustment in accordance with Part III or IV,

shall as soon as reasonably practicable give the beneficiary, or such other person or persons to whom compensation is payable in accordance with these regulations, written notification of the compensation payable or of any adjustment and, in each case, of the calculation thereof.

Supply of information

17.—(1) A beneficiary, not later than one month after he enters or ceases to hold a new employment, shall give his employing authority written notification of that fact.

(2) A person to whom compensation is payable in accordance with these regulations shall furnish all such information as the employing authority may at any time reasonably require, and shall verify that information in such manner, including the production of documents in his possession or control, as may be reasonably so required.

Payment of compensation

18.—(1) Compensation (other than lump sum compensation) which is payable to a person under these regulations shall be payable at intervals equivalent to those at which his pension is or (but for the transfer of benefits to another pension scheme) would have been payable under the Superannuation Regulations, or at such other intervals as may be agreed between him and the authority that in accordance with regulation 19 pays the compensation.

(2) Subject to any statutory provision in that behalf, any compensation payable under these regulations, shall be payable to or in trust for, the person entitled to receive the compensation and shall not be assignable or chargeable with his debts or other liabilities.

(3) Without prejudice to any other right of recovery, any compensation paid in error may be recovered by the authority that in accordance with regulation 19 pays the compensation by deduction from any compensation payable under these regulations.

Paying authority

19.—(1) Subject to paragraph (2), compensation payable under these regulations shall be paid by the employing authority.

(2) The Northern Ireland Local Government Officers' Superannuation Committee, which under the Superannuation Regulations is required to maintain a superannuation fund in relation to a beneficiary to whom, or in respect of whom, compensation is payable under these regulations, may make arrangements with the employing authority to pay that compensation on their behalf and to recover the amount thereof from them immediately or at such intervals as may be agreed.

Sealed with the Official Seal of the Department of the Environment for Northern Ireland on 2nd March 1983.

(L.S.)

N. Hamilton

Assistant Secretary

SCHEDULE 1 Regulation 2

Employing authorities who may credit an officer with an additional period of service

(*a*) A district council;
(*b*) the Northern Ireland Local Government Officers' Superannuation Committee;
(*c*) the Northern Ireland Housing Executive;
(*d*) an Education and Library Board;
(*e*) the Fire Authority for Northern Ireland;
(*f*) the Local Government Staff Commission;
(*g*) the Staff Commission for Education and Library Boards;
(*h*) the Governors of the Ulster Polytechnic;
(*i*) the governing body of a college of education as defined in Article 2(2) of the Education and Libraries (Northern Ireland) Order 1972(a);
(*j*) the Management Board of a training school set up under the provision of section 138 of the Children and Young Persons Act (Northern Ireland) 1968(b);
(*k*) the Probation Board for Northern Ireland.

(a) S.I. 1972/1263 (N.I. 12) as amended by Art. 8(1) of S.I. 1978/1040 (N.I. 10)
(b) 1968 c. 34 (N.I.) as substituted by Sch. 16 to S.I. 1972/1265 (N.I. 14)

SCHEDULE 2

Other entitlement

PART I

Disqualifying entitlement Regulation 3(*b*)

1. Long-term compensation or retirement compensation under regulations made under section 137 of the Local Government Act (Northern Ireland) 1972(a), or any instrument made under any provision to the like effect in any other enactment (whenever enacted).

PART II

Residual entitlement
Regulations 3(*c*)(iv), 4(*b*) and 15(2)

2. Where a person has been granted a period of extra service in respect of the cessation of an employment before the material date, he shall, for the purposes of regulations 3(*c*)(iv) and 4(*b*), have to his credit a period of residual entitlement, which shall be calculated in accordance with paragraph 4.

3. Where a beneficiary ceases to hold a new employment, he shall, for the purposes of regulation 15(2), have to his credit a period of residual entitlement, which shall be calculated in accordance with paragraph 5.

4. For the purposes of regulations 3(*c*)(iv) and 4(*b*), a person's period of residual entitlement shall, subject as mentioned in paragraph 6(*d*), be—

(*a*) the aggregate of—

(i) the period of extra service granted to him, reduced as may be necessary in accordance with paragraph 6(*e*); and

(ii) the period of his former employment; and

(iii) the aggregate of any periods, between the first cessation and the commencement of the former employment during which he was such an officer;

less

(*b*) the period beginning with the day immediately following his first cessation and ending on the day on which he ceased to hold his former employment.

5. For the purposes of regulation 15(2), a beneficiary's period of residual entitlement shall be the aggregate of—

(*a*) any period of extra service granted to him, reduced as may be necessary in accordance with paragraph 6(*e*); and

(*b*) the period of his additional service, reduced as may be necessary in accordance with paragraph 6(*f*).

6. In this Part—

(*a*) the "first cessation" in relation to a person, means—

(i) if a period of extra service has been granted to him in respect of one cessation of employment, that cessation, or

(ii) if a period of extra service has been granted to him in respect of more than one such cessation, the first cessation;

(*b*) "period of extra service", in relation to a person, means the period by which his reckonable service has been increased or the period of service with which he has been credited, before the material date, for the purpose of calculating:—

(i) retirement compensation under an Act or under regulations made under section 137 of the Local Government Act (Northern Ireland) 1972, or a similar instrument, on account of loss of employment; or

---

(a) 1972 c. 9 (N.I.)

(ii) benefit under regulations made under Article 3 of the Superannuation (Northern Ireland) Order 1973(a) or a similar instrument; or

(iii) compensation under any scheme made under Article 3 of the Superannuation (Northern Ireland) Order 1972(b) or a similar instrument, on account of his retirement in the public interest; or

(iv) compensation under an Act or under these regulations or any other regulations made under Article 19 of the Superannuation (Northern Ireland) Order 1972, or a similar instrument, on account of his ceasing to hold an employment with an authority by reason of redundancy or in the interests of the efficient exercise of the functions of that authority;

or if more than one period of extra service has been granted to him, the aggregate of those periods;

(*c*) "similar instrument" means any instrument made under any provision to the like effect in any other enactment (whenever enacted);

(*d*) in a case where the period described in paragraph 4(*b*) exceeds that described in paragraph 4(*a*), no account shall be taken of the excess; and

(*e*) where a person, after his first cessation, has ceased to hold an employment and his:—

(i) period of extra service has been reduced by, or

(ii) annual compensation or benefit, attributable to a period of extra service, has been reduced on account of,

the period of that employment or a part thereof (in this sub-paragraph referred to as "that period"), his period of extra service shall, for the purposes of paragraph 4(*a*) or, as the case may be, 5(*a*), be reduced by that period; and

(*f*) where there has been an abatement of a beneficiary's annual compensation in accordance with regulation 15 on account of a period of previous new employment or a part thereof (in this sub-paragraph referred to as "that period"), the period of his additional service shall, for the purposes of paragraph 5(*b*), be reduced by that period; and in this sub-paragraph "annual compensation" has the meaning given in regulation 15(4)(*a*), and "previous new employment" has the meaning given in regulation 15(4)(*c*).

PART III

Previous entitlement — Regulation 5(4)

7. Where a beneficiary has become entitled to receive a lump sum, or an allowance for life or other period, under an enactment whenever enacted or under a contract or arrangement with his employer as compensation for loss of an employment, or his retirement or removal from an employment, which loss, retirement or removal occurred before the material date and that lump sum or allowance—

(*a*) is not compensation or benefit described in paragraph 6(*b*) or an excepted payment in relation to that employment, and

(*b*) was calculated by reference to a period of service which the employing authority has taken into account for the purpose of granting him additional service,

he is previously entitled to a lump sum or an allowance for the purposes of regulation 5.

8. The amount of the lump sum or allowance to which a beneficiary is previously entitled shall be ascertained in the following manner—

(*a*) for the purposes of regulation 5(2), the amount is an amount equal to—

$$A \times \frac{C}{D}$$ and

(*b*) for the purposes of regulations 5(3), the amount is an amount equal to—

$$B \times \frac{C}{D},$$

(a) S.I. 1973/962 (N.I. 13)
(b) S.I. 1972/1073 (N.I. 10)

where

A is the amount of the lump sum referred to in paragraph 7;

B is the annual rate of the allowance which is payable in respect of a period referred to in regulation 5(3)(*b*);

C is the period of service referred to in paragraph 7(*b*), expressed in years and fractions of a year; and

D is the period of service which the employer took into account for the purpose of granting him the lump sum or allowance referred to in paragraph 7 expressed in years and fractions of a year.

SCHEDULE 3 Regulation 12

Adjustment on account of certain redundancy payments

1. The compensation of a beneficiary to whom regulation 12 applies shall be abated as follows—

(*a*) where his lump sum compensation—

(i) exceeds the amount ascertained under paragraph 2, it shall be reduced by that amount, or

(ii) is equal to the amount ascertained under that paragraph, it shall not be payable; or

(iii) is exceeded by the amount ascertained under that paragraph, it shall not be payable, and his annual compensation shall be reduced in accordance with sub-paragraph (*b*); and

(*b*) his annual compensation shall be reduced by an amount the capital value whereof is equal to—

(i) the outstanding balance (if any), or

(ii) where he is, apart from the provisions of sub-paragraph (*a*), not entitled to receive lump sum compensation, the amount ascertained under paragraph 2,

such reduction to be calculated in accordance with paragraph 3.

2. The amount ascertained under this paragraph is equal to:—

$$\left\{\frac{3R}{10} \times E\right\} - Y,$$

where—

E is the period of the beneficiary's additional service, expressed in years and fractions, which is in excess of 6⅔ years;

R is the amount of the redundancy payment referred to in regulation 12(*b*);

Y is any amount by which that payment is reduced in accordance with the Contracts of Employment and Redundancy Payments (Pensions) Regulations (Northern Ireland) 1965(a);

but—

(*a*) where an employing authority abates the payment of any part of R which is described in (*b*) of the definition of "redundancy payment" in regulation 2(2) in accordance with a contract or arrangement, the amount calculated in accordance with the formula specified above shall be reduced by the amount of that abatement, and

(*b*) no account shall be taken of an amount calculated in accordance with that formula if it is less than zero.

(a) S.R. & O. (N.I.) 1965 No. 246

3. The amount by which the annual compensation payable to a beneficiary is to be reduced in the circumstances described in paragraph 1(*b*) shall be calculated in accordance with the following table:—

Age last birthday	*Reduction of annual compensation per £100 of the outstanding balance of the amount ascertained under paragraph 2*	
	Male	*Female*
50	6.26	5.43
51	6.36	5.48
52	6.47	5.55
53	6.61	5.64
54	6.77	5.75
55	6.96	5.87
56	7.17	6.01
57	7.40	6.16
58	7.64	6.32
59	7.89	6.49
60	8.15	6.67
61	8.43	6.87
62	8.73	7.08
63	9.05	7.32
64	9.39	7.58

4. In this Schedule—

(*a*) "annual compensation" means the compensation payable to a beneficiary under regulation 5(3);

(*b*) "lump sum compensation" means the compensation payable to a beneficiary under regulation 5(2); and

(*c*) "outstanding balance" means the amount of the excess described in paragraph 1(*a*)(iii).

SCHEDULE 4 Regulation 14(2)

Adjustment on Account of New Employment

PART I

Reduction of Annual Compensation During New Employment

1. Subject to paragraph 2, the rate of annual compensation payable to a beneficiary in respect of a period during which he holds a new employment shall, if during that period the aggregate of the annual rate of—

(*a*) annual compensation payable to him, and

(*b*) remuneration of his new employment, and

(*c*) pension payable to him in relation to his former employment,

exceeds the annual rate of remuneration of his former employment, be reduced by the amount of the excess.

2. If, concurrently with his former employment and during the period of 12 months ending on the material date, the beneficiary held any other employment with an associated body (in this part referred to as "concurrent employment") then if either—

(*a*) he ceased to hold a concurrent employment before the material date, without having become entitled to receive a pension in relation thereto, and enters new employment within 12 months after ceasing to hold the concurrent employment; or

(*b*) he ceases to hold a concurrent employment on or after the material date, without having become entitled to receive a pension in relation thereto, and thereafter has entered new employment;

his annual compensation shall—

(i) not be reduced in relation to his new employment, unless he spends in that employment a time materially greater than the time which he spent in the concurrent employment during the year ending on the day on which he ceased to hold that concurrent employment; and

(ii) if he spends in his new employment a time materially greater than the time which he spent in the concurrent employment during that year, be reduced only to the extent by which the aggregate of the annual compensation, the annual rate of remuneration of his new employment, and the annual rate of the pension payable to him in relation to his former employment exceeds the aggregate of the annual rate of remuneration of his former employment and the annual rate of remuneration of the concurrent employment during that year.

3. For the purposes of this Part—

(*a*) "pension" means a pension under regulation 18(1)(*a*), (*b*) or (*d*) of the Superannuation Regulations and includes—

(i) a pension under the previous Superannuation Regulations; and

(ii) the pension that would be payable to a beneficiary under regulation 18 of the Superannuation Regulations but for any transfer of benefits to another pension scheme or fund;

(*b*) references to the annual rate of pension, of the remuneration of a former employment and of the remuneration of a concurrent employment are references to the annual rate of such a pension or remuneration increased by the amount (if any) by which an annual pension of an amount equal to the annual rate of that pension or remuneration would have been increased under the Pensions (Increase) Act (Northern Ireland) 1971(a) during the period ending with the day immediately preceding the day on which the beneficiary entered the new employment if he were in receipt of such a pension and that pension were specified in Part II of Schedule 1 to the Pensions (Increase) Act (Northern Ireland) 1971 and were one which began for the purposes of the said Act on the day the pension began or, as the case may be, the day immediately following the day on which he ceased to hold employment and he had, on the day on which the pension began or, as the case may be, he ceased to hold the employment, attained the age of 55 years; and

(a) 1971 c. 35 (N.I.) as amended by Art. 69 of S.I. 1975/1503 (N.I. 15)

(c) "the previous Superannuation Regulations" means regulations made under the Local Government (Superannuation) Act (Northern Ireland) 1950(a) or under Article 9 of the Superannuation (Northern Ireland) Order 1972(b) which were in force immediately before 1st May 1981.

PART II

Regulation 15(2)

Reduction of Annual Compensation on Cessation of New Employment

4. In this Part, "reduced annual compensation", in relation to a beneficiary, means his annual compensation reduced by an annual sum equal to the product of—

(a) the amount calculated in accordance with paragraph 6, and

(b) the fraction, ascertained in accordance with regulation 20 of the Superannuation Regulations, which was used in determining the rate of his annual compensation under regulation 5(3);

and shall, subject to the provisions of paragraphs 5 and 6, be payable to him in lieu of his annual compensation; and in this paragraph "annual compensation" has the meaning given in regulation 15(4)(a).

5. Where a beneficiary, on cessation of his former employment, became entitled to lump sum compensation, his reduced annual compensation shall be reduced by an amount equal to the product of—

(a) the amount calculated in accordance with paragraph 6, and

(b) the fraction, ascertained in accordance with regulation 20 of the Superannuation Regulations, which is used in determining the amount of his lump sum compensation,

so that no instalment of reduced annual compensation becomes payable to him until the aggregate of reductions equals the amount of the said product; and in this paragraph, "lump sum compensation" means the compensation payable to the beneficiary under regulation 5(2).

6. An amount calculated in accordance with this paragraph shall be an amount equal to the product of—

(a) the average remuneration of the beneficiary's former employment or the average remuneration of his new employment, whichever is the lesser and

(b) the shortest of the following three periods (expressed in years and fractions of a year)—

(i) the period of his additional service; or

(ii) the service he is entitled to reckon in relation to his new employment, as described in regulation 15(2), or

(iii) the period of excess referred to in regulation 15(2);

and for the purposes of this paragraph, in comparing the average remuneration of the beneficiary's former employment with that of his new employment, the average remuneration of his new employment shall be the amount of that remuneration reduced by a fraction thereof where—

(1) The numerator of the fraction is equivalent to the aggregate of the amount of increases which would have been awarded under the Pensions (Increase) Act (Northern Ireland) 1971 in respect of the period beginning with the day following cessation of the former employment and ending on the day the person becomes entitled to a pension in respect of the new employment (notwithstanding that the right to the payment of such pension may be deferred), on an official pension (within the meaning of that Act) of £100 a year which commenced from the first mentioned day, and

(2) the denominator of the fraction is equivalent to the aggregate of an official pension of £100 and the amount of the increases so determined.

(a) 1950 c. 10 (N.I.)
(b) S.I. 1972/1073 (N.I. 10)

EXPLANATORY NOTE

(This note is not part of the Regulations.)

These regulations provide for the payment of compensation to certain persons pensionable under the Local Government (Superannuation) Regulations (Northern Ireland) 1981 who cease to hold employment by reason of redundancy or in the interest of the efficiency of their employing authorities. The compensation is awarded at the employer's discretion and takes the form of added years reckonable for superannuation benefits payable under the Local Government Superannuation Scheme. The employing authorities to whom the regulations apply are specified in Schedule 1.

Part II sets out the requirements necessary to qualify for compensation and the limitations on the number of additional years which may be awarded. Regulation 3 specifies that an eligible person must be aged at least 50 and not more than 65; have at least 5 years' service; and must not be entitled to claim long-term or retirement compensation (commonly known as Crombie compensation) in respect of the same loss of employment. At the employer's discretion up to 10 years additional service may be added but the resultant total service must not exceed 40 years or the total which would have been earned had the beneficiary remained in employment until the age of 65 (Regulation 4).

Part III sets out the method of calculation and the forms of compensation. Regulation 5 provides that compensation for the additional service is calculated as if the service were reckonable for superannuation purposes and increases in lump sum and annual pension are payable accordingly. However, a reduction will be made for certain compensation, due to a previous loss of employment, which was based on service which overlaps with the service taken into account for the purpose of awarding added years under regulation 4. Compensation for widows, children and widowers is dealt with in regulations 6-11.

Part IV relates to the adjustment of compensation in certain circumstances. Under regulation 12, where a beneficiary is credited with more than 6⅔ additional years and is also entitled to a redundancy payment, the compensation is reduced in accordance with the formula in paragraph 2 of Schedule 3. Deductions are required under regulation 13 for any lump sum or pension payable under certain enactments or under a contract with an employer in respect of the current loss of employment. A beneficiary who enters new employment is subject to the reductions set out in regulations 14 and 15 and Schedule 4.

Part V contains miscellaneous provisions as to procedure. Regulation 19 makes it clear that while the cost of the compensation must be borne by the employer, payments may be made on an agency basis by the Northern Ireland Local Government Officers' Superannuation Committee.

In accordance with Article 19(3)(*c*) of the Superannuation (Northern Ireland) Order 1972, the regulations have retrospective effect, as compensation may be awarded to or in respect of a person who ceased employment on or after 29 March 1976.