STATUTORY INSTRUMENTS

# 1965 No. 836

# WATER RESOURCES, ENGLAND AND WALES

## The River Authorities (Compensation) Regulations 1965

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| *Made* - - - - | *5th April* 1965 |
| *Laid before Parliament* | *14th April* 1965 |
| *Coming into Operation* | *15th April* 1965 |

The Minister of Housing and Local Government, the Minister of Agriculture, Fisheries and Food and the Minister of Transport, so far as these regulations apply to loss of employment or loss or diminution of emoluments in consequence of any such order or agreement as is mentioned in section 82(9) of the Water Resources Act 1963(a), and the Minister of Housing and Local Government and the Minister of Agriculture, Fisheries and Food, so far as these regulations relate to any other such loss or diminution as is mentioned in section 106(1) of the said Act, in exercise of the powers conferred on them by the said section 106, by that section as applied by the Thames Conservancy (New Functions of River Authorities in Thames Catchment Area) Order 1964(b), the Lee Conservancy Catchment Board (New Functions of River Authorities) Order 1965(c) and section 7 of the Isle of Wight River and Water Authority Act 1964(d), and of all other powers enabling them in that behalf and after consultation with the Council on Tribunals in accordance with section 8 of the Tribunals and Inquiries Act 1958(e), hereby make the following regulations:—

### PART I

### PRELIMINARY

*Citation and commencement*

**1.** These regulations may be cited as the River Authorities (Compensation) Regulations 1965, and shall come into operation on 15th April 1965.

*Interpretation*

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

"accrued pension" in relation to a pensionable officer who has suffered loss of employment, means—

(*a*) if the pension scheme to which the officer was last subject before losing his employment provided benefits in which he had no right to participate but had reasonable expectations of participating, such portion of any pension benefit of which he had reasonable expectations as the compensating authority considers equitable, having regard to his age, the length of his employment at the date of loss and all the other circumstances of the case; and

(a) 1963 c. 38. (b) S.I. 1964/1251. (c) S.I. 1965/701.
(d) 1964 c. xxv. (e) 6 & 7 Eliz. 2. c. 66.

(*b*) in any other case the pension to which he would have become entitled in respect of his pensionable service according to the method of calculation (modified where necessary in accordance with regulations 23(2) and 41 of these regulations) prescribed by the pension scheme to which he was last subject before suffering loss of employment if at the date on which he ceased to be subject thereto he had attained normal retiring age and complied with any requirement of the said scheme as to a minimum period of qualifying service or contribution and completed any additional contributory payments or payments in respect of added years which he was in the course of making;

"accrued retiring allowance" in relation to a pensionable officer who has suffered loss of employment, means—

(*a*) if the pension scheme to which the officer was last subject before losing his employment provided benefits in which he had no right to participate, but had reasonable expectations of participating, such portion of any lump sum payment of which he had reasonable expectations as the compensating authority consider equitable, having regard to his age, the length of his employment at the date of loss and all the other circumstances of the case; and

(*b*) in any other case any lump sum payment to which he would have become entitled in respect of his pensionable service according to the method of calculation (modified where necessary in accordance with regulations 23(2) and 41 of these regulations) prescribed by the pension scheme to which he was last subject before suffering loss of employment if at the date on which he ceased to be subject thereto he had attained normal retiring age and complied with any requirement of the said scheme as to a minimum period of qualifying service or contribution and completed any additional contributory payments or payments in respect of added years which he was in the course of making;

"accrued incapacity pension" and "accrued incapacity retiring allowance" have the same respective meanings as "accrued pension" and "accrued retiring allowance" except that the reference to a person's having attained normal retiring age shall be construed as a reference to his having become incapable of discharging efficiently the duties of his employment by reason of permanent ill-health or infirmity of mind or body;

"the Act" means the Water Resources Act 1963;

"added years" in relation to a person who suffers loss of employment means—

(*a*) in the case of a contributory employee or local Act contributor any additional years of service reckonable by him in his employment immediately prior to the loss in question under regulation 12 of the Local Government Superannuation (Benefits) Regulations 1954(**a**), any corresponding provision of a local Act scheme, or that regulation or any such provision as aforesaid 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 Superannuation (Miscellaneous Provisions) Act 1948(**b**), or any other enactment; and

(**a**) S.I. 1954/1048 (1954 II, p. 1595). (**b**) 11 & 12 Geo. 6. c. 33.

(*b*) in the case of any other person, any additional years of service, similar to those mentioned in the last foregoing sub-paragraph, reckonable by him under the pension scheme associated with the employment he has lost;

" additional contributory payments " means—

(*a*) additional contributory payments of the kind referred to in section 2(3) and (4) of the Local Government Superannuation Act 1953(a); or

(*b*) any similar payments made under a local Act scheme or other pension 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 scheme provides for the reckoning of non-contributing service, as contributing service for the purposes of the scheme; or

(*c*) 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; or

(*d*) any payments similar to any of those mentioned in the foregoing sub-paragraphs made in pursuance of rules under section 2 of the Superannuation (Miscellaneous Provisions) Act 1948;

" compensating authority " means—

(*a*) in relation to any person who suffers loss of employment or loss or diminution of emoluments while in the employment of a river authority or in employment under an officer of a river authority for the purposes of the functions of the authority, that river authority; and

(*b*) in relation to any other person or to any class of persons employed by any transferor authority, or under an officer of a transferor authority for the purposes of the authority, the river authority to whom any functions or property of the transferor authority are transferred by or under the Act, or where an authority is specified in any order under section 10 or in any order or agreement under section 82 of the Act as the compensating authority for the purposes of these regulations in relation to that person or class, that authority;

" contributory employee " and " local Act contributor " have the same meanings as in the Local Government Superannuation Act 1937(b);

" drainage authority " has the meaning assigned by section 81 of the Land Drainage Act 1930(c);

" emoluments " means all salary, wages, fees and other payments paid or made to an officer as such for his own use, and includes the money value of any apartments, rations or other allowances in kind appertaining to his employment, but does not include payments for overtime, other than payments which are a usual incident of his employment, or any allowances payable to him to cover the cost of providing office accommodation or clerical or other assistance, or any travelling or subsistence allowance or other moneys to be spent, or to cover expenses incurred by him, for the purposes of his employment; and

" net emoluments " means—

(*a*) in relation to an employment which has been lost or in which an officer has suffered a diminution of emoluments, the annual rate (subject to regulation 41 of these regulations) of the emoluments

(a) 1 & 2 Eliz. 2. c. 25. (b) 1 Edw. 8 & 1 Geo. 6. c. 68. (c) 20 & 21 Geo. 5. c. 44.

of that employment immediately before such loss or diminution, less such part of those emoluments as the officer was then liable to contribute under any pension scheme associated with his employment, except any periodical sum payable in respect of additional contributory payments; and

(*b*) in relation to any other employment, the annual rate of the emoluments of that employment at the time in question, less such part of those emoluments as the officer was then liable to contribute under any pension scheme associated with his employment:

Provided that where fees were paid to a person as part of his emoluments during any year prior to that immediately preceding the loss or diminution, the amount in respect of fees to be included in the annual rate of emoluments mentioned in sub-paragraph (*a*) hereof shall be the annual average of the fees paid to him during the period of five years immediately preceding the loss or diminution, or such shorter period, as may be reasonable in the circumstances;

"local authority" means the council of a county, county borough, metropolitan borough, London borough, county district, rural parish or borough included in a rural district, the Greater London Council, the Common Council of the City of London and the council of the Isles of Scilly, any two or more of those authorities acting jointly and any joint committee, combined authority or joint board and a police authority for a county, a borough or a combined police area;

"long-term compensation" means compensation payable in accordance with the provisions of Part IV of these regulations for loss of employment or loss or diminution of emoluments;

"material date" in relation to any person or class of persons who suffer loss of employment or loss or diminution of emoluments, means—

(*a*) where the loss or diminution is in consequence of any of the provisions of section 5 of Part IX of the Act, 1st April 1965 or the date on which the loss or diminution occurred, whichever is the earlier; and

(*b*) where the loss or diminution is in consequence of any order under section 10 or any order or agreement under section 82 of the Act,

(i) for the purposes of regulations 3 and 5 of these regulations, the date of the making of the order or agreement, and

(ii) for any other purpose of these regulations, the date of operation of the order or agreement, or such other date or dates (if any) as may be specified in the order or agreement in relation to that person or class;

"minimum pensionable age" means, in relation to a pensionable officer, the earliest age at which, under the pension scheme associated with the employment he has lost or the emoluments of which have been diminished, he could have become entitled to a pension other than a pension payable in consequence of his incapacity to discharge efficiently the duties of his employment by reason of permanent ill-health or infirmity of mind or body;

" Minister " means the Minister of Housing and Local Government;

" national service " means service which is relevant service within the meaning of the Reserve and Auxiliary Forces (Protection of Civil Interests) Act 1951(a), and includes service immediately following such service as aforesaid, being service in any of Her Majesty's naval, military or air forces pursuant to a voluntary engagement entered into with the consent of the authority or person under whom he held his last relevant employment;

" normal retiring age " means, in the case of a pensionable officer to whom an age of compulsory retirement applied by virtue of any pension scheme to which he was subject in the employment he has lost or the emoluments of which have been diminished or by virtue of the conditions of that employment, that age, and, in any other case, the age of sixty-five years if the officer is a male, or sixty years if the officer is a female;

" office " means any place, situation or employment and the expression " officer " shall be construed accordingly;

" pensionable officer " in relation to an officer who has suffered loss of employment, or loss or diminution of emoluments, means an officer who immediately before such loss or diminution was subject to a pension scheme;

" pension scheme " means a scheme for the payment of superannuation benefits to a person as part of the terms and conditions of any employment held by him;

" reckonable service " in relation to a person means any period of whole-time or part-time employment in any relevant employment and includes any period of war service or national service undertaken on the person's ceasing to hold any such employment, but does not include employment of which account has been taken, or is required to be taken, in calculating the amount of any superannuation benefit to which the person has become entitled;

" relevant employment " means employment—

(*a*) under the Crown or in the service of any local authority in Great Britain, or of any river authority, navigation authority, harbour authority, conservancy authority, statutory water undertakers, river board, drainage authority or of any other authority from whom functions or property were transferred by or under the River Boards Act 1948(b), or

(*b*) by any authority or body in Great Britain for the purposes of functions exercisable by the Crown or any local authority or other authority or board mentioned in paragraph (*a*) of this definition, or

(*c*) under any officer employed as mentioned in either of the foregoing paragraphs of this definition for the purposes of the functions of the employing authority or body, or

(*d*) preceding any of the foregoing employments which was reckonable for the purposes of any pension scheme associated with the employment which has been lost, or

(*e*) in such other service as the Minister may, in the case of any named officer, approve;

(a) 14 & 15 Geo. 6. c. 65. (b) 11 & 12 Geo. 6. c. 32.

" resettlement compensation " means compensation payable in accordance with Part III of these regulations for loss of employment suffered by a person to whom these regulations apply ;

" retirement compensation " means compensation payable in accordance with the provisions of regulation 18, 19, 20 or 21 of these regulations ;

" river authority " means a river authority established by virtue of section 3 of the Act and includes the Conservators of the River Thames, the Lee Conservancy Catchment Board and the Isle of Wight River and Water Authority ;

" transferor authority " means any authority from whom any functions or property are transferred by or under the Act or were transferred by or under the River Boards Act 1948 ;

" tribunal " means a referee or board of referees appointed by the Minister of Labour after consultation with the Lord Chancellor ;

" war service " means war service within the meaning of the Local Government Staffs (War Service) Act 1939(a), the Teachers Superannuation (War Service) Act 1939(b), the Police and Firemen (War Service) Act 1939(c) or employment for war purposes within the meaning of the Superannuation Schemes (War Service) Act 1940(d) and includes any period of service in the First World War in the armed forces of the Crown or in the forces of the Allied or Associated Powers if such service immediately followed a period of relevant employment and was undertaken either compulsorily or with the permission of the employer in that employment.

(2) Where under any provision of these regulations an annual value is to be assigned to a capital sum or a capital value to an annual amount, the annual or capital value shall be ascertained in accordance with tables for the time being approved by the Minister for the purpose of these regulations.

(3) Unless the context otherwise requires, references in these regulations to the provisions of any enactment, rule, regulation, order or scheme shall be construed as references to those provisions as amended or re-enacted by any subsequent enactment, rule, regulation, order or scheme.

(4) Any reference in these regulations to a section of the Act shall be construed as including a reference to that section as applied by the Thames Conservancy (New Functions of River Authorities in Thames Catchment Area) Order 1964, the Lee Conservancy Catchment Board (New Functions of River Authorities) Order 1965, or section 7 of the Isle of Wight River and Water Authority Act 1964.

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

## PART II

## ENTITLEMENT TO COMPENSATION

*Persons to whom the regulations apply*

**3.** These regulations shall apply to any person who—

(*a*) is employed immediately before the material date, either for the whole or for a part only of his time, as an officer of any river authority or transferor authority or under such an officer for the purposes of the functions of the authority, or

(a) 2 & 3 Geo. 6. c. 94. (b) 2 & 3 Geo. 6. c. 95.
(c) 2 & 3 Geo. 6. c. 103. (d) 3 & 4 Geo. 6. c. 26.
(e) 52 & 53 Vict. c. 63.

(*b*) would be so employed at that time but for any national service on which he is then engaged.

*Grounds of entitlement to compensation*

**4.** Subject to the provisions of these regulations, every person to whom these regulations apply and who suffers loss of employment or loss or diminution of emoluments in consequence of—

(*a*) any of the provisions of section 5 or Part IX of the Act, or

(*b*) any order under section 10 of the Act, or

(*c*) any order or agreement under section 82 of the Act,

shall be entitled to have his case considered for the payment of compensation under these regulations and such compensation shall be determined in accordance with the following provisions of these regulations.

*National service*

**5.**—(1) Where any person to whom these regulations apply would have been employed immediately before the material date as an officer of any river authority or transferor authority or under such an officer for the purposes of the functions of the authority but for any national service on which he was then engaged, then if before the expiry of two months after ceasing to be so engaged, or if prevented by sickness or other reasonable cause, as soon as practicable thereafter, he gives notice to the compensating authority that he is available for employment, that person shall be entitled to have his case considered for the payment of compensation on the ground—

(*a*) if he is not given or offered re-employment in his former office or in any reasonably comparable office (whether in the administration of the same or a different service), of loss of employment;

(*b*) if he is so re-employed with reduced emoluments as compared with the emoluments which he would have enjoyed had he continued in his former employment, of diminution of emoluments.

(2) The loss of employment which is the ground of a claim for compensation under sub-paragraph (*a*) of the last foregoing paragraph shall be treated as having occurred on the earlier of the two following dates, that is to say, the date of the refusal of re-employment or a date one month after the date on which the person gave notice that he was available for employment, and the claimant shall be deemed to have been entitled to the emoluments which he would have enjoyed at such earlier date had he continued in his former employment.

## PART III

### RESETTLEMENT COMPENSATION FOR LOSS OF EMPLOYMENT

*Persons to whom Part III of the regulations applies*

**6.**—(1) The compensating authority shall, subject to the provisions of these regulations—

(*a*) consider and determine the entitlement to resettlement compensation of every person to whom this Part of these regulations applies who claims such compensation and in relation to whom the conditions set out in the next succeeding regulation are satisfied, and

(*b*) pay the amount of any compensation so determined.

(2) This Part of these regulations applies to a person who at the date of the loss of employment had not attained normal retiring age and who had been for a period of not less than three years immediately preceding the material date continuously engaged (exclusive of breaks not exceeding in the aggregate six months) for the whole or part of his time in relevant employment; and for this purpose the expression "relevant employment" includes any period of national service immediately following upon such employment.

*Conditions for payment of resettlement compensation*

**7.**—(1) Without prejudice to any other requirement of these regulations, nothing in these regulations shall entitle a person to resettlement compensation unless—

(*a*) he has suffered loss of employment in consequence of any such provision, order or agreement as is mentioned in regulation 4 of these regulations—

(i) not later than 31st March 1975, where the loss of employment is in consequence of any of the provisions of section 5 or Part IX of the Act, or

(ii) not later than ten years after the material date in any other case;

(*b*) he has made his claim for resettlement compensation in accordance with the provisions for making claims set out in Part VII of these regulations not later than thirteen weeks after the loss of employment which is the cause of his claim;

(*c*) the loss of employment which is the cause of his claim has occurred for some reason other than misconduct or incapacity to perform such duties as immediately before the loss he was performing or might reasonably have been required to perform; and

(*d*) he has not, subject to paragraph (3) of this regulation, been offered any reasonably comparable employment under the Crown or in the service of any local authority, river authority or drainage authority.

(2) In ascertaining for the purposes of this regulation whether a claimant has been offered employment which is reasonably comparable with the employment which he has lost no account shall be taken of the fact that the duties of the employment offered are in relation to the administration of a different service from that in connection with which his employment was held or are duties which involve a transfer of his employment from one place to another within England and Wales.

(3) No account shall be taken for the purposes of this regulation of an offer of employment where the compensating authority are satisfied—

(*a*) that acceptance would have involved undue hardship to the claimant, or

(*b*) that the claimant was prevented from accepting the offer by reason of ill-health or other circumstances beyond his control.

*Amount of resettlement compensation*

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

(*a*) unemployment, sickness or injury benefit under any Act relating to National Insurance at the current rate for a person having no dependants, in so far as any such benefit (whether at that or any other rate) is claimable by him in respect of such week;

(*b*) two thirds of the net emoluments received by him in respect of such week from work or employment undertaken in place of the employment which he has lost;

(*c*) any periodical payment to which he is entitled in respect of such week by virtue of any pension scheme to which he was subject in relation to the employment which he has lost.

(2) In determining the amount of resettlement compensation the compensating authority shall have regard to any payments to which the claimant becomes entitled in consequence of the loss of his employment under any contract or arrangement with the authority by whom he was employed (other than payments by way of a return of contributions under a pension scheme).

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

*Period for payment of resettlement compensation*

**9.** Subject as hereinafter provided, resettlement compensation to a person to whom this Part of these regulations applies shall be payable in respect of the period of thirteen weeks next succeeding the week in which he lost the employment in respect of which his claim has been made or, in the case of a claimant who has attained the age of forty-five years, the said thirteen weeks extended by one additional week for every year of his age after attaining the age of forty-five years and before the date of the loss of employment, subject to a maximum addition of thirteen such weeks.

*Claimant for resettlement compensation to furnish particulars of employment*

**10.** Every claimant for resettlement compensation shall (after as well as before the compensation begins to be paid)—

(*a*) forthwith supply the compensating authority in writing with particulars of any employment which he obtains or of any change in his earnings from any such employment, and

(*b*) if the compensating authority so requires, so long as he is out of employment and is not receiving sickness or injury benefit, register with the Ministry of Labour.

*Additional provisions relating to resettlement compensation*

**11.** Resettlement compensation shall be payable to a claimant at intervals equivalent to those at which the emoluments of his employment were previously paid or at such other intervals as may be agreed between the claimant and the compensating authority and shall forthwith be terminated by the compensating authority—

(*a*) if without reasonable cause the claimant fails to comply with any of the provisions of regulation 10 of these regulations, or

(*b*) if, on being requested to do so, he fails to satisfy the compensating authority that, so far as he is able, he is seeking suitable employment.

## PART IV

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

*Persons to whom Parts IV and V of the regulations apply*

**12.**—(1) The compensating authority shall, subject to the provisions of these regulations—

(*a*) consider and determine the entitlement to long-term and retirement compensation of every person to whom this and the next succeeding Part of these regulations apply who claims such compensation and in relation to whom the conditions set out in the next succeeding regulation are satisfied, and

(*b*) pay the amount of any compensation so determined.

(2) This Part and Part V of these regulations apply to a person who had been for a period of not less than eight years immediately preceding the material date continuously engaged (without a break of more than twelve months at any one time) for the whole or part of his time in relevant employment (which expression for this purpose includes any period of national service immediately following such employment), and who at the date of the loss of employment or loss or diminution of emoluments had not, save as is provided in regulation 29 of these regulations, attained normal retiring age.

*Conditions for payment of long-term and retirement compensation*

**13.**—(1) Without prejudice to any other requirement of these regulations, nothing in these regulations shall entitle a person to long-term or retirement compensation unless—

(*a*) he has suffered loss of employment or loss or diminution of emoluments in consequence of any such provision, order or agreement, as is mentioned in regulation 4 of these regulations—

(i) not later than 31st March 1975 where the loss of employment or loss or diminution of emoluments is in consequence of any of the provisions of section 5 or Part IX of the Act, or

(ii) not later than ten years after the material date in any other case;

(*b*) he has made his claim for compensation in accordance with the provisions for making claims set out in Part VII of these regulations not later than two years after the loss or diminution which is the cause of the claim; and

(*c*) if the cause of the claim for compensation is loss of employment—

(i) his employment was terminated for some reason other than mis conduct or incapacity to perform such duties as immediately before the loss he was performing or might reasonably have been required to perform; and

(ii) he has not been offered any reasonably comparable employment under the Crown or in the service of any local authority, river authority or drainage authority.

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

(3) Claims for long-term and retirement compensation for loss of employment shall in all respects be treated as claims for such compensation for the loss of emoluments occasioned thereby and the provisions of these regulations shall apply to all such claims accordingly.

*Factors to be considered in determining payment of long-term and retirement compensation*

**14.**—(1) For the purpose of determining whether long-term or retirement compensation for loss or diminution of emoluments should be paid to a claimant, and if so the amount of the compensation (subject to the limits set out in these regulations) regard shall be had to such of the following factors as may be relevant, that is to say:—

(*a*) the conditions upon which the claimant held the employment which he has lost, including in particular its security of tenure, whether by law or practice;

(*b*) the emoluments and other conditions, including security of tenure, whether by law or practice, of any work or employment undertaken by the claimant in place of the employment he has lost;

(*c*) the extent to which he has sought suitable employment and the emoluments which he might have acquired by accepting other suitable employment offered to him;

(*d*) the amount of any compensation recovered by him under or by virtue of the provisions of any enactment relating to the reinstatement in civil employment of persons who have been in the service of the Crown, or payable to him otherwise than under these regulations in respect of the loss or diminution, whether by reason of any service agreement or contract or otherwise howsoever;

(*e*) the amount of any benefit to which he is immediately entitled by virtue of any pension scheme associated with the employment which he has lost; and

(*f*) all the other circumstances of his case:

Provided that no account shall be taken of the fact that a claimant entered the employment which he has lost or the emoluments of which have been diminished—

(*a*) after 31st July 1963, where the loss or diminution was in consequence of any of the provisions of section 5 or Part IX of the Act, or

(*b*) after the publication of notice of intention to make an order under section 10 or section 82 of the Act, where the loss or diminution was in consequence of such an order.

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

*Amount of long-term compensation payable to an officer for loss of emoluments*

**15.**—(1) In the case of a person to whom this Part of these regulations applies, long-term compensation for loss of emoluments shall, subject to the provisions of these regulations, be payable until normal retiring age or death, whichever first occurs, and shall not exceed a maximum annual sum calculated in accordance with the provisions of paragraphs (2), (3) and (4) of this regulation.

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

(*a*) for every year of the claimant's reckonable service, one sixtieth of the net emoluments he has lost; and

(*b*) in the case of a claimant who has attained the age of forty years at the date of the loss, a sum calculated in accordance with the provisions of paragraph (3) of this regulation appropriate to his age at that date:

Provided that the said maximum annual sum shall in no case exceed two thirds of the net emoluments which the claimant has lost.

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

(*a*) in the case of a claimant who has attained the age of forty years but has not attained the age of fifty years at the date of the loss, the following fraction of the net emoluments he has lost—

(i) where the claimant's reckonable service is less than ten years, one sixtieth for each year of such service after attaining the age of forty years; or

(ii) where the claimant's reckonable service amounts to ten years but is less than fifteen years, one sixtieth for each year of such service after attaining the age of forty years and one additional sixtieth; or

(iii) where the claimant's reckonable service amounts to fifteen years but is less than twenty years, one sixtieth for each year of such service after attaining the age of forty years and two additional sixtieths; or

(iv) where the claimant's reckonable service amounts to twenty years or more, one sixtieth for each year of such service after attaining the age of forty years and three additional sixtieths;

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

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

(*c*) in the case of a claimant who has attained the age of sixty years at the date of the loss, one sixtieth of the said net emoluments for each year of the claimant's reckonable service after attaining the age of forty-five years.

(4) Where a person has become entitled to a superannuation benefit by way of annual amounts under a pension scheme associated with the employment which he has lost, the maximum annual sum referred to in paragraph (1) of this regulation shall be the maximum sum calculated under paragraph (2) of this regulation as if the superannuation benefit had not been payable, less the amount of the benefit itself.

(5) Where a sum is payable under this regulation in respect of any period and resettlement compensation has also been paid in respect of that period, the said sum shall be limited to the amount (if any) by which it exceeds the resettlement compensation paid as aforesaid.

(6) Compensation awarded under this regulation shall be payable at intervals equivalent to those at which the emoluments of his employment were previously paid or at such intervals as may be agreed between the claimant and the compensating authority.

*Long-term compensation for diminution of emoluments*

**16.** In the case of a person to whom this Part of these regulations applies, long-term compensation for diminution of emoluments in respect of any employment shall be awarded and paid in accordance with the following provisions—

(*a*) the compensation shall consist of an annual sum which shall be payable at intervals equivalent to those at which the emoluments of the claimant's employment are or were previously paid or at such other intervals as may be agreed between the claimant and the compensating authority and shall, subject to the provisions of these regulations, be payable until normal retiring age or death, whichever first occurs; and

(*b*) the said annual sum shall not exceed the figure which bears to the maximum annual sum which could have been awarded under regulation 15 of these regulations had the claim been made under that regulation, the same ratio as the amount by which his net emoluments have been diminished (calculated as an annual amount) bears to the amount of his net emoluments:

Provided that no compensation shall be payable if this ratio is less than 2½ per cent.

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

**17.**—(1) Long-term compensation shall commence to be payable with effect from the date of the claim or from such earlier date as is mentioned in the succeeding provisions of this regulation.

(2) Where a claim for long-term compensation is duly made within thirteen weeks of the occurrence of the loss or diminution which is the subject of the claim, the award shall be made retrospective to the date on which the loss or diminution occurred.

(3) Where a claim for long-term compensation is made after the expiry of the period mentioned in the last foregoing paragraph, the award may at the discretion of the compensating authority be made retrospective to a date not earlier than thirteen weeks prior to the date on which the claim was made:

Provided that—

(i) where a claim is made within six months of the date of operation of these regulations in respect of loss or diminution occurring before that date; or

(ii) if the compensating authority are satisfied that the failure to make the claim within the period mentioned in the last foregoing paragraph was due to ill-health or other circumstances beyond the claimant's control,

the award may be made retrospective to a date not earlier than that on which the loss or diminution occurred.

## PART V

## RETIREMENT COMPENSATION AND PAYMENTS ON DEATH

*Retirement compensation payable to pensionable officer on his becoming incapacitated or reaching minimum pensionable age*

**18.**—(1) Where a pensionable officer to whom this Part of these regulations applies, before attaining what would have been his normal retiring age—

(*a*) becomes incapacitated in circumstances in which if he had continued in the employment he has lost he would have become entitled to a pension under the pension scheme to which he was subject in that employment; or

(*b*) attains the age which, had he continued to serve in the employment he has lost, would have been his minimum pensionable age,

he shall be entitled on the happening of either event to claim in lieu of any compensation to which he would otherwise be entitled under these regulations—

(i) in the case mentioned in head (*a*) of this paragraph, an annual sum equal to the amount of his accrued incapacity pension, and a lump sum equal to the amount of his accrued incapacity retiring allowance (if any); and

(ii) in the case mentioned in head (*b*) of this paragraph, an annual sum equal to the amount of his accrued pension and a lump sum equal to the amount of his accrued retiring allowance (if any):

Provided that—

(i) if in calculating the amount of compensation payable to a person who has made such claim as aforesaid, the compensating authority, by virtue of regulation 23(2) of these regulations, have credited him with additional years of service or an additional period of contribution, no account shall be taken for the purpose of the foregoing provision of any additional years or period beyond the number of years which he could have served, had he not lost his employment, before the date on which the claim was received by the compensating authority; and

(ii) if by reason of any provision of the relevant pension scheme for a minimum benefit the amount of any such pension or retiring allowance is in excess of that attributable to the claimant's actual service, no account shall be taken for the purpose of the foregoing provision of any such additional years or period except to the extent (if any) by which they exceed the number of years represented by the difference between the claimant's actual service and the period by reference to which the minimum benefit has been calculated; and

(iii) if the number of years by reference to which an accrued incapacity pension or accrued incapacity retiring allowance is to be calculated is less than any minimum number of years of qualifying service prescribed by the relevant pension scheme, the amount of such pension or retiring allowance shall, notwithstanding any minimum benefit prescribed by the pension scheme, not exceed such proportion of such minimum benefit as the number of years of pensionable service bears to the minimum number of years of qualifying service.

(2) On receipt of a claim under the last preceding paragraph, the compensating authority shall consider forthwith whether the claimant is a person to whom that paragraph applies, and within thirteen weeks after the date of the receipt of the claim—

(*a*) if they are satisfied that he is not such a person, they shall notify him in writing accordingly; and

(*b*) if they are satisfied that he is such a person, they shall assess the amount of compensation payable to the person, and notify him in writing accordingly,

and any such notification shall, for the purpose of these regulations, be deemed to be a notification by the authority of a decision on a claim to compensation.

(3) If a claimant wishes to receive compensation under this regulation, he shall so inform the compensating authority in writing within one month from the receipt of a notification under the last preceding paragraph or, where the

claim has been the subject of an appeal, from the decision of the tribunal thereon; and the compensation shall be payable as from the date on which the compensating authority received the claim.

(4) A compensating authority may require any such person as is mentioned in head (*a*) of paragraph (1) of this regulation, who makes a claim under that paragraph, to submit himself to a medical examination by a registered medical practitioner selected by that authority, and, if they do so, they shall also offer the person an opportunity of submitting a report from his own medical adviser as a result of an examination by him, and the authority shall take that report into consideration, together with the report of the medical practitioner selected by them.

*Option to take retirement compensation prematurely in certain cases*

**19.**—(1) If a pensionable officer to whom this Part of these regulations applies has suffered loss of employment after attaining the age of fifty years and so requests the compensating authority by notice in writing, he shall be entitled as from the date on which the compensating authority receive such notice, in lieu of any compensation, other than resettlement compensation, to which he would otherwise be entitled under these regulations, to an annual sum equal to the amount of his accrued pension and a lump sum equal to the amount of his accrued retiring allowance (if any):

Provided that—

(i) in calculating the amount of the compensation payable to a person who has given such notice as aforesaid, no account shall be taken of any additional years of service or period of contribution credited to the person under regulation 23(2) of these regulations, and

(ii) where the officer has claimed long-term compensation, the said notice shall be given not later than two years after the determination of the claim, or where the determination is reviewed under regulation 35(3) of these regulations, not later than two years after any such review.

(2) Regulation 18(2) of these regulations shall apply in relation to a notice given under the last foregoing paragraph as it applies to a claim made under paragraph (1) of that regulation.

(3) Where an annual sum is payable under this regulation in respect of any period and resettlement compensation is also payable in respect of that period, the said annual sum shall be limited to the amount (if any) by which it exceeds the resettlement compensation payable as aforesaid.

*Retirement compensation for loss of emoluments payable to pensionable officer on attainment of normal retiring age*

**20.**—(1) Subject to the provisions of these regulations, when a pensionable officer to whom this Part of these regulations applies reaches normal retiring age, the retirement compensation payable to him for loss of emoluments shall be—

(*a*) an annual sum equal to the amount of his accrued pension; and

(*b*) a lump sum equal to the amount of his accrued retiring allowance (if any).

(2) Compensation shall not be payable under this regulation to a claimant who is entitled to retirement compensation under regulation 18 or 19 of these regulations.

*Retirement compensation for diminution of emoluments*

**21.** The provisions of regulations 18 and 20 of these regulations shall apply to a pensionable officer to whom this Part of these regulations applies and who has suffered a diminution of his emoluments, but the sums payable to such an officer in the circumstances mentioned in those regulations shall be sums which bear to the sums which would have been payable thereunder had the claim been in respect of loss of employment the same ratio as the amount by which the claimant's net emoluments have been diminished (calculated as an annual rate) bears to the amount of his net emoluments:

Provided that no compensation shall be payable if this ratio is less than 2½ per cent.

*Compensation of claimant who obtains further pensionable employment*

**22.** Where a pensionable officer after suffering loss of employment or diminution of emoluments, enters employment in which he is subject to a pension scheme and thereafter becomes entitled to reckon for the purposes of that scheme any service or period of contribution which falls to be taken into account for the purpose of assessing the amount of any retirement compensation payable to him, no retirement compensation shall be payable unless the annual rate of the emoluments to which he was entitled immediately before such loss or diminution exceeds the annual rate on entry of the emoluments of the new employment by more than 2½ per cent. of such first mentioned emoluments, and any retirement compensation payable to him shall, in so far as it is calculated by reference to remuneration, be calculated by reference to the difference between the said annual rates:

Provided that this regulation shall not operate to increase the amount of any retirement compensation payable in respect of diminution of emoluments beyond the amount which would have been payable if the officer had attained normal retiring age immediately before he ceased to hold the employment in which he suffered the diminution of emoluments.

*Factors governing the payment of retirement compensation*

**23.**—(1) An officer entitled to retirement compensation under regulation 18, 19 or 20 of these regulations shall pay to the compensating authority an amount equal to any sum which was paid to him by way of return of superannuation contributions, whether with or without interest, after ceasing to be employed and the compensating authority may at the request of the officer repay that amount to him at any time before he becomes entitled as aforesaid, but if that amount is not paid to the compensating authority, or is repaid by them to the officer, the compensation shall be reduced by an annual amount the capital value of which is equal to the amount of the said superannuation contributions.

(2) If the claimant had attained the age of forty years at the date on which he lost his employment or suffered a diminution of his emoluments, the compensating authority in calculating the amount of the retirement compensation payable to him shall credit him with additional years of service or an additional period of contribution on the following basis, namely—

(*a*) two years, whether or not the claimant has completed any years of service after attaining the age of forty years, and

(*b*) two years for each of the first four completed years of the claimant's reckonable service between the date when he attained the age of forty years and the date of the loss or diminution, and

(*c*) one year for each such year of service after the fourth.

but the additional years of service or period of contribution so credited shall not exceed the shortest of the following periods, namely—

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

(ii) the number of years of the claimant's reckonable service, or

(iii) fifteen years;

and in calculating the amount of any retirement compensation payable to the claimant any period so added shall be aggregated with any years of service or period of contribution entailing reduction of the relevant pension or retiring allowance in connection with the passing of the National Insurance Act 1946(a).

(3) When retirement compensation is awarded, or when an award is reviewed under regulation 35 of these regulations, the additional compensation payable in consequence of any years of service or period of contribution credited to a claimant under the last foregoing paragraph may be reduced or withheld as the compensating authority may think reasonable having regard to the pension scheme (if any) attaching to any further employment obtained by the claimant.

(4) If, under the pension scheme to which the claimant was last subject before suffering loss of employment or diminution of emoluments, the amount of any benefit to which he might have become entitled might have been increased at the discretion of the authority or body administering the pension scheme or of any other body, the compensating authority may increase, to an extent not exceeding that to which his accrued pension, accrued retiring allowance, accrued incapacity pension or accrued incapacity retiring allowance might have been increased or supplemented, the corresponding component of any retirement compensation payable to him; and in this connection the compensating authority shall have regard to the terms of any relevant resolutions of an authority or body with regard to the increase of benefits, to the provisions of section 97(2) and (3) of the Act and to any relevant provisions of an order under section 10 or section 82 of the Act applying the said provisions of section 97(2) and (3) or otherwise protecting the interests of the claimant.

(5) If, under the pension scheme to which he was last subject before suffering loss of employment or diminution of emoluments, the claimant would have been entitled to surrender a proportion of any pension which might have become payable to him in favour of his spouse or any dependant, then, if he so desires and informs the compensating authority by notice in writing accordingly within one month after becoming entitled to retirement compensation under these regulations, he may surrender a proportion of so much of the said compensation as is payable by way of an annual sum on the like terms and conditions and in consideration of the like payments by the compensating authority as if the said annual sum were a pension to which he had become entitled under the said pension scheme.

(6) In calculating for the purposes of regulation 18, 19 or 20 of these regulations the amount of the annual sum which is equal to a claimant's accrued pension no account shall be taken of any reduction falling to be made in that pension in connection with the passing of the National Insurance Act 1946 or the National Insurance Act 1959(b) until the claimant reaches the age at which, under the pension scheme to which he was subject before losing his employment, the pension would have been so reduced.

(a) 9 & 10 Geo. 6. c. 67. (b) 7 & 8 Eliz. 2. c. 47.

(7) In paragraph (2) of this regulation the expression " reckonable service " includes any period of employment of which account has been taken or is required to be taken in calculating the amount of any superannuation benefit to which a claimant has become entitled.

*Compensation payable on the death of a claimant*

**24.**—(1) Payments in accordance with this and the next two succeeding regulations shall be made to or for the benefit of the widow, child or other dependant or to the personal representatives of an officer to whom this Part of these regulations applies.

(2) If the widow, child or other dependant of the officer might have become entitled to a pension under the pension scheme to which the officer was last subject before losing his employment if such loss of employment had not occurred, the widow, child or other dependant, as the case may be, shall be entitled to receive an annual sum equal to the prescribed proportion of any retirement compensation by way of annual amounts payable to the officer under regulation 18, 19 or 20 of these regulations immediately prior to his death or, if he dies before becoming entitled to receive compensation under any of those regulations, the prescribed proportion of the compensation by way of annual amounts which he would have received under regulation 18 of these regulations had be become entitled thereto immediately prior to his death:

Provided that—

(i) where any retirement compensation had been surrendered or compounded under regulation 23(5) or regulation 36 of these regulations, any sum payable under this regulation shall be calculated as if such surrender or compounding had not taken place;

(ii) where the pension scheme provides for payment of the pension to any person on behalf of the child or other dependant, any annual sum payable as aforesaid to a child or other dependant shall be paid to that person on behalf of the child or dependant in the like manner and for the like period as is provided in the pension scheme;

(iii) in calculating the sum payable as aforesaid, it shall be assumed that the retirement compensation payable, or which would have been payable, to an officer under regulation 18, 19 or 20 of these regulations had been such sum as would have been payable if the accrued pension or accrued incapacity pension had not been reduced in connection with the passing of the National Insurance Act 1946 or the National Insurance Act 1959.

(3) Any annual sum payable to or for the benefit of a widow, child or other dependant under this regulation shall cease to be payable in any circumstances in which a corresponding pension under the said pension scheme would have ceased to be payable.

(4) Except where any compensation payable to the officer concerned has been reduced under regulation 23(1) of these regulations, compensation payable under this and the next following regulation shall in the aggregate be reduced by an amount the capital value whereof is equal to the amount of any superannuation contributions returned to the officer and either not paid to the compensating authority or repaid by the compensating authority to the officer, the compensation under each such regulation being reduced in proportion to the capital value of each amount.

(5) This regulation shall apply in the case of an officer who has suffered a diminution of emoluments with the substitution of references to diminution of emoluments for references to loss of employment, but the annual sum

payable to a widow, child or other dependant of such an officer shall be a sum which bears to the sum which would have been payable under paragraph (2) of this regulation had the claim been in respect of loss of employment, the same ratio as the amount by which the officer's net emoluments have been diminished (calculated as an annual rate) bears to the amount of his net emoluments:

Provided that no sum shall be payable under this paragraph if this ratio is less than 2½ per cent.

(6) In this regulation " prescribed proportion " means the proportion which, under the pension scheme to which the officer was subject immediately prior to the loss of employment or diminution of emoluments, the pension payable to a widow, child or other dependant, as the case may be, bears to an officer's pension.

**25.**—(1) If the personal representatives of the officer might have become entitled to a death grant under the pension scheme to which the officer was last subject before losing his employment had such loss not occurred, they shall be entitled to receive a sum calculated in accordance with the provisions of the next succeeding paragraph, and paragraph (4) of the last preceding regulation.

(2) The amount of such sum shall be ascertained in accordance with the method of calculation prescribed by the pension scheme for the ascertainment of death grant as if the officer had died immediately before losing his employment, subject to the following modifications—

(*a*) except where the officer had been in receipt of retirement compensation under regulation 19 of these regulations, account shall be taken of any additional years of service or period of contribution credited to the officer under regulation 23(2) of these regulations—

(i) in the case of an officer who had been in receipt of retirement compensation under regulation 18 of these regulations, to the extent of the period between the loss of employment and the date of the claim made under that regulation, and

(ii) in any other case, to the extent of the period between the loss of employment and the officer's death;

(*b*) if the number of years of the officer's service or period of contribution is less than the minimum number of years of qualifying service or period prescribed by the pension scheme for the receipt of a death grant, the said sum shall not exceed such proportion of the death grant calculated as aforesaid as the number of years of the claimant's qualifying service or period of contribution bears to the minimum number of years of qualifying service or period required by the pension scheme; and

(*c*) there shall be deducted from such sum the amount of any retirement compensation paid to the officer under regulation 18, 19 or 20 of these regulations or, where any part of the compensation has been surrendered under regulation 23(5) of these regulations, the amount which would have been so paid but for any such surrender.

(3) For the purpose of calculating such death grant, an annual sum payable to or for the benefit of a widow, child or other dependant under the last preceding regulation shall be deemed to be a pension payable to or for the benefit of the widow, child or dependant, as the case may be.

(4) This regulation shall apply in the case of an officer who has suffered a diminution of emoluments with the substitution of references to diminution of emoluments for references to loss of employment, but the sum payable to the personal representatives of such an officer shall be a sum which bears to the sum which would have been payable under paragraph (1) of this regulation had the claim been in respect of loss of employment the same ratio as the amount by which the officer's net emoluments have been diminished (calculated as an annual rate) bears to the amount of his net emoluments:

Provided that no sum shall be payable to personal representatives under this paragraph if this ratio is less than 2½ per cent.

**26.**—(1) If no annual sum is payable to the widow, child or other dependant under regulation 24 of these regulations and no sum is payable under the last preceding regulation and the officer dies before he has received in the aggregate by way of retirement compensation a sum equivalent to the amount of any contributions repaid by him under regulation 23(1) of these regulations, together with compound interest thereon calculated at the rate of 3 per cent. per annum with half-yearly rests up to the date of his death as from the 1st April or the 1st October following the half-year in which the amount was paid, there shall be paid to his personal representatives the difference between the aggregate amount received by way of retirement compensation as aforesaid and the said equivalent sum.

(2) If an annual sum becomes payable to a widow under regulation 24 of these regulations and on her re-marriage or death the sum ceases to be payable, and the aggregate amount of the payments which were made to her as aforesaid, to her husband by way of retirement compensation and to his personal reperesentatives under regulation 25 of these regulations is less than a sum equivalent to the amount which would have been payable to the personal representatives under that regulation if no annual sum had been payable to the widow under the said regulation 24, there shall be paid to her or her personal representatives the difference between such aggregate amount and the said equivalent sum.

(3) For the purposes of this regulation an officer who has surrendered any part of his retirement compensation under regulation 23(5) of these regulations shall be deemed to have received during any period the amount of compensation for that period which he would have received but for any such surrender.

*Deduction of outstanding additional contributory payments*

**27.** There shall be deducted from the retirement compensation payable to any person any additional contributory payments remaining unpaid at the date when he suffered loss of employment; and any such payments not recovered at the date of his death shall be deducted from any compensation payable in respect of the person under regulation 24, 25 or 26 of these regulations.

*Calculation of compensation where superannuation benefit is payable*

**28.** Where an officer to whom this Part of these regulations applies, or his widow, child or other dependant or personal representative has become entitled to any superannuation benefit under a pension scheme associated with the employment which the officer has lost, the retirement compensation payable to the officer, or the compensation payable in respect of the officer

under regulations 24, 25 and 26 of these regulations shall be calculated in the first place as if the said superannuation benefit had not been payable but—

(*a*) compensation by way of annual amounts shall be reduced by the annual amount of any such superannuation benefit as is payable periodically, and

(*b*) compensation payable as a lump sum shall be reduced by the amount of any such superannuation benefit payable as a lump sum.

*Compensation payable to non-pensionable officer on attainment of normal retiring age*

**29.**—(1) In the case of an officer who is not a pensionable officer, the compensating authority may, on his attaining normal retiring age, if they are satisfied that he would in the normal course have continued in the employment he has lost for a substantial period beyond that age, continue to pay compensation to him for the remainder of his life at half its former rate.

(2) In the case of an officer who is not a pensionable officer and who suffers loss of employment on or after attaining normal retiring age, the compensating authority may, if they are satisfied that he would in the normal course have continued in the employment he has lost for a further substantial period, pay compensation to him for the remainder of his life at half the rate to which he would have been entitled under regulation 15 of these regulations had he not attained normal retiring age at the date on which he lost his employment.

*Persons subject to policy schemes*

**30.**—(1) Except in relation to any accrued pension, accrued retiring allowance, accrued incapacity pension or accrued incapacity retiring allowance attributable to service as a contributory employee or local Act contributor, the provisions of regulations 18, 19, 20 and 21 of these regulations shall not apply to a person who had been participating in a scheme associated with his employment for providing superannuation benefits by means of contracts or policies of insurance, and who, after the loss of his employment or the diminution of his emoluments, continued to participate in that scheme, or became entitled to a benefit or prospective benefit thereunder other than a return of contributions.

(2) If the claimant is such a person as is mentioned in paragraph (1) of this regulation who has lost his employment, the compensating authority may, if the relevant scheme so permits, make such payments to or in respect of him, whether by way of the payment of premiums or otherwise, as will secure that his benefits under the scheme are increased to an extent actuarially equivalent to that by which similar amounts of retirement compensation could be increased under regulation 23(2) or (4) of these regulations.

(3) If the claimant is such a person as is mentioned in paragraph (1) of this regulation who has suffered a diminution of his emoluments, the compensating authority may, if the relevant scheme so permits, make such payments to or in respect of him, whether by way of the payment of premiums or otherwise, as will secure to the claimant the like benefits under the scheme as if his emoluments had not been diminished.

(4) If the claimant is such a person as aforesaid and he becomes entitled to a benefit under such a scheme as is mentioned in paragraph (1) of this regulation before reaching normal retiring age, the compensating authority may reduce any long-term compensation payable to him under Part IV of these regulations by the amount of such benefit.

*Intervals for payment of compensation under Part V*

**31.** Retirement compensation and other compensation awarded as an annual sum under this Part of these regulations shall be payable at intervals equivalent to those at which the corresponding benefit would have been payable under the pension scheme to which the claimant was subject prior to the loss of employment or diminution of emoluments or at such other intervals as may be agreed between the recipient and the compensating authority.

## PART VI

## ADJUSTMENT, REVIEW AND COMPOUNDING OF COMPENSATION

*Adjustment of compensation where superannuation benefit is also payable*

**32.**—(1) Where any period of service of which account was taken in calculating the amount of any compensation payable under Part IV or V of these regulations is also taken into account for the purpose of calculating the amount of any superannuation benefit payable to or in respect of the officer in accordance with a pension scheme associated with an employment undertaken subsequent to the loss of employment or diminution of emoluments which was the subject of the claim for compensation, the compensating authority may adjust the compensation in accordance with this regulation by withholding or reducing the amount of compensation payable in respect of any period for which such superannuation benefit is being received.

(2) If the part of any superannuation benefit by way of annual amounts which is attributable to a period of service mentioned in paragraph (1) of this regulation equals or exceeds the part of any compensation by way of annual amounts which is attributable to the same period, that part of the compensation may be withheld, but if such part of the superannuation benefit is less than such part of the compensation, the compensation may be reduced by an amount not exceeding such part of the superannuation benefit.

(3) In the case of a death benefit payable to the personal representatives of the officer, the sum payable to the personal representatives under regulation 25 of these regulations may be reduced by an amount not greater than the proportion of the death benefit which the period of service mentioned in paragraph (1) of this regulation bears to the total period of service of which account was taken in the calculation of the death benefit.

(4) In addition to any reduction authorised by paragraph (2) or (3) of this regulation, if, in the circumstances mentioned in paragraph (1) of this regulation, compensation by way of annual amounts is attributable in part to any provision of the relevant pension scheme for a minimum benefit, the compensation may be reduced by an amount not exceeding that part.

(5) Where any additional years of service or period of contribution have been credited to a claimant under regulation 23(2) of these regulations, if the number of such years or such period is equal to or less than the period spent in the subsequent employment mentioned in paragraph (1) of this regulation, the compensation by way of annual amounts may be reduced (in addition to any other reduction authorised by this regulation) by an amount not exceeding that attributable to the additional years or period so credited, or if the number of such years or such period is greater than the period spent in the subsequent employment, by such proportion of that amount as the period spent in the subsequent employment bears to the number of additional years or the period so credited.

(6) Where compensation has been calculated in accordance with regulation 22 of these regulations, the provisions of this regulation shall apply only in relation to such part (if any) of the superannuation benefit as is attributable to annual emoluments in excess of those to which the officer was entitled on entering the new employment referred to in the said regulation 22.

(7) Where compensation is payable in respect of diminution of emoluments, the provisions of this regulation shall apply only in relation to such part (if any) of the superannuation benefit as is attributable to annual emoluments in excess of those to which the officer was entitled immediately prior to the diminution.

*Reduction of compensation in certain cases*

**33.** If under the pension scheme to which a person was subject before losing his employment or suffering a diminution of emoluments any benefit for which the scheme provided would have been subject to reduction or suspension on his taking up other specified employment, any retirement compensation to which the person is entitled for loss of employment or diminution of emoluments shall, where such employment is taken up, be reduced or suspended in the like manner and to the like extent.

**34.** Where—

(*a*) a pensionable officer after suffering loss of employment or diminution of emoluments enters any employment referred to in regulation 22 of these regulations or becomes entitled to any superannuation benefit on ceasing to hold such employment, or

(*b*) a person entitled to long-term compensation enters employment the remuneration whereof is payable out of public funds, or ceases to hold such employment, or receives any increase in his remuneration in such employment, or

(*c*) a person entitled to retirement compensation enters employment in which the compensation is subject to reduction or suspension under regulation 33 of these regulations, or ceases to hold such employment, or receives any increase in his remuneration in such employment,

he shall forthwith inform the compensating authority in writing of that fact.

*Review of award of long-term or retirement compensation*

**35.**—(1) The compensating authority shall, within a period of two years after the date on which any decision on a claim for long-term or retirement compensation for loss of employment (other than compensation payable under regulation 19 of these regulations) is notified to a claimant under regulation 37 of these regulations, review their decision or, where the claim has been the subject of an appeal, the decision of the tribunal at intervals of not more than six months, and these regulations shall apply in relation to any such review as they apply in relation to the initial determination of the claim ; and on such review, in the light of any material change in the circumstances of the case, compensation may be awarded, or compensation previously awarded may be increased, reduced or discontinued, subject to the limits set out in these regulations.

(2) The claimant may require the compensating authority to carry out the review mentioned in the last foregoing paragraph at any time within the period of two years mentioned in that paragraph if he considers that there has been a change in the circumstances of his case which is material for the purposes of these regulations.

(3) The compensating authority shall carry out a review in accordance with paragraph (1) of this regulation, notwithstanding the expiration of the period mentioned in that paragraph if—

(*a*) the emoluments of employment or work undertaken in place of the employment which has been lost had been taken into account in determining the amount of any compensation awarded, and

(*b*) such employment or work has been lost or the emoluments thereof reduced, otherwise than by reason of misconduct or incapacity to perform such duties as the claimant might reasonably have been required to perform, and

(*c*) the compensating authority is satisfied that such loss or reduction is causing hardship to the claimant,

and where any decision is so reviewed, the decision shall be subject to further review in accordance with paragraph (1) of this regulation as if the review carried out under this paragraph had been the initial determination of the claim.

(4) Paragraphs (1) and (2) of this regulation shall apply in relation to any decision on a claim for long-term or retirement compensation in respect of diminution of emoluments as they apply in respect of any decision mentioned in the said paragraph (1):

Provided that—

(i) no review shall take place after the date on which the claimant ceases to hold the employment in which his emoluments were diminished, except a review as at that date; and

(ii) while the claimant continues to hold that employment there shall be no limit to the period within which a review may take place.

(5) Notwithstanding anything contained in the foregoing provisions of this regulation, the compensating authority shall review a decision (whether of the authority or the tribunal) on a claim for long-term compensation for loss of employment or diminution of emoluments after the expiration of any period within which a review is required to be made if at any time—

(*a*) the claimant is engaged in employment (hereinafter referred to as his "current employment") the remuneration whereof is payable out of public funds and which he has undertaken in place of the employment he has lost or, as the case may be, the employment in which his emoluments were diminished, and

(*b*) the aggregate of the net emoluments of his current employment and the long-term compensation payable to him exceed the net emoluments of the employment he has lost or, as the case may be, the amount of his net emoluments prior to their diminution,

and the authority shall thereafter further review such decision whenever the net emoluments of the claimant's current employment are increased; but if on any such review the compensation is reduced, it shall not be reduced below the amount by which the net emoluments of the claimant's current employment fall short of the net emoluments of the employment he has lost or, as the case may be, the amount of his net emoluments prior to their diminution.

(6) The compensating authority shall give to a claimant not less than fourteen days notice of any review to be carried out under this regulation otherwise than at his request.

(7) Nothing in this regulation shall preclude the making of any adjustment of compensation required by regulation 32 or 33 of these regulations.

*Compounding of awards*

**36.**—(1) In a case where an annual sum which has been or might be awarded under these regulations does not exceed £26, the compensating authority may, at their discretion, compound their liability in respect thereof by paying a lump sum equivalent to the capital value of the annual sum, and if any lump sum payment has been or might be awarded in addition to such annual sum under regulation 18, 19, 20 or 21 of these regulations, the compensating authority may likewise discharge their liability in respect thereof by an immediate payment.

(2) In any other case the compensating authority may, if the person who has been awarded long-term or retirement compensation requests them to do so and they, in their discretion, after having regard to the state of health of that person and the other circumstances of the case, deem fit, compound up to one quarter of their liability to make payments under the award (other than payments to a widow, child or other dependant under regulation 24 of these regulations) by the payment of an equivalent amount as a lump sum or, where any compensation has been awarded as a lump sum, by increasing that compensation to such equivalent amount; and in calculating for this purpose the liability of the authority to make such payments, account shall be taken of the annual value of lump sum payments of compensation.

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

## PART VII

### PROCEDURE AND MISCELLANEOUS

*Procedure on making claims*

**37.**—(1) Every claim for compensation under these regulations and every request for a review of an award of long-term or retirement compensation shall be made in accordance with the provisions of this regulation.

(2) Every such claim and request shall be made to the compensating authority in a form approved by the Minister for the purpose and shall state whether any other claim for compensation has been made by the claimant under these regulations.

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

(4) The compensating authority shall consider any such claim or request in accordance with the relevant provisions of these regulations and shall notify the claimant in writing of their decision—

(*a*) in the case of a claim for resettlement compensation, not later than one month after the receipt of the claim, and

(*b*) in the case of a claim for, or request for the review of an award of, compensation under Part IV or Part V of these regulations, not later than thirteen weeks after the receipt of the claim or request, and

(*c*) in any other case, as soon as may be after the decision.

(5) Every notification of a decision by the compensating authority (whether granting or refusing compensation or reviewing an award, or otherwise affecting any compensation under these regulations) shall contain a statement—

(*a*) giving reasons for the decision ;

(*b*) showing how any compensation has been calculated and, in particular, if the amount is less than the maximum which could have been awarded under these regulations, showing the factors taken into account in awarding that amount ; and

(*c*) directing the attention of the claimant to his right, if he is aggrieved by the decision, to refer the matter to the tribunal, and giving him the address of the office to which the reference should be sent.

*Claimants to furnish information*

**38.**—(1) Any person claiming or receiving compensation or whose award of compensation is being reviewed shall furnish all such information as the compensating authority or the tribunal may at any time reasonably require ; and shall verify the same in any such manner, including the production of books or of original documents in his possession or control, as may be reasonably so required.

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

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

*Procedure on death of claimant*

**39.**—(1) In the event of the death of a claimant or of a person who, if he had survived, could have been a claimant, the claim for compensation under these regulations may be continued or made (as the case may be) by his personal representatives.

(2) Where any such claim is continued or made as aforesaid by personal representatives, the personal representatives shall, as respects any steps to be taken or thing to be done in order to continue or make the claim, be deemed for the purposes of these regulations to be the claimant, but, save as aforesaid, the person in right of whom the claim is continued or made shall be deemed for all the purposes of these regulations to be the claimant and the relevant provisions of these regulations shall be construed accordingly :

Provided that the compensating authority may in any such case extend the period within which a claim is required to be made by regulation 7 or 13 of these regulations.

*Calculation of service*

**40.**—(1) For the purpose of determining the amount of any compensation payable in respect of the loss of an office to which, or of any two or more offices to which in the aggregate, an officer devoted substantially the whole of his time, any previous period of part-time employment shall be treated as though it were whole-time employment for a proportionately reduced period.

(2) For the purpose of making any calculation under these regulations in respect of the reckonable service of an officer all periods of such service shall be aggregated, and if the aggregated service includes a fraction of a year, that fraction shall, if it equals or exceeds six months, be treated as a year, and in any other case be disregarded.

*Temporary variation of emoluments*

**41.** In calculating for the purposes of these regulations the amount of any emoluments lost, or the amount by which any emoluments have been diminished, on or after 1st April 1965, and in determining the net emoluments, the accrued pension or the accrued retiring allowance of any officer who has suffered such a loss or diminution, no account shall be taken of any increase in the amount of the officer's emoluments which is attributable to any temporary allowance granted in consequence of the Act and otherwise than in the ordinary course of his employment.

*Emoluments of part-time employments*

**42.** In ascertaining for the purposes of these regulations whether, and how far, the remuneration of alternative employment falls short of emoluments which have been lost where those emoluments were payable in respect of two or more part-time employments, the remuneration of the alternative employment or of the aggregate of two or more such employments shall be apportioned in the proportion which the emoluments of the part-time employments bore to each other.

*Compensation not assignable*

**43.**—(1) Subject to any statutory provision in that behalf, any compensation to which an officer becomes entitled under these regulations shall be paid by the compensating authority and shall be payable to, or in trust for, the person who is entitled to receive it, and shall not be assignable.

(2) Any sum payable as compensation to a person by a compensating authority shall be recoverable as a debt due from the authority.

*Right of appeal from decision of the compensating authority*

**44.**—(1) Every claimant who is aggrieved by any decision of the compensating authority with respect to compensation under these regulations or by any failure on the part of the compensating authority to notify him of any such decision within the appropriate time prescribed by these regulations may within three months of the notification to him of the decision or the expiry of the prescribed time, as the case may be, refer the matter to the tribunal.

(2) Reference of a matter to the tribunal as aforesaid by a claimant shall be made in writing.

(3) On receipt of such a reference, the tribunal shall consider and determine the matter in accordance with the provisions of these regulations and the compensating authority shall give effect to the decision of the tribunal with any modifications that may be required in consequence of any appeal from the decision on a point of law.

(4) On any such reference the tribunal may, if it thinks fit, appoint a person having special knowledge or experience in relation to the subject matter of the reference to sit with the tribunal as an assessor.

*Application of payments*

**45.** Any sums paid to a compensating authority under regulation 23(1) of these regulations in respect of returned contributions shall, except in so far as they are repaid to the officers concerned, be applied for the payment of compensation which the authority are liable to pay under Part V of these regulations.

Given under the official seal of the Minister of Housing and Local Government on 5th April 1965.

(L.S.)

*R. H. S. Crossman,*
Minister of Housing and Local Government.

In witness whereof the official seal of the Minister of Agriculture, Fisheries and Food is hereunto affixed on 5th April 1965.

(L.S.)

*Frederick Peart,*
Minister of Agriculture, Fisheries and Food.

Given under the official seal of the Minister of Transport on 5th April 1965.

(L.S.)

*Tom Fraser,*
Minister of Transport.

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## EXPLANATORY NOTE

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

1. These regulations made under section 106 of the Water Resources Act 1963 provide for the payment of compensation to or in respect of persons who suffer loss of employment or loss or diminution of emoluments in consequence of the transfer of functions or property to river authorities by or under the Water Resources Act 1963 or of any alteration of river authority areas under that Act.

2. Part I of the regulations contains definitions. Part II specifies the persons to whom the regulations apply and the grounds of entitlement to compensation. The regulations apply to persons employed whole-time or part-time by or for the purposes of any river authority or any authority exercising functions which are transferred to a river authority.

3. The compensation payable is—

(*a*) resettlement compensation for loss of employment (Part III of the regulations);

(*b*) long-term compensation for loss of employment or loss or diminution of emoluments (Part IV);

(*c*) retirement compensation for loss of employment or loss or diminution of emoluments (Part V);

(*d*) compensation to the widow, child or other dependant and personal representatives of a claimant who was a pensionable officer (Part V).

4. Resettlement compensation is payable for a period not exceeding 26 weeks to officers with at least 3 years' service with river boards or authorities and in other relevant employments. The qualifying conditions and factors to be considered are set out in regulations 7, 9, 10 and 11. The method of calculating the amount of compensation is contained in regulation 8.

5. Long-term and retirement compensation are payable to officers with at least 8 years' service with river boards or authorities and in other relevant employments. The qualifying and other conditions are set out in regulations 12 to 14.

6. The method of calculating the maximum amount of long-term compensation is laid down in regulations 15 (loss of employment) and 16 (diminution of emoluments). It is a proportion, not exceeding two thirds, of the net emoluments lost or of the amount by which emoluments have been diminished, as the case may be. This compensation is payable from a date determined under regulation 17 and can be payable up to normal retiring age.

7. Retirement compensation for loss of employment payable to a pensionable officer is based upon his accrued pension rights (regulation 20) supplemented in the case of persons aged 40 or over at the date of loss by the addition of notional years of service (regulation 23). Retirement compensation for diminution of emoluments is an appropriate proportion of that for loss of employment (regulation 21). In the case of a non-pensionable officer compensation not exceeding one half of the rate of long-term compensation may be paid (regulation 29) and special provision is made for any persons whose pension arrangements are by way of policies of insurance (regulation 30). Retirement compensation is ordinarily payable from normal retiring age but in certain circumstances may be put into payment earlier (regulations 18 and 19).

8. Compensation is payable to the widow, child or other dependant and the personal representatives of a claimant who dies where such persons would have benefited under the relevant pension scheme (regulations 24 to 26).

9. Part VI of the regulations provides for long-term and retirement compensation to be reviewed and for awards to be varied in the light of changes in circumstances (regulation 35). It also contains provisions for the adjustment, suspension and compounding of compensation in certain circumstances.

10. Part VII contains provisions relating to the procedure for making claims and notifying decisions and to appeals by claimants who are aggrieved by a decision or the failure of a compensating authority to notify their decision. Appeals lie to a tribunal appointed by the Minister of Labour.