
STATUTORY INSTRUMENTS

1986 No. 24

The Local Government Superannuation Regulations 1986

PART K
GRATUITIES

Power to grant gratuities

K1.—(1) Any scheduled body may grant to any employee on his ceasing to be employed by them, or to the widow or any other dependant of an employee who dies in their employment, a gratuity either—

- (a) by way of a lump sum not exceeding an amount equal to twice that of the annual emoluments of the employment; or
- (b) by way of periodical payments not exceeding in the aggregate the amount aforesaid; or
- (c) by way of an annuity the capital value of which does not exceed the amount aforesaid:

Provided that—

- (i) a gratuity granted under this paragraph shall not be paid out of the superannuation fund;
 - (ii) this paragraph shall not apply in the case of a pensionable employee who is entitled to any payment out of the superannuation fund other than a return of contributions.
- (2) Where a body have granted a gratuity to an employee under paragraph (1) and either—
- (a) the gratuity was by way of periodical payments and the employee dies before all the payments are completed; or
 - (b) the gratuity was by way of an annuity and the employee dies before receiving an aggregate amount equal to the capital value of the annuity,

the body may grant a gratuity to the widow or any other dependant of the employee, and for that purpose paragraph (1) shall have effect as if the employee had died while in the employment of the body but as if for the amount specified in that paragraph there were substituted the aggregate amount of the periodical payments outstanding at the employee's death or, as the case may be, the difference between the capital value of the annuity and the aggregate amount of the payments made to the employee before his death.