
STATUTORY INSTRUMENTS

1996 No. 1139

**The Hong Kong (Overseas Public Servants)
(Continuing Service: Compensation) Order 1996**

Calculation of compensation: general rule

7.—(1) This article applies to the calculation of the compensation due under this Order to entitled officers other than:

- (a) an entitled officer who has received compensation under the Limited Hong Kong Scheme on account of being superseded for promotion; or
- (b) an entitled officer who is appointed to the pensionable establishment of the Home Civil Service or Diplomatic Service without a break of at least ninety days between his last day of pensionable service under the Hong Kong Special Administrative Region and his first day of pensionable service in the Home Civil Service or Diplomatic Service.

(2) The dates taken for calculation shall be:

- (a) for an entitled officer who elects to be paid his compensation as a single sum as provided in article 10(1)(a), the appointed day;
- (b) for an entitled officer who elects to be paid his compensation in five instalments as provided in article 10(1)(b)—
 - (i) the appointed day; and
 - (ii) the first, second, third and fourth anniversaries of the appointed day, if he is on the pensionable establishment of the Hong Kong Special Administrative Region on the relevant anniversary; and
 - (iii) on the date of his retirement from such pensionable establishment if that falls before the fourth anniversary of the appointed day.

(3) The compensation due to an entitled officer referred to in paragraph (2) (b) of this article shall be recalculated on each date taken for calculation to take account of changes in age, salary, length of pensionable service and promotion. Where compensation is so recalculated, then, save to the extent that it exceeds the maximum sum, the compensation due shall not fall below the calculation that is most favourable to the officer.

(4) The compensation will be calculated as follows:

- (a) identify the entitled officer's salary point for the substantive grade held by him on the date taken for calculation and then determine the salary appropriate to that salary point of that grade at 1st January 1992 (herein referred to as "the notional 1992 salary");
- (b) convert the sum arrived at in paragraph (4) (a) into sterling using the average rate of exchange between the HK dollar and the £ sterling during 1991 (i.e. £1=HK \$13.7609);
- (c) multiply the sterling value of the notional 1992 salary by the appropriate increase factors under those United Kingdom Pensions Increase (Review) Orders which had effect between the 1st January 1992 and the date taken for calculation as though the notional 1992 salary were a pension beginning on 8th April 1991; this will produce the notional emoluments of the officer concerned based on the movement of the United Kingdom Retail Price Index from 1992 to the date taken for calculation;

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- (d) multiply the notional emoluments by the appropriate factor taken from the relevant Table.
- (5) Subject to paragraph (3) of this article and article 10 (1) (a), the sum arrived at in paragraph (4) (d) in sterling or the maximum sum, whichever is the less, is the compensation due.
- (6) In this article and article 9, “the appropriate factor” in relation to an entitled officer means the factor obtained in accordance with the rules set out in Table IV that is appropriate to the age and pensionable service of that officer on the date taken for calculation in completed years and months or, if it is more favourable to the officer, in completed years without regard to months.