

(b) 2 years for each of the first 4 years of his reckonable service between the date when he attained the age of 40 and the date of the loss or diminution, and

(c) one year for each year of that reckonable service after the fourth, but the additional period so credited shall not exceed the shortest of the following periods, namely—

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

(ii) the period of his reckonable service, or

(iii) 15 years;

and in calculating the amount of any retirement compensation payable to him any period so added shall be aggregated with any period entailing reduction of the relevant pension or retiring allowance because of a retirement pension payable under section 28 of the Social Security Act 1975(a).

(3) The benefit in respect of the additional period described in paragraph (2) shall be calculated at the same rate as is applicable for the day immediately preceding the loss or diminution.

(4) When retirement compensation is awarded, or when an award is reviewed under regulation 32, the additional compensation payable in consequence of any period credited to a person under paragraph (2) may be reduced or withheld to the extent that the compensating authority may think reasonable having regard to the pension scheme (if any) associated with any further employment obtained by him.

(5) If under his last relevant pension scheme the amount of any benefit to which a person might have become entitled could have been increased at the discretion of the authority 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 the authority or body with regard to the increase of benefits and to the provisions of any enactment protecting the interests of that person.

(6) If under his last relevant pension scheme a person 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.

(7) In calculating for the purpose of regulation 18 or 19 the amount of the annual sum which is equal to a person's accrued pension, no account shall be taken of any reduction falling to be made in that pension by reason of the

(a) 1975 c. 14.

provisions of any enactment relating to National Insurance or Social Security until the person reaches the age at which under his last relevant pension scheme the pension would have been so reduced.

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

18.—(1) Subject to the provisions of these regulations, when a person 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) No compensation shall be payable under this regulation if the person has continued to pay superannuation contributions as if he had suffered no loss of emoluments.

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

19.—(1) Where a person to whom this Part of these regulations applies and who has suffered loss of employment before attaining what would have been his normal retiring age—

(a) becomes incapacitated in circumstances in which, if he had continued in the employment which he has lost, he would have become entitled to a pension under his last relevant pension scheme, or

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

he shall be entitled on the happening of either event to claim—

(i) in the case mentioned in sub-paragraph (a) above, 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 sub-paragraph (b) above, 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),

subject however to the conditions specified in paragraph (5).

(2) On receipt of a claim under paragraph (1) the compensating authority shall consider whether the claimant is a person to whom that paragraph applies and,—

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

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

and notification as described in sub-paragraph (a) or (b) above shall, for the purposes of these regulations, be deemed to be a notification by the authority of a decision on a claim for compensation.

(3) A compensating authority may require any person who makes a claim under paragraph (1)(a) 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.

(4) If a person 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 paragraph (2) 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.

(5) The calculation of compensation under this regulation shall be subject to the following conditions:—

- (a) where the compensating authority, by virtue of regulation 17, have credited the person with an additional period of service, no account shall be taken of any additional period beyond the period which he could have served, had he not lost his employment, before the date on which the claim was received by the compensating authority;
- (b) 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 person's actual service, no account shall be taken of any such additional period of service except to the extent (if any) by which it exceeds the number of years represented by the difference between his actual service and the period by reference to which the minimum benefit has been calculated; and
- (c) 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 the pension or retiring allowance shall, notwithstanding any minimum benefit prescribed by the pension scheme, not exceed the proportion of the minimum benefit which the number of years of pensionable service bears to the minimum number of years of qualifying service.

Retirement compensation for diminution of emoluments

20.—(1) A person to whom this Part of these regulations applies and who has suffered a diminution of his emoluments shall be entitled to receive retirement compensation in accordance with the provisions of this regulation.

(2) The provisions of regulations 18 and 19 shall apply to any such person as if he had suffered loss of employment immediately before the diminution occurred; but the amount of retirement compensation payable shall be the amount which would have been payable in respect of loss of employment multiplied by a fraction of which—

- (a) the numerator is the amount by which his pensionable emoluments have been diminished, and
- (b) the denominator is the amount of his pensionable emoluments immediately before they were diminished;

and for the purposes of this calculation no account shall be taken of any reduction which might otherwise fall to be made in the accrued pension or accrued incapacity pension because of a retirement pension payable under section 28 of the Social Security Act 1975.

(3) No compensation shall be payable under this regulation—

- (a) if the person has continued to pay superannuation contributions as if his emoluments had not been diminished, or

- (b) where under his last relevant pension scheme the person's superannuation benefits are calculated by reference to remuneration for a period prior to the date on which his emoluments were diminished.

Superannuation contributions

21.—(1) A person entitled to retirement compensation under regulation 18 or 19 shall pay an amount equal to any sum which was paid to him by way of return of superannuation contributions (including any interest) after ceasing to be employed—

- (a) if the provisions of his last relevant pension scheme enable him to be credited with benefits attributable to that sum, to the fund authority, and
- (b) in any other case, to the compensating authority.

(2) If the person does not pay as specified in paragraph (1), his retirement compensation shall be reduced by an annual amount the capital value of which is equal to the amount of the said superannuation contributions.

(3) For the purposes of this regulation the expression "superannuation contributions" shall include payments made by the person in respect of added years, any additional contributory payments made by him and any other payments made by him for the purpose of increasing the benefits to which he would have become entitled under his last relevant pension scheme.

(4) Any sums paid to a compensating authority under this regulation in respect of returned contributions shall be applied for the payment of compensation which the authority is liable to pay under this Part of these regulations.

Retirement compensation of a person who obtains further pensionable employment

22.—(1) Where a person to whom this Part of these regulations applies, 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, his entitlement to retirement compensation shall be reviewed, and, subject to the provisions of this regulation, no retirement compensation shall be payable in respect of that service or period unless the annual rate of the emoluments to which he was entitled immediately before the loss or diminution exceeds the annual rate on entry of the emoluments of the new employment, and any retirement compensation so 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.

(2) If on entering new employment, a person described in paragraph (1)—

- (a) becomes a contributory employee or local Act contributor, and
- (b) becomes entitled to reckon as non-contributing service, or as service at half-length for purposes of a local Act scheme, any service or period of contribution which immediately before the loss of employment or the diminution of emoluments was reckonable as contributing service or a period of contribution,

one-half of that service or period shall not be subject to the provisions of paragraph (1).

(3) The provisions of 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 person had attained

normal retiring age immediately before he ceased to hold the employment in which he suffered the diminution of emoluments.

(4) No retirement compensation shall be payable in the circumstances mentioned in this regulation if the person has continued to pay superannuation contributions as if his emoluments had not been diminished.

Compensation payable to widow or dependants of a claimant

23.—(1) Where a person to whom this part of these regulations applies dies, payments in accordance with this regulation and regulations 24 and 25 shall be made to or for the benefit of his widow, child or other dependant or to his personal representatives or, as the case may be, to trustees empowered by him to stand possessed of any benefit under his last relevant pension scheme.

(2) Where the widow, child or other dependant has become, or but for the person's loss of employment would have become, entitled to benefits under his last relevant pension scheme, the widow, child or other dependant, as the case may be, shall (subject to the provisions of this regulation) be entitled to compensation calculated from time to time in accordance with the methods prescribed by the last relevant pension scheme modified as follows:—

- (a) where the person dies before becoming entitled to receive retirement compensation and the last relevant pension scheme provides that when he dies in service his widow, child or other dependant shall be entitled for any period to a benefit equal to his pensionable remuneration, the annual rate of compensation for that period shall be equal to the annual amount of his long-term compensation calculated in accordance with paragraphs (1) to (3) of regulation 13;
- (b) where the person dies before becoming entitled to receive retirement compensation and the last relevant pension scheme provides that when he dies in service his widow, child or other dependant shall be entitled for any period to a benefit calculated by reference to the pension or incapacity pension which would have been payable to him if he had retired immediately before his death, the compensation for that period shall be calculated by reference to the retirement compensation to which he would have been entitled under regulation 19 if that regulation had been applied to him immediately before his death;
- (c) where a person dies after becoming entitled to receive retirement compensation and the last relevant pension scheme provides that when he dies after having retired his widow, child or other dependant shall be entitled for any period to a benefit equal to his pension, the annual rate of compensation for that period shall be equal to the annual amount of retirement compensation;
- (d) where a person dies after he has become entitled to receive retirement compensation and the last relevant pension scheme provides that when he dies after having retired his widow, child or other dependant shall be entitled for any period to a benefit calculated by reference to his pension, the annual rate of compensation for that period shall be calculated by reference to the annual amount of retirement compensation that would have been payable to him but for any reduction or suspension under regulation 30(1);
- (e) for the purposes of calculating compensation in accordance with the foregoing provisions, each year added to a person's reckonable service under regulation 17 (or which would have been added if retirement under regulation 19 were assumed) shall be deemed to have been service rendered immediately before the loss of employment.

(3) Calculation of the amounts described in paragraph (2) shall be subject to the following adjustments:—

- (a) where any retirement compensation has been surrendered under regulation 17(6) or compounded under regulation 33, any sum payable under paragraph (2)(b) and (d) shall be calculated as if such surrender or compounding had not taken place;
- (b) it shall be assumed the retirement compensation payable, or which would have been payable, had been such sum as would have been payable if the accrued pension or accrued incapacity pension had not been reduced by reason of the provisions of any enactment relating to National Insurance or Social Security; and
- (c) if immediately before his death the person's long-term compensation was reduced under regulation 13(4) or 32(7) or his retirement compensation was reduced or suspended under regulation 30(1) by reason of employment in which he was subject to a pension scheme and the widow, child or other dependant is entitled under that scheme for any period to a benefit equal to his pensionable remuneration, regard shall be had to any such reduction or suspension for the purposes of paragraph 2(a) and (c).

(4) Where the widow, child or other dependant has become, or but for the person's loss of employment would have become, entitled to a benefit other than a benefit mentioned in paragraph (2)(a) to (d), the widow, child or other dependant, as the case may be, shall be entitled (subject to the provisions of paragraph (5)), to an annual sum equal to the annual amount of the pension which would have been payable if he had died immediately before the date on which he suffered the loss of employment, having then complied with any requirements of the last relevant pension 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 then in the course of making.

(5) The calculation referred to in paragraph (4) shall be made on the basis of the method prescribed by the last relevant pension scheme of the person in question for the calculation of benefits for a widow, child or other dependant, and, in so far as the age at which he died is relevant for the purposes of the said calculation, the calculation shall be made by reference to his age at the date of death.

(6) Any sums payable to or for the benefit of a widow, child or other dependant under this regulation shall cease to be payable when a corresponding pension under the last relevant pension scheme would have ceased to be payable; and where that scheme provides for payment of the pension to any person on behalf of a child or other dependant, any sum payable under this regulation 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.

(7) Except where the compensation has been reduced under regulation 21, compensation payable under this regulation and regulation 24 shall in the aggregate be reduced by an amount the capital value whereof is equal to the amount of any superannuation contributions as defined in regulation 21(3) returned to the person in respect of whom the compensation is payable and not paid to the compensating authority, the compensation under each of those regulations being reduced in proportion to the capital value of each amount.

- (8) If the person in question suffered a diminution of emoluments, then—
- (a) where his last relevant pension scheme provides benefits of a kind described in paragraph (2), the provisions of that paragraph shall apply with the substitution of references to diminution of emoluments for references to loss of employment, and the sums payable to his widow, child or other dependant shall be calculated as if he had suffered loss of employment and as if the loss of emoluments occasioned thereby had been equivalent to the amount of the diminution; but no sum shall be payable under this sub-paragraph if the person has continued to pay superannuation contributions as if his emoluments had not been diminished or where under the person's last relevant pension scheme benefits are payable to his widow, child or other dependant which are calculated by reference to the person's remuneration for a period prior to the date on which his emoluments were diminished; and
 - (b) where his last relevant pension scheme provides benefits of a kind described in paragraph (4), the provisions of that paragraph and of regulation 30(3)(a) shall apply with the substitution of references to diminution of emoluments for the references to loss of employment and of a reference to employment in which he has suffered such a diminution for the reference to employment which he has lost.

Compensation where death grant would have been payable

24.—(1) If the widow, the personal representatives of a person to whom this Part of these regulations applies or trustees empowered by that person to stand possessed of any benefit under his last relevant pension scheme might have become entitled to a death grant under that scheme, she or they, as the case may be, shall be entitled to receive a sum calculated in accordance with the provisions of regulation 23(7) and paragraph (2) of this regulation.

(2) The amount of the sum referred to in paragraph (1) shall be ascertained in accordance with the method of calculation prescribed by the last relevant pension scheme for the ascertainment of death grant as if the person had died immediately before losing his employment, subject to the following modifications:—

- (a) account shall be taken of any additional period of service credited to him under regulation 17(2)—
 - (i) in the case of a person who had been in receipt of retirement compensation under regulation 19, 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 person's death;
- (b) if the aggregate of the person's pensionable service and the additional period under regulation 17(2) is less than any minimum period of qualifying service prescribed by the pension scheme for the receipt of a death grant, the said sum shall not exceed that proportion of the death grant calculated as aforesaid which is equal to the proportion which the aggregate service bears to the minimum period of qualifying service prescribed by the pension scheme; and
- (c) there shall be deducted from the sum described above the amount of any retirement compensation paid to the person under regulation 18 or 19, or, where any part of the compensation has been surrendered under regulation 17(6), the amount which would have been so paid but for such a surrender.

(3) In calculating a death grant under this regulation, any sum payable under regulation 23(2) or (8)(a) to or for the benefit of the widow, child or other dependant 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) In relation to a person who had suffered a diminution of emoluments the foregoing paragraphs of this regulation shall have effect with the substitution of references to diminution of emoluments for references to loss of employment, and the sum payable to the widow, personal representatives or trustees of such a person shall be calculated as if he had lost emoluments equivalent to the amount of the diminution; but no sum shall be payable under this paragraph if the person had continued to pay superannuation contributions as if his emoluments had not been diminished or where by virtue of the provisions of his last relevant pension scheme the person's superannuation benefits are calculated by reference to his remuneration for a period prior to the date on which his emoluments were diminished.

Balance payable to claimant's widow or personal representatives

25.—(1) If no sum is payable to the widow, child or other dependant of any person under regulation 23(2) or (8)(a) and no sum is payable under regulation 24 and the person dies before he has received in the aggregate by way of retirement compensation a sum equivalent to the aggregate of—

- (a) any superannuation contributions as defined in regulation 21(3) paid by him which have not been returned to him, and
- (b) any amount paid by him in accordance with regulation 21(1), together with compound interest thereon calculated—
 - (i) at the rate of 3 per cent per annum with half yearly rests up to the date of his death as from 1st April or 1st October following the half year in which the amount was paid, or
 - (ii) in such other manner as may be provided by the last relevant pension scheme

(whichever calculation gives the greater amount), 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 any annual sum which became payable to a widow under regulation 23(2) or (8)(a) has ceased to be payable on her remarriage or death and any sum payable to a child or other dependant under either of those paragraphs has ceased to be payable and the aggregate amount of the payments which were made as aforesaid to her husband by way of retirement compensation and to the widow or personal representatives or trustees under regulation 24 is less than a sum equivalent to the amount which would have been payable to the personal representatives under that regulation if no sum had been payable under either of the said paragraphs (2) or (8)(a), there shall be paid to her or her personal representatives the difference between such aggregate amount and the said equivalent sum.

(3) For the purpose of this regulation, a person who has surrendered any part of his retirement compensation under regulation 17(6) or whose retirement compensation has been reduced in accordance with regulation 30(3) shall be deemed to have received during any period the amount of compensation for that period which he would have received but for such a surrender or such a reduction.

Compensation payable to non-pensionable officer on reaching normal retiring age

26.—(1) Where a person who is not a pensionable officer is receiving long-term compensation for loss of employment and attains normal retiring age, the compensating authority shall, if satisfied that the person would, but for the loss, 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) Where a person who is not a pensionable officer suffers loss of employment on or after attaining normal retiring age, the compensating authority may, if satisfied that the person 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 13 had he not attained normal retiring age at the date on which he lost his employment.

Persons subject to policy schemes

27.—(1) Regulations 18, 19, 20 and 24 shall not apply to a person (in this regulation referred to as a "policy scheme participant") who had been participating in a scheme associated with his employment for providing superannuation benefits by means of contracts or policies of insurance and had, 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 a policy scheme participant 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 are actuarially equivalent to the amounts by which his retirement compensation might have been increased under regulation 17(2) or (5) had he been a person to whom regulation 18 or 19 applied.

(3) If a policy scheme participant 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 him the like benefits as if his emoluments had not been diminished.

(4) If a policy scheme participant becomes entitled to a benefit under such a scheme as is mentioned in paragraph (1) before reaching normal retiring age, the compensating authority may reduce any long-term compensation payable to him by the amount of such benefit.

Intervals for payment of compensation under Part V

28. Any compensation awarded under this Part of these regulations to or in respect of any person shall be payable at intervals equivalent to those at which the corresponding benefit would have been payable under the person's last relevant pension scheme or at such other intervals as may be agreed between the person entitled to receive the compensation and the compensating authority.

PART VI

ADJUSTMENT, REVIEW AND COMPOUNDING OF COMPENSATION

Adjustment of compensation where superannuation benefit is also payable

29.—(1) Where any period of service of which account was taken in cal-

culating the amount of any compensation payable under Part IV or V of these regulations is subsequently taken into account for the purpose of calculating the amount of any superannuation benefit payable to or in respect of any person in accordance with a pension scheme associated with any 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 in accordance with this regulation withhold or reduce the compensation payable.

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

(3) In the case of a death benefit payable in respect of any person the sum payable under regulation 24 may be reduced by an amount not greater than the proportion of the death benefit which the period of service mentioned in paragraph (1) 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), if, in the circumstances mentioned in paragraph (1), compensation is attributable in part to any provision of the last relevant pension scheme for a minimum benefit, the compensation may be reduced by an amount not exceeding that part.

(5) Where any additional period of service has been credited to a person under regulation 17(2) and that period is equal to or less than the period reckonable in respect of the subsequent employment mentioned in paragraph (1), the compensation may be reduced (in addition to any other reduction authorised by this regulation) by an amount not exceeding that attributable to the additional period of service so credited or, if the period is greater than the period reckonable in respect of the subsequent employment, by the proportion of that amount which the period reckonable in respect of the subsequent employment bears to the additional period so credited.

(6) In making any reduction under paragraphs (2) to (5), the amount of pension or, as the case may be, lump sum to be taken into account relating to the subsequent employment shall be the amount of such pension or lump sum reduced by a fraction of that pension or lump sum, where—

(a) the numerator is equivalent to the aggregate of the amount of increases which would have been awarded under the provisions of the Pensions (Increase) Act 1971(a), during the period beginning with the day following loss of the employment for which compensation is payable and ending on the day the subsequent employment terminated, on an official pension (within the meaning of that Act) of £100 a year which commenced from the first mentioned day, and

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

(7) Where compensation has been calculated in accordance with regulation 22, the provisions of this regulation shall only apply—

(a) in relation to the part (if any) of the superannuation benefit which is attributable to annual emoluments in excess of those to which the person

(a) 1971 c. 56.

was entitled on entering the new employment referred to in regulation 22, and

- (b) in relation to any non-contributing service which becomes reckonable as contributing service pursuant to section 2 of the Local Government Superannuation Act 1953.

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

Reduction of compensation in certain cases

30.—(1) If under a person's last relevant pension scheme 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 he is entitled for loss of employment or diminution of emoluments shall, where such an employment is taken up, be reduced or suspended in the like manner and to the like extent; but in calculating the amount of the reduction there shall be aggregated with the emoluments of the employment taken up the amount of any superannuation benefit by way of annual amounts payable to the person under a pension scheme associated with the employment which he has lost or, as the case may be, the employment in which the emoluments were diminished.

(2) 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 that are not recovered in accordance with the provisions of the last relevant pension scheme; and any additional contributory payments not recovered at the date of his death shall be deducted from any compensation payable in respect of that person under regulation 23, 24 or 25(2).

(3) Where compensation under these regulations is payable otherwise than for diminution of emoluments to or in respect of any person and that person or his widow, child or other dependant or his personal representatives or trustees as are mentioned in regulation 24(1) is or are also entitled (whether immediately or on the person's attaining some greater age) to a superannuation benefit under his last relevant pension scheme in respect of any service of which account was taken in calculating the compensation,—

- (a) any instalment of that compensation which is payable in respect of any period shall be reduced by the amount of the instalment of such superannuation benefit which is payable in respect of the same period, and
(b) any of that compensation which is payable under Part IV or Part V of these regulations and which is payable as a lump sum shall be reduced by the amount of any lump sum superannuation benefit.

(4) Where compensation is payable under Part IV of these regulations to any person and that person becomes entitled to receive a superannuation benefit under a pension scheme other than his last relevant pension scheme in respect of service of which account was taken in calculating the compensation, any instalment of compensation which is payable in respect of any period shall be reduced by the amount of the instalment of the superannuation benefit which is payable in respect of the same period.

(5) For the purposes of paragraphs (3) and (4), no account shall be taken of any sum payable in consequence of the surrender by any person of part of his superannuation benefit under any provision in that behalf in the relevant pension scheme with a view to obtaining or increasing allowances for his widow, child or other dependant; and the person shall be deemed to have received during any period the amount of superannuation benefit which he would have received but for such a surrender.

(6) Where in any week a person entitled to long-term compensation for loss or diminution of emoluments is also entitled to a National Insurance or Social Security benefit, there shall be deducted from the long-term compensation payable in respect of that week a sum equal to the amount by which the aggregate of—

- (a) the National Insurance or Social Security benefit that would be payable in respect of that week if calculated at the rate applicable at the date of loss or diminution, and
(b) the weekly rate at which the long-term compensation would be payable but for this regulation,

exceeds two-thirds of the weekly rate of the emoluments of the employment which he has lost or in which the emoluments have been diminished.

(7) No deduction shall be made under paragraph (6) in so far as—

- (a) an equivalent sum is deducted from the emoluments of his current employment, and
(b) that deduction from those emoluments has not occasioned an increase in his long-term compensation.

(8) In paragraph (6) the expression "weekly rate" means seven 365ths of the relevant annual rate and the expression "National Insurance or Social Security benefit" means any unemployment, sickness, invalidity or injury benefit or retirement pension payable under any enactment relating to National Insurance or Social Security, other than a benefit claimable by him in respect of a dependant.

Notification of change of circumstances

31. Where—

- (a) a pensionable officer after suffering loss of employment or diminution of emoluments enters any employment referred to in regulation 22 or becomes entitled to any superannuation benefit on ceasing to hold such an employment,
(b) a person entitled to long-term compensation, whilst that compensation is liable to review in accordance with the provisions of regulation 32, enters any employment, or ceases to hold an employment, or receives any increase in his emoluments in an employment,
(c) a person entitled to retirement compensation enters employment in which the compensation is subject to reduction or suspension under regulation 30 or ceases to hold such an employment, or
(d) a person entitled to long-term compensation starts to receive any benefit, any increase in benefit or any further benefit, under any enactment relating to National Insurance or Social Security,

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

Review of awards of long-term or retirement compensation

32.—(1) The compensating authority shall—

- (a) on the expiry of 6 months from the decision date, or
- (b) on the occurrence of any material change in the circumstances of the case,

whichever shall first occur, and thereafter within a period of 2 years after the decision date, or within any longer period specified in the subsequent provisions of this regulation, and at intervals of not more than 6 months, review its decision or, where the claim has been the subject of an appeal, the decision of the tribunal, and (subject to paragraph (7)) these regulations shall apply in relation to such a review as they apply in relation to the initial determination of the claim; and on such a 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 person to whom the decision relates may require the compensating authority to carry out the review mentioned in paragraph (1) at any time within 2 years after the decision date 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), notwithstanding the expiration of the period of 2 years mentioned in that paragraph, if—

- (a) the emoluments of employment or work undertaken as a result of the loss of employment had been taken into account in determining the amount of any compensation awarded,
- (b) that employment or work has been lost or the emoluments thereof reduced, otherwise than by reason of misconduct or incapacity to perform the duties which the person might reasonably have been required to perform, and
- (c) the compensating authority are satisfied that the loss or reduction is causing him hardship,

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

(4) Paragraphs (1) and (2) 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 relation to any decision mentioned in paragraph (1) and as if in paragraph (1) "decision date" means the date on which any decision on a claim for long-term compensation for diminution of emoluments is notified to the claimant, but—

- (a) where the person to whom the decision relates ceases to hold the employment in which his emoluments were diminished, a review shall be held within three months after that date, but no further review shall be held after the expiry of that period, and
- (b) while that person 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 person to whom the decision relates becomes engaged in any employment (hereinafter referred to as "his current employment") the emoluments of which are payable out of public funds and which he has undertaken subsequent to the loss or diminution, and
- (b) the aggregate of the emoluments of his current employment, any superannuation benefit by way of annual amounts payable to him in respect of the employment which he has lost or the employment in which his emoluments have been diminished and the long-term compensation payable to him exceeds the emoluments of the employment which he has lost or, as the case may be, in which the emoluments have been diminished.

(6) The compensating authority shall further review any decision reviewed under paragraph (5) whenever the emoluments of the person's current employment are increased.

(7) On any review under this regulation, the amount of long-term compensation which, apart from this paragraph and any reduction under regulation 30(3) and (4), would be payable to the person may be reduced by an amount not exceeding the amount by which the aggregate of the compensation and the annual rate of emoluments of his current employment exceeds the annual rate of emoluments of the employment which he has lost or, as the case may be, in which the emoluments have been diminished.

(8) The compensating authority shall give to a person to whom a decision relates not less than 14 days' notice of any review of that decision to be carried out under this regulation unless the review is carried out at his request.

(9) In this regulation the expression "decision date" means the date on which any decision on a claim for long-term or retirement compensation for loss of employment is notified to a claimant under regulation 34.

(10) For the purposes of regulations 13(4), 22(1) and 29(7) and (8) and on any review under this regulation, no account shall be taken of any increase in the emoluments of any work or employment undertaken as a result of the loss of employment or diminution of emoluments or of any superannuation benefit attributable to such an increase if any such increase is effective from any date after the date of the loss or diminution and is attributable to a rise in the cost of living.

(11) Nothing in this regulation shall preclude the making of any adjustment of compensation required by regulation 29 or 30.

Compounding of awards

33.—(1) In any case where an annual sum which has been or might be awarded under these regulations does not exceed £35, 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 awarded or might be awarded in addition to such sum under regulation 18, 19 or 20, the compensating authority may likewise discharge their liability in respect thereof by an immediate payment.

(2) In any other case, if the person who has been awarded long-term or retirement compensation requests them to do so, the compensating authority may, after having regard to the state of health of that person and the other circumstances of the case, compound up to one quarter of their liability to make payments under the award (other than payments to a widow, child or other depend-

ant under regulation 23) 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 other than payments of compensation under Part III of these regulations.

(3) The making of a composition under paragraph (2) in relation to an award of long-term or retirement compensation shall not prevent the subsequent making of a composition under paragraph (1) 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

34.—(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 this regulation.

(2) Every such claim or request shall be made to the compensating authority in writing 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,
- (b) in the case of a claim for, or request for the review of an award of, compensation under Part IV or V of these regulations, not later than one month after the receipt of the claim or request, and
- (c) in any other case, as soon as possible after the decision;

but the decision of the compensating authority shall not be invalidated by reason of the fact that notice of the decision is given after the expiry of the period mentioned in this paragraph.

(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 under regulation 42, if he is aggrieved by the decision, to institute proceedings before a tribunal and giving him the address to which any application instituting those proceedings should be sent.

Claimants to furnish information

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

(2) Such a person shall, on receipt of reasonable notice, present himself for interview at any place that the compensating authority may reasonably require; and any person who attends for interview may, if he so desires, be represented by his adviser.

Procedure on death of claimant

36.—(1) In the event of the death of a claimant or of a person who, if he had survived, could have been a claimant, a 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 by them in order to continue or make the claim, be deemed for the purposes of these regulations to be the person entitled to claim, but, save as aforesaid, the person in whose right they continue or make the claim shall be deemed for the purposes of these regulations to be that person, and the relevant provisions of the regulations shall be construed accordingly.

(3) The compensating authority may, in any case where a person who, if he had survived, could have been a claimant has died, extend the period within which a claim under regulation 7 or 11 is to be made by his personal representatives.

Calculation of service

37.—(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, a person 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 a person's reckonable service, all periods of that service shall be aggregated by reference to completed years and completed days; and any provision in these regulations requiring compensation to be calculated by reference to a year of reckonable service shall (unless the provision specifically states that compensation is payable in respect of completed years) be construed as including completed days, each completed day over and above a completed year being expressed as one 365th of a year.

General provisions as to emoluments

38.—(1) In these regulations, subject to the provisions of paragraph (2) and regulations 39 and 40 the expression "emoluments" means all salary, wages, fees and other payments paid or made to an officer as such for his own use, and also the money value of any accommodation or other allowances in kind appertaining to his employment, but does not include payments for overtime which are not 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