

1968 No. 1170

IRON AND STEEL

**The Iron and Steel (Compensation to Employees)
Regulations 1968**
*Laid before Parliament in draft**Made - - - - 22nd July 1968**Coming into Operation 2nd August 1968*

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SCHEDULE

The Minister of Power in exercise of his powers under section 41 of the Iron and Steel Act 1949(a), as revived and amended by section 31 of the Iron and Steel Act 1967(b), and after consultation with the British Steel Corporation and such organisations as appear to him to be representative of persons concerned, hereby makes the following regulations, a draft of which has been laid before Parliament and has been approved by resolution of each House of Parliament in accordance with the said section 41:—

PART I

PRELIMINARY

Citation and commencement

1. These regulations may be cited as the Iron and Steel (Compensation to Employees) Regulations 1968, shall come into operation 14 days after they have been approved by resolution of each House of Parliament and shall have effect from 28th July 1967.

Interpretation

2.—(1) In these regulations—

“the Act” means the Iron and Steel Act 1949 as revived and amended by the Iron and Steel Act 1967;

“added years” means years purchased under the provisions of the last relevant pension scheme for the purpose of being reckoned as pensionable service;

“the Corporation” means the British Steel Corporation;

“enactment” means any Act or any instrument made under an Act;

“last relevant pension scheme” means the pension scheme to which a pensionable officer was last subject before suffering loss of employment or loss or diminution of emoluments or pension rights in consequence of a relevant event;

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

“material date” means in the case of a person to whom these regulations apply and—

- (a) who is or has been an officer of a company which came into public ownership under Part II of the Act, the date on which the relevant event occurred in consequence of which he suffered loss of employment or loss or diminution of emoluments or pension rights as the case may be;
- (b) who has been an officer of the Iron and Steel Board established under Part II of the Iron and Steel Act 1953(a), 27th August 1967;

“minimum pensionable age” means, in relation to a pensionable officer, the earliest age at which, under his last relevant pension scheme, he could have become entitled to the immediate payment of a pension, other than a pension payable in consequence of his redundancy or his incapacity to discharge efficiently the duties of his employment by reason of permanent ill-health or infirmity of mind or body;

“national service” means service which is relevant service within the meaning of the Reserve and Auxiliary Forces (Protection of Civil Interests) Act 1951(b), 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 person under whom an officer held his last relevant employment;

“net annual emoluments” in relation to any employment means, subject to the provisions of regulation 38, the annual rate of the emoluments of that employment less such part of those emoluments as the officer was liable to contribute under a pension scheme associated with his employment (but including any part of those emoluments payable in respect of additional voluntary contributions); and in relation to any employment which has been lost or the emoluments of which have been diminished, the expression means the annual rate of emoluments as aforesaid immediately before the loss or diminution, as the case may be;

“normal retiring age” means, in the case of a pensionable officer, in relation to whom his last relevant pension scheme prescribes an age at which he becomes or would have become entitled to receive a normal retirement pension, that age and, in any other case, the age of 65 years, if the officer is a male, or 60 years if the officer is a female;

“pensionable officer”, in relation to a person to whom these regulations apply who has suffered loss of employment or loss or diminution of emoluments or pension rights in consequence of a relevant event, means such a person who immediately before such loss or diminution was subject to a pension scheme;

“reckonable service”, in relation to a person to whom these regulations apply, means any period of any relevant employment which is not a period in respect of which a pension (other than a return of contributions) has been paid or will become payable otherwise than under the last relevant pension scheme, and includes any period of war service or national service undertaken on his ceasing to hold any such employment;

“relevant employment” means whole-time employment in the service of—

- (a) the Corporation; or
- (b) a publicly-owned company (including service before the coming into public ownership of that company); or
- (c) the Iron and Steel Board; or

- (d) the Iron and Steel Corporation of Great Britain established under the Iron and Steel Act 1949; or
- (e) a previous owner of an undertaking owned by a publicly-owned company; or
- (f) any organisation representative of the interests of iron and steel producers as defined by section 47(2) of the Iron and Steel Act 1967; or
- (g) a company, not being a publicly-owned company, which during the period of whole-time employment was wholly or mainly engaged in iron and steel activities as defined by subsection (4) of the said section 47; or
- (h) an organisation wholly or mainly engaged in undertaking research in relation to iron and steel activities, as so defined, as a common service for iron and steel producers as so defined; or
- (i) the Crown,

“relevant event”, in the case of a person who is or has been an officer of a company which came into public ownership under Part II of the Act means—

- (a) the company so coming into public ownership; or
- (b) effect being given to conclusions reported under section 4 of the Iron and Steel Act 1967 to the Minister; or
- (c) effect being given to a direction given by the Minister by virtue of section 7(2) of that Act,

and, in the case of a person who has been an officer of the Iron and Steel Board, means the dissolution of that Board;

“resettlement compensation” means compensation payable in accordance with Part III of these regulations for loss of employment;

“retirement compensation” means compensation payable in accordance with Part V of these regulations for loss or diminution of pension rights;

“tribunal” means a tribunal established under section 12 of the Industrial Training Act(a);

“war service” means war service within the meaning of the Local Government Staffs (War Service) Act 1939(b), the Teachers Superannuation (War Service) Act 1939(c), the Education (Scotland) (War Service Superannuation) Act 1939(d), the Police and Firemen (War Service) Act 1939(e) or employment for war purposes, within the meaning of the Superannuation Schemes (War Service) Act 1940(f) 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;

“whole-time employment” means employment after reaching the age of 18 years, being employment to which the employee is required to devote on the average not less than 30 hours per week.

(2)(a) 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 the tables contained in the schedule hereto in so far as they provide for the particular case.

(b) For the purpose of determining the application of the said tables the headings and the note to each table shall be treated as a part of the table.

(a) 1964 c. 16.
(c) 1939 c. 95.
(e) 1939 c. 103.

(b) 1939 c. 94.
(d) 1939 c. 96.
(f) 1940 c. 26.

(c) Where the said tables do not provide for a case in which 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 such as may be agreed between the Corporation and the person to whom the capital sum or annual amount is payable.

(3) Expressions used in these regulations shall, unless the contrary intention appears, have the same respective meanings as in the Act.

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

(5) The Interpretation Act 1889(a) 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 apply to any person who—

(a) was employed immediately before 22nd March 1967 in whole-time employment either as an officer of a company which came into public ownership under Part II of the Act or of the Iron and Steel Board, or

(b) would have been so employed at that date but for any national service on which he was then engaged.

National Service

4.—(1) A person to whom these regulations apply by virtue of regulation 3(b) shall be deemed not to have suffered loss of employment or loss or diminution of emoluments or pension rights unless he gives notice in writing to the Corporation in accordance with paragraph (3) that he is available for employment and he is either not given or offered re-employment in his former office or in any reasonably comparable office, or is given or offered such re-employment with reduced emoluments or pension rights as compared with the emoluments and pension rights which he would have enjoyed had he continued in his former office.

(2) If the ground of a claim for compensation under paragraph (1) is for loss of employment or loss or diminution of pension rights that loss shall for the purposes of these regulations 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 person shall be deemed to have been entitled to the emoluments or the pension rights which he would have enjoyed or been entitled to at such earlier date had he continued in his former office.

(3) Notice shall be given in writing to the Corporation before the expiry of 2 months after ceasing to be engaged on national service or of 2 months after the coming into operation of these regulations, whichever is the later or, if prevented by sickness or other reasonable cause, as soon as practicable thereafter.

PART III

RESETTLEMENT COMPENSATION FOR LOSS OF EMPLOYMENT

Persons to whom resettlement compensation is payable

5.—(1) The Corporation shall, subject to the provisions of these regulations, pay resettlement compensation to any person to whom these regulations apply who—

- (a) has suffered loss of employment in consequence of a relevant event not later than 10 years after the material date;
 - (b) had not at the date of the loss reached normal retiring age;
 - (c) had been continuously engaged (disregarding breaks not exceeding in the aggregate 6 months) in relevant employment during the period beginning 3 years before the material date and ending at the date of the loss; and for this purpose the expression “relevant employment” includes any period of national service immediately following such employment;
 - (d) has made a claim for compensation in accordance with the provisions of Part VII of these regulations not later than 13 weeks after the loss of employment which is the cause of his claim or 13 weeks after the coming into operation of these regulations, whichever is the later.
- (2) Resettlement compensation shall not, however, be paid—
- (a) to a person who has suffered loss of employment in consequence of a relevant event, if his employment could have been terminated by reason of misconduct or incapacity to perform such duties as, immediately before the loss of employment, he was performing or might reasonably have been required to perform; or
 - (b) to a person who has been offered reasonably comparable employment under the Crown or in the service of the Corporation or of a publicly-owned company.
- (3) In ascertaining for the purposes of paragraph (2) of this regulation whether a person 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 involve a transfer of his employment from one place to another within Great Britain.
- (4) No account shall be taken for the purposes of this regulation of an offer of employment where the Corporation are satisfied—
- (a) that acceptance would have involved undue hardship to the person; or
 - (b) that he was prevented from accepting the offer by reason of ill-health or other circumstances beyond his control.

Amount of resettlement compensation

6.—(1) The amount of resettlement compensation payable to a person 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 annual emoluments which that person has lost and deducting therefrom such of the following items as may be applicable—

- (a) unemployment, sickness or injury benefit under any enactment relating to National Insurance claimable by him in respect of such week (excluding any amount claimable by him in respect of a dependant); and

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

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

(3) Nothing in this regulation shall prevent effect being given to any other provision of these regulations empowering the withholding or reduction of, or making deduction from, resettlement compensation.

Period for payment of resettlement compensation

7. Resettlement compensation shall be payable to a person only in respect of the period of 13 weeks next succeeding the week in which he lost the employment in respect of which the compensation is payable or, in the case of a person who has at the date of losing that employment reached the age of 45 years, the said 13 weeks extended by one additional week for every year by which his age then exceeds the age of 45 years, subject to a maximum addition of 13 such weeks.

Claimant for resettlement compensation to furnish particulars of employment and to register if unemployed

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

- (a) forthwith supply the Corporation in writing with particulars of any employment which he obtains or of any change in his earnings from any such employment; and
- (b) register with the Department of Employment and Productivity, so long as he is out of employment and is not receiving sickness or injury benefit, unless the Corporation has in writing notified him that he is not required by them so to register.

Additional provisions relating to resettlement compensation

9. Subject to the provisions of these regulations, resettlement compensation shall be payable to a person 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 person and the Corporation, and shall forthwith be terminated by the Corporation if, on being requested to do so, he fails to satisfy the Corporation 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 long-term compensation is payable

10.—(1) The Corporation shall, subject to the provisions of these regulations, pay long-term compensation to any person to whom these regulations apply, who—

- (a) has suffered loss of employment or loss or diminution of emoluments in consequence of a relevant event not later than 10 years after the material date;
- (b) had not, save as is provided in regulation 15, at the date of the loss or commencement of the diminution reached normal retiring age;

- (c) had been continuously engaged (without a break of more than 12 months at any one time) in relevant employment during the period beginning 8 years before the material date and ending at the date of the loss; and for this purpose the expression "relevant employment" includes any period of national service immediately following such employment;
- (d) has made a claim for compensation in accordance with the provisions of Part VII of these regulations not later than 2 years after the date on which the loss of employment or emoluments took place or the commencement of the diminution of emoluments began in respect of which the claim is made or 2 years after the coming into operation of these regulations, whichever is the later.
- (2) Long-term compensation shall not, however, be paid:—
- (a) to a person who has suffered loss of employment in consequence of a relevant event, if his employment could have been terminated by reason of misconduct or incapacity to perform such duties as, immediately before that loss of employment, he was performing or might reasonably have been required to perform; or
- (b) to a person who has been offered reasonably comparable employment under the Crown or in the service of the Corporation or of a publicly-owned company.
- (3) Regulation 5(3) and (4) (which relate to offers of employment) shall apply for the purposes of this regulation as they apply for the purposes of regulation 5.
- (4) Claims for long-term 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 assessing loss or diminution of emoluments

11.—(1) For the purpose of determining the amount of long-term compensation, if any, the loss or diminution of emoluments suffered by a person shall be regarded as the annual loss or diminution (if any) of net annual emoluments which he would have suffered had he taken all reasonable steps open to him to mitigate that loss or diminution, and in assessing the loss or diminution such of the following factors as are relevant to the particular case shall be taken into consideration:—

- (a) the conditions upon which the person held the employment which he has lost or the emoluments of which have been lost or diminished, 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 person in place of the employment which he has lost;
- (c) the period for which he might reasonably have been expected to have remained in the employment which he has lost, or to have remained in that employment without diminution of emoluments, as the case may be, but for the relevant event in consequence of which he has suffered the loss or diminution;
- (d) the period for which he might reasonably have been expected to engage or remain in the work or employment undertaken in place of the employment which he has lost or the emoluments of which have been lost or diminished;

- (e) the extent to which he has sought suitable employment or training for such employment and the emoluments which he might have acquired by accepting other suitable employment offered to him;
- (f) all the other circumstances of the case.

(2) In ascertaining for the purposes of sub-paragraph (e) of paragraph (1) whether a person has been offered suitable employment, regulation 5(4) shall apply as it applies for the purposes of regulation 5.

Amount of long-term compensation payable for loss of emoluments

12.—(1) Subject to the provisions of these regulations, long-term compensation for loss of emoluments shall consist of an annual sum payable until the normal retiring age or death of a person to whom it is payable, whichever first occurs, and shall be the amount of the annual loss of emoluments which he has suffered assessed in accordance with regulation 11, not, however, exceeding the maximum annual sum provided for in the following provisions of this regulation.

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

- (a) for every year of the person's reckonable service, one sixtieth of the annual loss of emoluments so assessed; and
- (b) in the case of a person who has reached the age of 40 years at the date of the loss, a sum calculated in accordance with the provisions of paragraph (3) appropriate to his age at that date:

Provided that the said maximum annual sum shall in no case exceed two thirds of the annual loss of emoluments so assessed.

(3) The sum referred to in paragraph (2)(b) shall be:—

- (a) in the case of a person who has reached the age of 40 years but has not reached the age of 50 years at the date of the loss, the following fraction of the annual loss of emoluments so assessed—
- (i) where his reckonable service is less than 10 years, one sixtieth for each year of such service after reaching the age of 40 years; or
 - (ii) where his reckonable service amounts to 10 years but is less than 15 years, one sixtieth for each year of such service after reaching the age of 40 years and one additional sixtieth; or
 - (iii) where his reckonable service amounts to 15 years but is less than 20 years, one sixtieth for each year of such service after reaching the age of 40 years and two additional sixtieths; or
 - (iv) where his reckonable service amounts to 20 years or more, one sixtieth for each year of such service after reaching the age of 40 years and three additional sixtieths,

but the sum so calculated shall not in any case exceed one sixth of the annual loss of emoluments so assessed;

- (b) in the case of a person who has reached the age of 50 years but has not reached the age of 60 years at the date of the loss, one sixtieth of the annual loss of emoluments so assessed for each year of his reckonable service after reaching the age of 40 years, up to a maximum of 15 such years; and

(c) in the case of a person who has reached the age of 60 years at the date of the loss, one sixtieth of the annual loss of emoluments so assessed for each year of his reckonable service after reaching the age of 45 years.

(4) Long-term compensation determined under this regulation shall be payable to a person by instalments 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 person and the Corporation.

(5) Long-term compensation payable in respect of a period for which resettlement compensation is also payable shall be reduced by the amount of that resettlement compensation.

Long-term compensation for diminution of emoluments

13.—(1) Long-term compensation payable for diminution of emoluments shall, subject to the provisions of these regulations, consist of an annual sum payable until the normal retiring age or death of a person to whom it is payable, whichever first occurs, and shall be the amount of the annual diminution which he has suffered assessed in accordance with regulation 11, not however exceeding the annual sum which bears to the maximum annual sum which could have been awarded to him under regulation 12 if he had suffered loss of emoluments the same ratio as the amount by which his net annual emoluments have been diminished bears to his net annual emoluments before diminution, so however that no compensation shall be payable under this regulation if the ratio is less than $2\frac{1}{2}\%$.

(2) Long-term compensation determined under this regulation shall be payable to a person by instalments at intervals equivalent to those at which the emoluments of his employment are or were previously paid or at such intervals as may be agreed between the person and the Corporation.

Date from which long-term compensation is to be payable

14.—(1) Long-term compensation shall be payable with effect from the date on which the claim is received unless made payable from an earlier date under the succeeding provisions of this regulation.

(2) Where a claim for long-term compensation is made within 13 weeks of the occurrence of the loss or the commencement of the diminution which is the subject of the claim, or of the coming into operation of these regulations whichever is the later, the compensation shall be payable with effect from the date on which the loss occurred or the diminution commenced.

(3) Where a claim for long-term compensation is made after the expiry of the period mentioned in paragraph (2), the compensation may, at the discretion of the Corporation, be made payable with effect from a date not earlier than 13 weeks prior to the date on which the claim was received:

Provided that if the Corporation are satisfied that the failure to make the claim within the period mentioned in paragraph (2) was due to ill-health or other circumstances beyond the claimant's control, the compensation may be made payable with effect from a date not earlier than that on which the loss occurred or the diminution commenced.

Compensation payable to non-pensionable officers on reaching retiring age

15.—(1) Where a person to whom these regulations apply and who is not a pensionable officer is receiving long-term compensation for loss of employment and reaches normal retiring age, the Corporation 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 to whom these regulations apply and who is not a pensionable officer suffers loss of employment in consequence of a relevant event on or after reaching normal retiring age, the Corporation shall, 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 which would have been payable under regulation 12 had he not attained normal retiring age on or before the date on which he lost his employment.

PART V

RETIREMENT COMPENSATION FOR LOSS OR DIMINUTION OF PENSION RIGHTS

Persons to whom retirement compensation is payable

16.—(1) The Corporation shall, subject to the provisions of these regulations, pay retirement compensation to any pensionable officer to whom these regulations apply, who—

- (a) has suffered loss or diminution of pension rights in consequence of a relevant event not later than 10 years after the material date;
- (b) had not at the date on which the loss or diminution was occasioned reached normal retiring age;
- (c) had been continuously engaged (without a break of more than 12 months at any one time) in relevant employment during the period beginning 8 years before the material date and ending at the date of the loss; and for this purpose the expression “relevant employment” includes any period of national service immediately following such employment;
- (d) has made a claim for compensation in accordance with the provisions of Part VII of these regulations not later than 2 years after the date on which the loss or diminution was occasioned or 2 years after the coming into operation of these regulations, whichever is the later; and
- (e) has reached normal retiring age or has elected to take retirement compensation earlier in accordance with the following provisions of this Part of these regulations.

(2) Retirement compensation shall not, however, be paid:—

- (a) to a person who has suffered loss or diminution of pension rights which has been occasioned by loss of employment in consequence of a relevant event, if his employment could have been terminated by reason of misconduct or incapacity to perform such duties as, immediately before that loss of employment, he was performing or might reasonably have been required to perform; or
- (b) to a person who has been offered reasonably comparable employment under the Crown or in the service of the Corporation or of a publicly-owned company and who would not have suffered a loss or diminution of pension rights had he accepted that employment; or
- (c) to a person who has suffered a diminution of pension rights which has been occasioned by a diminution in his emoluments of less than 2½%.

(3) Regulation 5(3) and (4) (which relate to offers of employment) shall apply for the purposes of this regulation as they apply for the purposes of regulation 5.

(4) References in this Part of these regulations to the date on which a loss or diminution of pension rights was occasioned shall subject to regulation 4(2) be interpreted as references to the date on which the loss of employment or emoluments took place or on which the diminution of emoluments began or the change in the terms of service occurred which occasioned the loss or diminution of pension rights.

Factors to be considered in assessing loss or diminution of pension rights

17. For the purpose of determining the amount of retirement compensation, if any, the loss or diminution of pension rights suffered by a person shall be regarded as the loss, if any, (adjusted in the case of diminution as provided in the following regulation) which he would have suffered had the conditions specified in any of the three following regulations as being appropriate to his case obtained and had he taken all reasonable steps open to him to mitigate the loss or diminution, and in assessing the loss (so adjusted in case of diminution) such of the factors specified in regulation 11 as are relevant to the particular case shall be taken into consideration, and in particular the following shall be taken into consideration—

- (a) the terms of any pension scheme associated with any new employment undertaken; and
- (b) the extent to which the person in question has sought pensionable employment, and the terms of any pension scheme which would have applied if he had accepted other suitable employment offered to him.

Extent of retirement compensation payable at normal retiring age

18.—(1) Subject to the provisions of these regulations, retirement compensation to be paid pursuant to regulation 16 to a person who has reached normal retiring age without having elected under either regulation 19 or regulation 20 to take retirement compensation earlier shall consist of—

- (a) in the case of a person who has suffered loss of pension rights—
 - (i) an annual sum equivalent to the loss of any sum which under the last relevant pension scheme would have become payable to him in each year after retiring at normal retiring age;
 - (ii) a lump sum equivalent to the loss of any lump sum which would have become payable under that scheme on retiring at that age;assessed in accordance with regulation 17,
- (b) in the case of a person who has suffered a diminution of pension rights under the last relevant pension scheme by reason of a diminution of emoluments, the annual sum and the lump sum which respectively bear the same ratio to the sums which would be payable under the preceding provisions of this paragraph, had he suffered a loss of pension rights, as the amount by which his net annual emoluments have diminished bears to his net annual emoluments before diminution, and
- (c) in the case of a person who has suffered a diminution of pension rights for any other reason, the sums which would be payable under (a) of this paragraph, had he suffered a loss of pension rights, respectively reduced by the amount of any sum payable under the last relevant pension scheme in each year after retirement compensation becomes payable and by the amount of any lump sum paid or payable under that scheme.

(2) The condition appropriate to the case of a person claiming retirement compensation under this regulation (which in accordance with regulation 17 is to be regarded as having obtained for the purpose of assessing loss or diminution of pension rights) is that the pensionable service which is to be taken into account for the purposes of the last relevant pension scheme is the pensionable service which would have been taken into account if on the date immediately preceding that on which the loss or diminution of pension rights was occasioned—

- (a) he had reached normal retiring age and had then retired;
- (b) he had complied with any requirement of the last relevant pension scheme as to a minimum period of qualifying service or contribution;
- (c) he had continued any additional voluntary contributions until normal retiring age and had completed any payments in respect of added years which he was in the course of making;
- (d) he had served for any additional period provided for in regulation 23.

(3) The sum referred to in paragraph (1)(a) which under the last relevant pension scheme would have been payable to a person in each year after retiring at normal retiring age shall be calculated without taking account of any reduction falling to be made in that sum by reason of the provisions of any Act relating to National Insurance, until he reaches the age at which under the last relevant pension scheme that sum would have been so reduced.

Retirement compensation payable on being incapacitated or at minimum pensionable age

19.—(1) A person to whom retirement compensation will be payable pursuant to regulations 16 and 18 on his reaching normal retiring age (if he does not elect to take it earlier under this or the following regulation) may claim, before reaching that age and by notice in writing to the Corporation, to be paid retirement compensation in accordance with this regulation if since the date on which the loss or diminution of pension rights was occasioned he has either:—

- (a) become incapacitated in circumstances in which, if he had continued to be a pensionable officer, he would by reason of that incapacity have become eligible for a pension under the last relevant pension scheme; or
- (b) reached the minimum pensionable age;

such retirement compensation as from the date from which it is payable to be in lieu of all other compensation payable as from that date under these regulations.

(2) For the purpose of determining the retirement compensation payable to a person claiming under this regulation, regulation 18 shall apply as it applies to a person who has reached normal retiring age, but subject to the provisions as to determining compensation hereinafter in this regulation stated and in the case of such incapacity as is mentioned in paragraph (1)(a) subject to the substitution for (a) of regulation 18(2) of the following—

“(a) he had become incapacitated in circumstances in which he would by reason of that incapacity have become eligible for a pension under the last relevant pension scheme.”

(3) Within 13 weeks of the receipt of a claim under paragraph (1) of this regulation the Corporation:—

- (a) shall, if they do not consider that the claimant is eligible for payment of retirement compensation assessed under this regulation, so notify him in writing;

(b) shall, if they do consider that he is eligible, assess the retirement compensation to be paid and notify him in writing accordingly; and any such notification shall for the purposes of these regulations be deemed to be a notification by the Corporation of a decision on a claim for compensation.

(4) The Corporation may require any person who makes a claim for retirement compensation under paragraph (1)(a) of this regulation to submit himself to a medical examination by a registered medical practitioner selected by the Corporation, 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 Corporation shall take that report into consideration, together with the report of the medical practitioner selected by them when considering the claim.

(5) If a person elects to receive compensation under this regulation, he shall so inform the Corporation in writing within one month from the receipt of a notification under paragraph (3) or, where the claim has been the subject of an appeal, from the decision of the tribunal thereon, and if he fails to do so he shall be deemed to have elected not to receive such compensation.

(6) On a person electing to receive retirement compensation under this regulation in accordance with paragraph (5), such retirement compensation shall be payable as from the date on which the Corporation received notice in writing of the claim in accordance with paragraph (1) and if any compensation under these regulations has been paid in lieu of which by virtue of that paragraph retirement compensation under this regulation is payable, payments of such retirement compensation shall be withheld or reduced accordingly.

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

- (a) where the Corporation, by virtue of regulation 23 has taken into account a period of additional years, that period shall not include any additional years beyond the number of years which the person in question has served or could have served, had he not lost his employment, before the date on which the claim was received by the Corporation; and
- (b) if, by reason of any provision of the last relevant pension scheme for a minimum benefit, the amount of the pension which would have been payable under that scheme is in excess of that attributable to the person's actual service, no account shall be taken of any such period of additional years 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 of pensionable service taken into account in accordance with regulation 18 as applied by paragraph (2) of this regulation is less than the minimum number of years of qualifying service prescribed by the last relevant pension scheme, the annual sum and lump sum payable as retirement compensation under this regulation 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 so taken into account bears to that minimum number of years of qualifying service.

Premature retirement compensation

20.—(1) A person to whom retirement compensation will be payable pursuant to regulations 16 and 18 on his reaching normal retiring age (if he does not elect to take it earlier under this or the preceding regulation) by reason of his

having lost employment as a pensionable officer, if at the date of the loss he had reached 50 years of age, may, before reaching normal retiring age and by notice in writing to the Corporation, claim to be paid retirement compensation assessed in accordance with this regulation, such retirement compensation as from the date on which it is payable to be in lieu of all compensation payable as from that date under these regulations other than resettlement compensation.

(2) No claim under this regulation shall be entertained if the claimant has also claimed long-term compensation and the claim under this regulation is made more than 2 years after the determination of the claim for long-term compensation or after any review of that determination.

(3) For the purpose of determining the retirement compensation payable to a person claiming under this regulation, regulation 18 shall apply as it applies to a person who has reached normal retiring age, but subject to the omission of (d) of regulation 18(2).

(4) Paragraphs (3), (5) and (6) of regulation 19 shall apply in relation to a claim made under this regulation as they apply in relation to a claim made under regulation 19.

Pension contributions

21.—(1) A person to whom retirement compensation will be payable shall pay to the Corporation an amount equal to any sum which was paid to him by way of return of pension contributions, including any interest, after ceasing to be employed, and the Corporation may at his request repay that amount to him at any time before retirement compensation is payable, but if that amount is not paid to the Corporation, or is repaid by them to the person, the retirement compensation payable to him shall be reduced by an annual amount the capital value of which is equal to the amount of the said pension contributions.

(2) For the purposes of this regulation the expression "pension contributions" shall include payments made by the person in respect of added years.

Retirement compensation payable to a person who obtains further pensionable employment

22. Where a pensionable officer to whom these regulations apply, after the date on which a loss or diminution of pension rights was occasioned in consequence of a relevant event, enters employment other than that in which he suffered that loss or diminution and for the purpose of a pension scheme associated with that new employment there falls to be taken into account any period of service which also falls to be taken into account as being service reckonable under the last relevant pension scheme for the purpose of assessing any retirement compensation payable to him, then:—

- (a) subject as is in this regulation stated, the foregoing provisions of this Part of these regulations shall apply to him as if he had suffered a diminution in pension rights occasioned by an annual diminution of emoluments as a pensionable officer to whom these regulations apply which is equivalent to the amount by which his net annual emoluments, as they were immediately before the date on which the loss or diminution of pension rights in respect of which retirement compensation is payable was occasioned, exceed his net annual emoluments in his new employment immediately after entering that employment; and
- (b) if his claim to retirement compensation is for diminution of pension rights by reason of his emoluments having diminished, the retirement compensation payable shall not exceed the retirement compensation which would have been payable if he had not entered new employment.

Adjustment for additional years

23.—(1) Subject as hereinafter stated, in calculating the maximum retirement compensation payable to a person who has reached the age of 40 years at the date on which the loss or diminution of pension rights was occasioned, in addition to the service taken into account as being reckonable for the purposes of his last relevant pension scheme, a period not exceeding the aggregate of the following shall also be taken into account as if it were so reckonable, and retirement compensation shall be adjusted accordingly, that is to say—

- (a) 2 years, whether or not he has completed any years of service after reaching the age of 40 years; and
- (b) 2 years for each complete year of reckonable service, not exceeding 4 years of reckonable service in all, which elapsed between the date of his reaching the age of 40 years and the date on which the loss or diminution of pension rights was occasioned; and
- (c) one year for each such complete year after the fourth of reckonable service so elapsing:

Provided that the aggregate of the additional years taken into account shall not exceed any of the following:—

- (i) the number of years reckonable for the purposes of the last relevant pension scheme for which he would have served after the date on which the loss or diminution of pension rights was occasioned had he continued to be employed as an officer subject to that scheme until normal retiring age; or
- (ii) the number of years of his reckonable service on that date; or
- (iii) 15 years.

(2) In applying the method of calculation prescribed by the last relevant pension scheme for the purposes of determining retirement compensation, any period added under this regulation shall be aggregated with any years of service which under that scheme entail reduction of a pension benefit because of a retirement pension payable under section 30 of the National Insurance Act 1965(a).

(3) This regulation shall not apply to retirement compensation payable in accordance with regulation 20.

Other adjustments

24. If retirement compensation is payable in respect of the loss or diminution of rights to a pension which under the last relevant pension scheme would have been increased or supplemented in specified circumstances, or might at the discretion of the body administering the scheme have been increased or supplemented to a specified extent, the Corporation shall in those circumstances, or may at their discretion, as appropriate, increase or supplement to a proportionate extent the corresponding component of retirement compensation, and in the exercise of this discretion the Corporation shall have regard to the terms of any relevant resolution of the body administering the pension scheme with regard to the increase of benefits.

Surrender to spouse

25. 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 Corporation by notice in writing accordingly within one month after becoming entitled to retirement compensation under these regulations, he may surrender a proportion of as 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 Corporation as if the said annual sum were a pension to which he had become entitled under the said pension scheme.

Balances payable to personal representatives

26.—(1) If a person to whom retirement compensation is or will be payable dies before he has received by way of retirement compensation sums which in the aggregate are equivalent to the amount of any contributions repaid by him under regulation 21, together with compound interest thereon up to the date of his death calculated at the rate and in the manner specified in the last relevant pension scheme (or where no rate is so specified at the rate of 3 per cent. per annum with half-yearly rests as from 1st April or 1st October next following the half-year in which the amount was repaid), and no pension or gratuity falls to be paid to his personal representatives, or to his widow, or any dependant of his, by reason of his having been immediately or prospectively entitled to retirement compensation, there shall be paid to his personal representatives the difference between the aggregate amount which he has received by way of retirement compensation as aforesaid and the said equivalent sum with interest.

(2) For the purposes of this regulation a person who has surrendered any part of his retirement compensation under regulation 25 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.

Payment of compensation under Part V

27. Retirement compensation payable as an annual sum 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 intervals as may be agreed between the person entitled to receive the compensation and the Corporation.

PART VI

ADJUSTMENT AND COMPOUNDING OF COMPENSATION

Adjustment of compensation where pension benefit is also payable

28.—(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 subsequently taken into account for the purpose of calculating the amount of any pension benefit payable to any person in accordance with a pension scheme associated with any employment undertaken subsequent to the loss or diminution of emoluments or of pension rights which was the subject of the claim for compensation, the Corporation may in accordance with this regulation withhold or reduce the compensation payable in respect of any period for which such pension benefit is being received.

(2) If the part of any pension benefit by way of annual amounts which is attributable to a period of service mentioned in paragraph (1) 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, or if such

part of the pension benefit is less than such part of the compensation, the compensation may be reduced by an amount not exceeding such part of the pension benefit.

(3) In addition to any reduction authorised by paragraph (2), if, in the circumstances mentioned in paragraph (1), compensation by way of annual amounts 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.

(4) In addition to any other reduction authorised by this regulation, where any period of additional years has been taken into account under regulation 23 compensation by way of annual amounts may be reduced—

- (a) if the number of such years is equal to or less than the period spent in the subsequent employment mentioned in paragraph (1), by an amount not exceeding that attributable to the additional years so taken into account;
- (b) if the number of such years is greater than the period spent in the subsequent employment so mentioned, by such proportion of that amount as the period spent in the subsequent employment bears to the number of additional years so taken into account.

(5) Where retirement compensation has been calculated in accordance with regulation 22 the provisions of this regulation shall apply only in relation to such part (if any) of the pension benefit as is attributable to annual emoluments in excess of those to which the person was entitled immediately after entering the new employment.

(6) Where compensation is payable in respect of diminution of emoluments or of diminution of pension rights in consequence of diminution of emoluments, the provisions of this regulation shall apply only in relation to such part (if any) of the pension benefit as 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

29.—(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 or diminution of pension rights shall, where such employment is taken up, be reduced or suspended in the like manner and to the like extent:

Provided that in calculating the amount of the reduction there shall be aggregated with the emoluments of the employment taken up the amount of any pension benefit by way of annual amounts payable under the last relevant pension scheme.

(2) There shall be deducted from the retirement compensation payable to any person any additional voluntary contributions 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 balance payable under regulation 26.

(3) Where a person is entitled to any compensation under these regulations and the circumstances are such that he is eligible to receive one or more of the following payments—

- (a) a redundancy payment under the Redundancy Payments Act 1965(a);

- (b) any payment to compensate for the loss of his employment made under a contract or arrangement with the Iron and Steel Board or the publicly-owned company by which he was employed or the Corporation, or in satisfaction of damages or compensation (otherwise than by virtue of these regulations) awarded or claimed against the Board, the company or the Corporation;
- (c) any payment 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,

the compensation payable to the person, whether by instalments or lump sum or both, shall in the aggregate be reduced by the amount of the payments referred to in this paragraph.

(4) Where any resettlement or long-term compensation is payable under these regulations to any person who is also entitled to a pension benefit under the last relevant pension scheme any instalment of such compensation which is payable in respect of any period shall be reduced by the amount of the instalment of such pension benefit which is payable in respect of the same period.

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

(6) Subject to the following provisions of this regulation, where in any week a person is entitled to long-term compensation and is also entitled to unemployment, sickness or injury benefit under any Act relating to National Insurance, other than a benefit claimable by him in respect of a dependant, there shall be deducted from the long-term compensation payable for that week a sum equal to the amount by which the aggregate of such National Insurance benefit claimable in respect of that week and 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 net annual emoluments of the employment which he has lost or in which the emoluments have been diminished.

(7) Paragraph (6) shall not apply in relation to any such sickness or injury benefit in so far as an equivalent sum is deducted from the emoluments of his current employment and such deduction from those emoluments has not occasioned an increase in his long-term compensation.

(8) In paragraph (6) the expression "weekly rate" means seven three hundred and sixty-fifths of the relevant annual rate.

Notification of change of circumstances

30. Where—

- (a) a pensionable officer after suffering loss of employment or loss or diminution of emoluments or pension rights enters any employment referred to in regulation 22 or becomes entitled to any pension benefit on ceasing to hold such employment; or
- (b) a person entitled to long-term compensation enters employment the remuneration whereof is payable by the Corporation or a publicly-owned company, 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 29, or ceases to hold such employment, or receives any increase in his remuneration in such 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 Act relating to National Insurance;

he shall forthwith give notice in writing thereof to the Corporation.

Compounding of Awards

31.—(1) In a case where an annual sum which has been or might be awarded under these regulations does not exceed £26, the Corporation 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 or 20, the Corporation may likewise discharge their liability in respect thereof by an immediate payment.

(2) In any other case, if a person who has been awarded long-term or retirement compensation requests them to do so the Corporation 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 by 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 Corporation 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) 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

Procedure on making claims

32.—(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 and request shall be made to the Corporation in a form approved by them, and shall state whether any other claim for compensation has been made by the claimant under these regulations.

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

(4) The Corporation shall, provided that the person making the claim or request has complied with the provisions of this Part of these regulations, notify him in writing of their determination—

- (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 V of these regulations, not later than 13 weeks after the receipt of the claim or request; and

(c) in any other case, as soon as possible after the determination.

(5) A determination of the Corporation shall not be invalidated by reason of the fact that notice of the determination is given after the expiry of the period mentioned in paragraph (4) unless the claimant has meanwhile instituted an appeal in accordance with regulation 34 and that appeal is not withdrawn.

(6) For the purposes of an appeal under regulation 34 a failure of the Corporation to comply with the provisions of the preceding paragraph within the period there mentioned shall be treated as a rejection of the claim in question.

(7) Every notification of a determination by the Corporation 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 determination;

(b) showing how any compensation has been calculated and, in particular, showing the factors taken into account in assessing loss or diminution of emoluments or pension rights; and

(c) directing the attention of the claimant to his right under regulation 34, if he is aggrieved by the determination, to bring an appeal before a tribunal and giving him the address to which the application instituting an appeal should be sent.

Claimants to furnish information

33.—(1) Any person claiming or receiving compensation or whose award of compensation is being reviewed shall furnish all such information as the Corporation may at any time reasonably require; and he shall verify the same in 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 shall, on receipt of reasonable notice, present himself for interview at such place as the Corporation may reasonably require; and any person who attends for interview may, if he so desires, be represented by his adviser.

Right of appeal from determination of Corporation

34.—(1) A claimant who is aggrieved by any determination of the Corporation as to whether any or what compensation under these regulations is payable to him may within 13 weeks of the notification to him of the determination bring an appeal before a tribunal in accordance with the Industrial Tribunals (Employment and Compensation) Regulations 1967^(a) or, in Scotland, the Industrial Tribunals (Employment and Compensation) (Scotland) Regulations 1967^(b), and these regulations.

(2) For the purpose of any such proceedings a person or persons may be appointed to sit with the tribunal as assessor or assessors.

Review of awards of long-term or retirement compensation

35.—(1) The Corporation shall, within a period of 2 years after the date on which any determination on a claim for long-term or retirement compensation (other than compensation payable under regulation 20) is notified to a claimant

(a) S.I. 1967/361 (1967 I, p. 1205).

(b) S.I. 1967/362 (1967 I, p. 1220).

under regulation 32, review their determination or, where the claim has been the subject of an appeal, the decision of the tribunal, at intervals of not more than 6 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:

Provided that where the claimant ceases to hold the employment in which his emoluments were diminished a review shall be held within 3 months after that date.

(2) After the expiration of the period mentioned in paragraph (1) the Corporation may, at their discretion, carry out reviews in accordance with that paragraph at intervals of not less than 12 months.

(3) The person to whom the determination relates may, at any time, require the Corporation to carry out a review in accordance with paragraph (1) if he considers that there has been a change in the circumstances of his case which is material for the purposes of these regulations.

(4) Notwithstanding anything contained in the foregoing provisions of this regulation—

(a) the Corporation shall in accordance with paragraph (1) review a determination of the Corporation or a decision of the tribunal, as the case may be, on a claim for long-term compensation for loss of employment after the expiration of the period mentioned in the said paragraph if at any time subsequent to the loss of employment the person to whom the determination or decision relates enters employment (hereinafter referred to as his "current employment") the remuneration whereof is payable by the Corporation or a publicly-owned company; and

(b) the Corporation shall further review in accordance with paragraph (1) any determination or decision reviewed under the foregoing provisions of this paragraph whenever the emoluments of the current employment of the person in question are increased.

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

(6) Nothing in this regulation shall preclude the making of any adjustment of compensation required by regulation 28 or 29 or the withholding, reducing or deducting from compensation under any other provision of these regulations.

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 such person, and the relevant provisions of these regulations shall be construed accordingly:

Provided that the Corporation may in any such case extend the period within which a claim is required to be made by regulation 5, 10, 16 or 20.

PART VIII MISCELLANEOUS

Calculation of service

37. For the purpose of making any calculation under these regulations in respect of a person's reckonable service, all periods of such service shall be aggregated and, except where reference is made to completed years of service, if the aggregated service includes a fraction of a year, that fraction shall, if it equals or exceeds 6 months, be treated as a year, and shall, in any other case be disregarded.

Emoluments

38.—(1) For the purposes of determining whether any and what compensation is payable under these regulations, emoluments in relation to any person shall 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, or any fees paid otherwise than in respect of services rendered as an officer or any emoluments paid to him solely by reason of his being a director of a company.

(2) Where fees or other variable payments were paid to a person as part of his emoluments during any period immediately preceding the loss or diminution the amount in respect of fees or other variable payments to be included in the annual rate of emoluments shall be the annual average of the fees or other payments paid to him during the period of 3 years immediately preceding the loss or diminution, or such shorter period as may be reasonable in the circumstances.

(3) When calculating the net annual emoluments of any employment any amount by which the said emoluments exceed £8,000 shall be disregarded.

Temporary variation of emoluments

39. In assessing for the purposes of these regulations the amount of any emoluments or pension rights lost, or the amount by which any emoluments or pension rights have been diminished, and in determining net annual emoluments of any person who has suffered such a loss or diminution, no account shall be taken of any increase in the amount of the person's emoluments which is attributable to any temporary allowance made in consequence of his temporary occupation of an office to which he has not been substantively appointed or in respect of temporary responsibilities additional to those normally attaching to his office.

Accrual of compensation

40. Resettlement and long-term compensation, and retirement compensation, payable as an annual sum, shall accrue from day to day and be apportionable accordingly.

Compensation not assignable

41. Subject to any statutory provision in that behalf, any compensation to which a person becomes entitled under these regulations shall be paid to or in trust for him, and shall not be assignable.

Effect of non-compliance with regulations

42. Except in so far as the Minister may otherwise direct, compensation under these regulations shall not be payable to a person for so long as he fails to comply with regulations 8, 30 or 33.

Recovery of payments in error

43. Without prejudice to any other right of recovery there may be, any sum or any part of a sum paid under these regulations to a person in error, including any sum or part of a sum paid notwithstanding that by virtue of regulation 42 it is not payable, may be recovered by the Corporation by deduction from any compensation payable to that person under these regulations.

Dated 22nd July 1968.

Roy Mason,
Minister of Power.

SCHEDULE

TABLE 1

Table showing the capital value of an annual amount of £1 payable for life

Age	Capital value of £1 per annum payable for life	
	Female	Male
	£ s. d.	£ s. d.
Under 35	15 11 0	15 3 0
35 and under 40	15 2 0	14 12 0
40 and under 45	14 11 0	13 19 0
45 and under 50	13 18 0	13 2 0
50	13 9 0	12 11 0
51	13 5 0	12 7 0
52	13 2 0	12 3 0
53	12 18 0	11 18 0
54	12 14 0	11 14 0
55	12 10 0	11 9 0
56	12 6 0	11 5 0
57	12 2 0	11 0 0
58	11 18 0	10 15 0
59	11 13 0	10 10 0
60	11 8 0	10 5 0
61	11 4 0	10 0 0
62	10 19 0	9 14 0
63	10 14 0	9 9 0
64	10 8 0	9 3 0
65	10 3 0	8 18 0
66	9 18 0	8 12 0
67	9 12 0	8 7 0
68	9 7 0	8 1 0
69	9 1 0	7 16 0
70	8 15 0	7 10 0

NOTE:—This table is for use in connection with regulation 31(1) and (2) for the compounding of annual retirement compensation which a person is currently entitled to receive under regulation 18, 19 or 20. Where the compensation is payable before age 60 (females), 65 (males) but will be reduced on reaching that age (in connection with National Insurance pension) the table should be used in conjunction with Table II, i.e. Table II should be used for valuing that part of the compensation which ceases to be payable at 60 (65) and this table should be used for valuing the remainder.

TABLE II

Table showing the capital value of an amount of £1 per annum ceasing at age 60 (females), 65 (males)

Age	Capital Value	
	Female	Male
	£ s. d.	£ s. d.
Under 35	13 8 0	14 2 0
35 and under 40	12 5 0	13 3 0
40 and under 45	10 14 0	11 19 0
45 and under 50	8 13 0	10 8 0
50	7 3 0	9 6 0
51	6 12 0	8 18 0
52	6 0 0	8 9 0
53	5 7 0	7 19 0
54	4 13 0	7 10 0
55	3 18 0	6 19 0
56	3 3 0	6 8 0
57	2 6 0	5 17 0
58	1 9 0	5 4 0
59	10 0	4 11 0
60	—	3 17 0
61	—	3 2 0
62	—	2 6 0
63	—	1 8 0
64	—	10 0

NOTE.—This table is for use in connection with regulation 31(1) and (2) for the compounding of any part of annual retirement compensation which will cease to be payable on reaching age 60 (females), 65 (males). Table I should be used in relation to the remainder of such compensation, i.e. the part which is payable for life—see note on that table.

TABLE III

Table showing the annual amount payable for life equivalent in value to a lump sum of £100

Age	Annual sum, payable for life, equal in value to a lump sum of £100	
	Female	Male
	£ s. d.	£ s. d.
Under 35	6 8 7	6 12 0
35 and under 40	6 12 5	6 17 0
40 and under 45	6 17 5	7 3 4
45 and under 50	7 3 11	7 12 8
50	7 8 8	7 19 4
51	7 10 11	8 1 11
52	7 12 8	8 4 7
53	7 15 0	8 8 1
54	7 17 6	8 10 11
55	8 0 0	8 14 8
56	8 2 7	8 17 9
57	8 5 3	9 1 10
58	8 8 1	9 6 0
59	8 11 8	9 10 6
60	8 15 5	9 15 1
61	8 18 7	10 0 0
62	9 2 8	10 6 2
63	9 6 11	10 11 8
64	9 12 4	10 18 7
65	9 17 0	11 4 9
66	10 2 0	11 12 7
67	10 8 4	11 19 6
68	10 13 11	12 8 5
69	11 1 0	12 16 5
70	11 8 7	13 6 8

NOTE:—This table is for use in connection with regulation 21(1) for ascertaining the annual amount by which retirement compensation under regulation 18, 19 or 20 is to be reduced where a claimant has not paid to the Corporation an amount equal to any sum paid to him by way of pension contributions or that amount has been repaid to him by the Corporation at his request. It should also be used in connection with regulation 31(2) for calculating for the purposes of that paragraph the annual value of retirement compensation awarded as a lump sum.

TABLE IV

Table showing, according to the outstanding period of long-term compensation, the capital value of each £100 of the total amount of long-term compensation compounded

Outstanding number of complete years of long-term compensation							Capital value of each £100 of the total amount of long-term compensation					
							Female			Male		
							£	s.	d.	£	s.	d.
0	...	...	...	...	...	...	98	8	0	98	4	0
1	...	...	...	...	...	...	95	4	0	94	16	0
2	...	...	...	...	...	...	92	2	0	91	10	0
3	...	...	...	...	...	...	89	4	0	88	6	0
4	...	...	...	...	...	...	86	8	0	85	8	0
5	...	...	...	...	...	...	83	16	0	82	14	0
6	...	...	...	...	...	...	81	6	0	80	2	0
7	...	...	...	...	...	...	78	18	0	77	14	0
8	...	...	...	...	...	...	76	14	0	75	8	0
9	...	...	...	...	...	...	74	12	0	73	4	0
10	...	...	...	...	...	...	72	12	0	71	4	0
11	...	...	...	...	...	...	70	12	0	69	6	0
12	...	...	...	...	...	...	68	16	0	67	10	0
13	...	...	...	...	...	...	67	0	0	65	14	0
14	...	...	...	...	...	...	65	6	0	64	2	0
15	...	...	...	...	...	...	63	14	0	62	10	0
16	...	...	...	...	...	...	62	2	0	61	0	0
17	...	...	...	...	...	...	60	12	0	59	12	0
18	...	...	...	...	...	...	59	4	0	58	4	0
19	...	...	...	...	...	...	57	16	0	56	18	0
20	...	...	...	...	...	...	56	10	0	55	12	0
21	...	...	...	...	...	...	55	4	0	54	8	0
22	...	...	...	...	...	...	54	0	0	53	4	0
23	...	...	...	...	...	...	52	16	0	52	0	0
24	...	...	...	...	...	...	51	12	0	50	18	0
25	...	...	...	...	...	...	50	10	0	49	18	0
26	...	...	...	...	...	...	49	8	0	48	18	0
27	...	...	...	...	...	...	48	8	0	47	18	0
28	...	...	...	...	...	...	47	8	0	46	18	0
29	...	...	...	...	...	...	46	8	0	45	18	0
30	...	...	...	...	...	...	45	10	0	45	0	0

NOTE:—This table is for use in connection with regulation 31(1) and (2) for compounding awards of long-term compensation under Part IV. The total amount of the annual long-term compensation which is to be compounded must first be calculated, i.e. the amount which the person would receive on account of that compensation, or the part of it which is to be compounded if it were paid until "normal retiring age" (as defined in regulation 2(1)). For each £100 so calculated, the lump sum payment will be the amount shown in the table according to the number of complete years in the period between the date of compounding and "normal retiring age".

EXPLANATORY NOTE

(This Note is not part of the Regulations)

1. These regulations, made under section 41 of the Iron and Steel Act 1949 as revived and amended by the Iron and Steel Act 1967, provide for the determination and payment by the British Steel Corporation of compensation to persons who suffer loss of employment or loss or diminution of emoluments or pension rights in consequence of (a) companies coming into public ownership under the Acts; (b) subsequent organisational changes giving effect to conclusions in a formal report by the Corporation to the Minister of Power or a direction by the Minister to the Corporation; (c) or the dissolution of the Iron and Steel Board.

2. Part I of the regulations contains definitions. Part II applies the regulations to any person who was employed immediately before 22nd March 1967 as an officer of a company which came into public ownership under the Acts or of the Iron and Steel Board.

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 or diminution of pension rights (Part V).

4. Resettlement compensation is payable for a period not exceeding 26 weeks to persons who have served continuously (disregarding breaks not exceeding in the aggregate 6 months) with a publicly-owned company or the Iron and Steel Board or in other relevant employment during the period beginning on a date three years before the date of the event which gave rise to the loss and ending with the date of the loss; and who have fulfilled the other qualifying conditions set out in regulation 5. It consists of a weekly payment of two thirds of the net emoluments lost reduced by certain National Insurance benefits, by two thirds of the net emoluments from alternative employment, by payments under the Redundancy Payments Act, 1965 and by certain other payments (Regulations 6 and 29).

5. Long-term compensation is payable to persons who have served continuously (without a break of more than 12 months at any one time) with a publicly-owned company, the Iron and Steel Board or in other relevant employment during the period beginning on a date eight years before the date of the event which gave rise to the loss and ending with the date of the loss; and who have fulfilled the other qualifying conditions set out in regulation 10. It consists, of the annual loss or diminution of net emoluments which the person would have suffered had he taken all reasonable steps to mitigate it and taking into consideration the factors set out in regulation 11. The maximum is a proportion not exceeding two thirds of the loss or diminution as the case may be. (Regulation 12). Long-term compensation is reduced by payments under the Redundancy Payments Act, 1965 and by the other payments specified in Regulation 29.

6. Long-term compensation is payable from a date determined under regulation 14 until death or normal retiring age, whichever is the earlier. In the case of non-pensionable officers who would have continued working beyond normal retiring age, long-term compensation is payable from that age for the remainder of their lives at one half of the assessed rate (regulation 15).

7. Retirement compensation is payable to a pensionable officer who has fulfilled the conditions set out in regulation 16. It is based on the loss of pension rights which he would have suffered if the conditions specified in regulations 18, 19 or 20 had obtained and if he had taken all reasonable steps to mitigate (regulation 17). Retirement compensation is ordinarily payable from normal retiring age (regulation 16) but it may be payable earlier in the circumstances specified in regulations 19 and 20.

8. Part VI provides for the adjustment and compounding of compensation in certain circumstances. Part VII contains procedural provisions. Regulation 34 gives a claimant who is aggrieved by a determination of the Corporation on compensation a right of appeal to a tribunal established under section 12 of the Industrial Training Act 1964. Regulation 35 provides for the review and variation of long-term and retirement compensation in the light of changing circumstances.

9. Part VIII contains miscellaneous provisions.

10. These regulations come into operation on 2nd August 1968.