1960 No. 1270

The National Insurance (Modification of the Superannuation Acts) Regulations, 1960

Made - - - -	*25th July*, 1960
Laid before Parliament	*28th July*, 1960
Coming into Operation	*3rd April*, 1961

The Lords Commissioners of Her Majesty's Treasury, having determined under subsection (4) of section 69 of the National Insurance Act, 1946(**a**), that they are the appropriate Government department in relation to the scheme for the provision of pensions established by the Superannuation Acts, 1834 to 1960, and in exercise of the powers conferred upon them by the said subsection as extended by section 15 of the National Insurance Act, 1959(**b**), and of all other powers enabling them in that behalf, hereby make the following Regulations:—

1. Where a superannuation allowance is granted under the Superannuation Acts to a person who, immediately before he ceased to be employed in the civil service of the State, was employed in a non-participating employment, so much of his superannuation allowance as is equal to the amount of his notional graduated retirement benefit shall, notwithstanding anything in the Superannuation Acts, not be capable of being terminated or suspended except for such causes as may be prescribed by regulations made by the Minister of Pensions and National Insurance under paragraph (*c*) of subsection (1) of section 8 of the Act of 1959.

2.—(1) Where a person who is employed in the civil service of the State in a non-participating employment, or who, immediately before he ceased to be employed in the civil service of the State, was employed in a non-participating employment, surrenders part of a superannuation allowance under section 2 of the Superannuation Act, 1935(**c**), the part of the allowance surrendered by him shall, notwithstanding anything in that section or any Rules made thereunder, not exceed the difference between the amount of the allowance and his notional graduated retirement benefit.

(2) Where a person who, immediately before he ceased to be employed in the civil service of the State, was employed in a non-participating employment surrenders part of a superannuation allowance under section 33 of the Superannuation Act, 1949(**d**), the part of the allowance surrendered by him under that section together with any part thereof surrendered under section 2 of the Superannuation Act, 1935, shall, notwithstanding anything in the said section 33 or any Rules made thereunder, not exceed the difference between the amount of the allowance and his notional graduated retirement benefit.

3. Where—

(*a*) an allowance under section 6 of the Superannuation Act, 1909(**e**), (which relates to compensation for abolition of office) has been granted to a

(**a**) 9 & 10 Geo. 6. c. 67. (**b**) 7 & 8 Eliz. 2. c. 47. (**c**) 25 & 26 Geo. 5. c. 23.
(**d**) 12, 13 & 14 Geo. 6. c. 44. (**e**) 9 Edw. 7. c. 10.

person who, immediately before he ceased to be employed in the civil service of the State, was employed in a non-participating employment, and

(*b*) he makes an application under the Pensions Commutation Acts, 1871 to 1882, for the commutation of the said allowance or a portion thereof by the payment of a capital sum of money,

so much of the said allowance as is equal to the amount of his notional graduated retirement benefit shall, notwithstanding anything in the Pensions Commutation Acts, 1871 to 1882, not be capable of being commuted under those Acts.

4.—(1) Where—

(*a*) a person to whom a superannuation allowance is granted under the Superannuation Acts is entitled to graduated retirement benefit, or would be so entitled if he were over pensionable age and had retired from regular employment, and

(*b*) the whole or any part of such graduated retirement benefit is attributable to graduated contributions paid, or treated by virtue of subsection (3) of section 7 of the Act of 1959 as having been paid, by him during any period of his reckonable service in respect of his employment in the civil service of the State, and

(*c*) the number of units of such graduated contributions, ascertained in accordance with subsections (3) and (4) of section 4 of the Act of 1959, exceeds four,

his superannuation allowance shall, in respect of any period after he has attained pensionable age, be reduced in accordance with the next following paragraph.

(2) The yearly rate of such person's superannuation allowance shall be reduced by one pound six shillings for every unit, ascertained in accordance with subsections (3) and (4) of section 4 of the Act of 1959, of graduated contributions paid, or treated by virtue of subsection (3) of section 7 of that Act as having been paid, by him during any period of his reckonable service in respect of his employment in the civil service of the State.

5.—(1) In these Regulations, the following expressions have the meanings hereby respectively assigned to them, that is to say:

"the Act of 1959" means the National Insurance Act, 1959;

"graduated contributions" means graduated contributions under the Act of 1959;

"graduated retirement benefit" means graduated retirement benefit under the Act of 1959;

"non-participating employment" has the meaning assigned to it by subsection (2) of section 7 of the Act of 1959;

"non-participating service" means, in relation to any person, so much of his service in a non-participating employment after the fifth day of April, nineteen hundred and sixty-one, as is either—

(*a*) service in the civil service of the State, or

(*b*) other service which is reckonable service;

"notional graduated retirement benefit" means, in relation to any person, the amount, expressed as a yearly rate, of the graduated retirement benefit which would be payable to him in return for an amount of graduated contributions equal to one such contribution paid in each week of the period of his non-participating service in respect of a weekly payment of remuneration of fifteen pounds;

"pensionable age" has the meaning assigned to it by subsection (1) of section 78 of the National Insurance Act, 1946;

"reckonable service" means, in relation to any person, service which is reckonable for the purpose of determining the amount of his superannuation allowance;

"the Superannuation Acts" means the Superannuation Acts, 1834 to 1960;

"superannuation allowance" includes any annual superannuation, compensation or retiring allowance payable under the Superannuation Acts, but does not include any annual allowance granted in the case of injury arising from service in accordance with the terms of a Treasury warrant made under section 41 of the Superannuation Act, 1949.

(2) Any reference in these Regulations to the provisions of any enactment shall be construed, except where the context otherwise requires, as a reference to those provisions as amended or re-enacted by any subsequent enactment.

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

6. These Regulations may be cited as the National Insurance (Modification of the Superannuation Acts) Regulations, 1960, and shall come into operation on the third day of April, nineteen hundred and sixty-one.

Dated this 25th day of July, nineteen hundred and sixty.

Michael Hughes-Young,
R. Chichester-Clark,
Two of the Lords Commissioners of Her Majesty's Treasury.

EXPLANATORY NOTE

(This Note is not part of these Regulations, but is intended to indicate their general purport.)

The purpose of these Regulations is to modify the Superannuation Acts, 1834 to 1960, in connection with the operation of the provisions of the National Insurance Act, 1959.

By virtue of Section 7 (2) of that Act, an employment may not be contracted out of the graduated National Insurance scheme unless those employed in it qualify for equivalent pension benefits. Section 8 (1) of the Act lays down the conditions which must be satisfied if an occupational pension scheme is to be treated as providing equivalent pension benefits. The purpose of Regulations 1 to 3 of these Regulations is to modify the Superannuation Acts so that the superannuation allowances payable to established civil servants will satisfy these conditions. Regulation 1 prevents the termination or suspension (except for prescribed causes) of so much of a superannuation allowance as is equivalent to the amount of graduated pension which would be payable if graduated contributions were paid at the maximum rate (i.e., on earnings of £15 a week) throughout a like period of service. Regulations 2 and 3 prevent the surrender or commutation of a similar portion of a superannuation allowance.

(a) 52 & 53 Vict. c. 63.

Regulation 4 provides for the reduction of the superannuation allowance payable during any period after age 65 (60 for women) to an established civil servant who is entitled to a graduated National Insurance pension, where any of the graduated pension is attributable to service in the Civil Service which is reckonable for determining the amount of his superannuation allowance. The amount of the reduction is equivalent to the amount of graduated pension attributable to such service, except in respect of service after age 65 (60 for women) where it may be less than the full equivalent.