

Government Circular No. 35/61.  
G.O. Reference No. S.2803/15.

ISLE OF MAN  
TO WIT

By His Excellency Sir Ronald Herbert Garvey, K.C.M.G.,  
K.C.V.O., M.B.E., Lieutenant Governor of the said Isle  
&c., &c., &c.

NATIONAL INSURANCE

The National Insurance (Modification of the Douglas Corporation Superannuation Scheme, 1936) Regulations, 1961.

I, the said Lieutenant Governor, in exercise of the powers conferred upon me by subsection (4) of section sixty of the National Insurance (Isle of Man) Act, 1948, as extended by section fourteen of the National Insurance (Isle of Man) Act, 1961, and of all other powers enabling me in that behalf, hereby make the following Regulations:-

PART I - GENERAL

Citation and Commencement

1. These Regulations may be cited as the National Insurance (Modification of the Douglas Corporation Superannuation Scheme, 1936) Regulations, 1961, and shall come into operation on the third day of April, nineteen hundred and sixty-one.

Interpretation

2. (1) In these Regulations, the following expressions have the meanings hereby respectively assigned to them, that is to say:-

"the Act" means the National Insurance (Isle of Man Act), 1961;

"the Act of 1948" means the National Insurance (Isle of Man) Act, 1948;

"graduated contributions" means graduated contributions under the Act;

"graduated retirement benefit" means graduated retirement benefit under the Act;

"non-participating employment" has the meaning assigned to it by subsection (2) of section 6 of the Act;

"non-participating service" means, in relation to any person, so much of his service in a non-participating employment after the second day of April, nineteen hundred and sixty-one, as is either

- (a) service in Local Government service; or
- (b) other service which is reckonable service;

"national graduated retirement benefit" means, in relation to any person, the amount, expressed as a yearly rate, of the graduated retirement benefit which would be payable to him in return for an amount of graduated contributions equal to one such contribution paid in each week of the period of his non-participating service in respect of a weekly payment of remuneration of fifteen pounds;

...../"modification regulations"

- "modification regulations" means The National Insurance (Modification of Local Government and Officers of Board Superannuation Schemes) Regulations, 1949 (Government Circular No. 128/49).
- "the Scheme" means the Douglas Corporation Superannuation Scheme, 1936;
- "Local Government service" means service with the Douglas Corporation or the Commissioners of any Local Government District in the Isle of Man;
- "Officer" has the same meaning as in the Scheme, and includes a servant;
- "pensionable age" has the meaning assigned to it by subsection (1) of section 67 of the National Insurance (Isle of Man) Act, 1948;
- "reckonable service" means, in relation to any person, service which is reckonable for the purpose of determining the amount of his superannuation allowance;
- "superannuation allowance" includes any annual superannuation, compensation or retiring allowance payable under the Scheme;
- "retiring remuneration" means in relation to a retirement benefit, the remuneration on which that benefit was calculated or, if the retirement benefit was not calculated by reference to remuneration, the annual average of the persons remuneration for the purposes of the Scheme during the period of **five** years ending with the last day of his service.

(2) Any reference in these Regulations to the provisions of any enactments shall be construed, except where the context otherwise requires, as a reference to those provisions as amended or re-enacted by any subsequent enactment.

(3) The Interpretation Act, 1949, shall apply for the interpretation of these Regulations as it applies for the interpretation of an Act of Tynwald.

#### Modification of the Scheme

3. The Scheme shall, as from the third day of April, 1961, have effect subject to the modifications contained in these regulations.

#### PART II - MODIFICATION OF CONTRIBUTIONS AND CERTAIN OTHER PAYMENTS.

##### Reduction of Contributions

4. Subject to the provisions of these regulations, the amount of contributions payable under the Scheme by an officer in respect of any period of participating employment, shall be reduced by whichever of the amounts specified in paragraphs (a) or (b) hereunder is the greater - that is to say:-

- (a) an amount equal to 1 per cent of his remuneration as ascertained for the purposes of the Scheme or, if his remuneration exceeds the sum of £780 per annum, of such part of his remuneration as amounts to that sum; or
- (b) (i) in the case of a man the sum of three pounds and eightpence per annum; or  
(ii) in the case of a woman, the sum of three pounds five shillings per annum.

...../Persons

Persons not subject to the Modification Regulations

5. In any case where by virtue of regulations 6, 7, 8, or 9 of the modification regulations, the Scheme applies for the time being without modification to any officer there shall be deducted from the amount by which the contributions payable by that person are to be reduced under the last foregoing regulation the sum of three pounds and eightpence per annum if the officer is a man or three pounds five shillings per annum if the officer is a woman.

Persons Subject to Existing Schemes

6. If the contributions payable by any officer would apart from these regulations be subject to reduction under regulation 3 of the modification regulations, the amount by which the contributions payable by that person are to be reduced under regulation 4 of these regulations shall be reduced as provided in the last foregoing regulation, and increased by the amount by which the contributions payable by that person are required to be reduced under the said regulation 3.

Exclusion of Existing Provisions for Reduction

7. So long as the contributions payable by any person are subject to reduction under this part of these regulations, the contributions shall not be subject to reduction under the modification regulations.

PART III - MODIFICATION OF BENEFITS, ETC.Reduction of Retirement Benefits.

8. (1) Subject to the provisions of paragraph (3) of this regulation, where a retirement benefit becomes payable to an officer on his ceasing to hold employment in Local Government Service and any period of service reckonable in calculating the amount of that benefit has been in participating employment in which his contributions have been subject to reduction under Part II of these regulations, the part of the benefit which is attributable to any such period of service shall be reduced in accordance with this part of these regulations.

(2) A period of employment as an officer, in respect of which a payment in lieu of contributions is required to be made under the Act, shall be treated for the purposes of this part of these regulations as a period of participating employment in respect of which contributions have been paid subject to the reduction provided for by Part II of these regulations.

(3) This part of these regulations shall not apply in relation to any benefit where the retiring remuneration does not exceed \$468 per annum.

(4) A retirement benefit which has become payable to any person at an age earlier than pensionable age, shall not be reduced under this part of these regulations until the date at which the person reaches pensionable age.

9. Where a retirement benefit payable to any officer would, apart from these regulations, be subject to reduction in accordance with regulation 4 of the modification regulations, so much of that retirement benefit as is attributable to any period of participating employment shall be reduced:-

- (a) for each year reckonable as contributing service, in calculating the amount of the benefit, by a sum equal to  $1/240$ th of so much of the retiring remuneration as does not exceed 3780 per annum; and
- (b) for each year reckonable as non-contributing service in calculating the amount of the benefit, by a sum equal to  $1/480$ th of so much of such remuneration as aforesaid;

Provided that where, under regulation 5 of the modification regulations any period of service would, apart from this regulation, fall to be disregarded for the purposes of these regulations, there shall be deducted from the amount by which the benefit is to be reduced under this regulation the sum of 31.14. 0d. in respect of each completed year comprised in any such period or, in the case of a person to whom paragraphs (1) or (2) of regulation 4 of the modification regulations applies, an amount in respect of each such year equal to that by which the benefit would have been reduced thereunder had the year been reckonable as contributing service

#### Reduction of Benefits Payable to Certain Existing Employees

10. Where a retirement benefit payable to any officer would, apart from these regulations, be subject to reduction under paragraphs (1) or (2) of regulation 4 of the modification regulations, so much of that retirement benefit as is attributable to any period of participating employment shall be reduced in accordance with the said paragraphs (1) or (2) of regulation 4 as the case may be, and shall be further reduced in accordance with regulation 9 of these regulations, but shall be increased by the sum of one pound fourteen shillings for each year of contributing service, and seventeen shillings for each year of non-contributing service comprised in that period.

#### Retirement Benefits not Subject to Reduction under the Modification Regulations

11. Where a retirement benefit payable to an officer is not subject to reduction in accordance with the modification regulations so much of that retirement benefit as is attributable to any period of participating employment shall be reduced in accordance with regulation 9 of these regulations, but shall be increased by the sum of one pound fourteen shillings for each year of contributing service and seventeen shillings for each year of non-contributing service comprised in that period.

#### Calculation of Remuneration on Retirement from Non-Participating Employment

12. Where the service reckonable by an officer for the calculation of a retirement benefit on ceasing to be employed in non-participating employment includes periods of participating employment and non-participating

...../employment

employment, the reduction of the benefit required to be made under this part of these regulations shall be calculated as if the person's retiring remuneration had been £676 per annum in the case of a man and £624 per annum in the case of a woman.

#### PART IV - MISCELLANEOUS

##### Recovery of Payments in Lieu of Contributions

13. (1) Subject to the provisions of this regulation where an officer leaves employment or dies in circumstances in which, under the Scheme, there is payable to or in respect of him an amount by way of return of contributions and a payment in lieu of contributions under the Act has previously been made in respect of him in circumstances not involving a return of contributions, there shall be deducted from the amount paid to or in respect of him by way of return of contributions a sum equal to the amount, or aggregate of the amounts which, under sub-section (5) of section 9 of the Act could have been deducted from any payment by way of return of contributions if one had been made at the time when the previous payment in lieu of contributions was made.

- (2) The provisions of this regulation apply only -
- (a) where the authority by whom the person was last employed was the person's employer for the purposes of the Act of 1948, and
  - (b) in relation to a payment in lieu of contributions made by such an employer.

14. Where a payment in lieu of contributions is made under the Act in respect of any officer, the authority responsible for making the payment shall be entitled to recover out of the superannuation fund to which the person was last a contributor or, if the authority themselves maintain that fund, shall be entitled to retain out of that fund a sum not exceeding the lesser of the amounts mentioned in paragraphs (a) and (b) hereunder:-

- (a) the amount of the payment in lieu of contributions less the amount (if any) which the authority could recover or retain under section 9 of the Act in respect of that payment; and
- (b) the amount of the contributions paid into the fund by an employer in respect of the person, together with compound interest at the rate of 3 per cent per annum.

##### Contributions Deemed to have been made

15. If, in respect of any period, an officer pays no contributions under the Scheme by reason of the fact that the amount of the reduction in his contributions provided for by these regulations equals or exceeds the amount of his contributions, he shall nevertheless be deemed, for the purposes of the Scheme to have made the contributions required by the Scheme in respect of that period.

##### Fractions of a Penny

16. For the purposes of these regulations, no account shall be taken of fractions of a penny less than a halfpenny, and fractions of a penny of a halfpenny or more shall be treated as a penny.

PART V - LIMITATION OF FORFEITURE, SURRENDER,  
COMMUTATION, ETC., OF PENSIONS

17. (1) No provision in the Scheme -  
 (a) for the surrender, commutation or assignment of a pension, or  
 (b) for the forfeiture, reduction, termination or suspension of a pension if invoked for any cause other than one prescribed by regulations made under paragraph (c) of subsection (1) of section 7 of the Act of 1961,

so far as it affects any officer who is, or was immediately before he ceased to be employed, in non-participating employment, shall operate so as to reduce a pension payable to an officer who attains the age of sixty-five years in the case of a man or sixty years in the case of a woman, below such amount as would be equal when expressed as a weekly rate to the graduated retirement pension which would be payable to the officer under the Act, in return for an amount of graduated contributions equal to one such contribution paid in each week of the period of his service in respect of a weekly payment of remuneration of \$15.

(2) For the purposes of the last foregoing paragraph, "service" means service reckonable by an officer for the purposes of calculating the amount of any benefit payable to him, except any earlier period of service in respect of which

- (a) a payment in lieu of contributions has been made under the Act, or  
 (b) equivalent pension benefits satisfying the requirements of Part II of the Act have otherwise been assured to the officer.

PART VI - COMMENCEMENT OF BENEFITS NOT LATER THAN  
INSURED PENSIONABLE AGE.

18. (1) Notwithstanding any provision contained in the Scheme to the effect that a benefit is not payable to an officer who attains the age of sixty years unless the officer has completed forty years' service, a female officer not otherwise entitled to receive a benefit under the scheme shall be entitled thereunder to receive the benefits mentioned in paragraph (2) of this regulation on ceasing to hold an employment in which she was an officer, if she has attained the age of sixty years and has completed ten years' service.

(2) The benefits referred to in paragraph (1) of this regulation are such benefits as would have been payable to a female officer under the scheme in respect of the service actually reckonable by her immediately before she ceased to hold her employment if -

- (a) she had then reached pensionable age, and  
 (b) the amount of any benefit so calculated had been reduced according to the age at which she ceased to hold her employment by the percentage shown in the column appropriate to her pensionable age in the table set out in the schedule to these regulations:

Provided that any annual pension so payable shall not, when expressed as a weekly amount, be less than

...../the

the amount of the graduated retirement benefit which would be payable to the officer under the Act in return for an amount of graduated contributions equal to one such contribution paid in each week of the period of her service in respect of a weekly payment of remuneration of fifteen pounds.

(3) For the purposes of the proviso to the last foregoing paragraph "service" means service in a non-participating employment which is reckonable by the officer for the purpose of calculating the amount of any benefit payable to her except any earlier period of such service in respect of which

- (a) a payment in lieu of contributions had been made under the Act, or
- (b) equivalent pension benefits satisfying the requirements of Part II of the Act had otherwise been assured to the employee.

#### SCHEDULE

#### Reduction of Retirement Benefits under Regulation 18.

Age of woman on ceasing to be employed	Percentage reduction to be made under Regulation 18(2)(b) by reference to the under-mentioned pensionable age				
	61	62	63	64	65
60	7	15	21	28	33
61	-	8	15	22	28
62	-	-	8	16	23
63	-	-	-	9	17
64	-	-	-	-	9

GIVEN under my hand this 15th day of March, 1961.

R. H. GARVEY

Lieutenant Governor.

#### EXPLANATORY NOTE

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

These Regulations modify the Douglas Corporation Superannuation Scheme in connection with the operation of the National Insurance (Isle of Man) Act, 1961.

Part I of the Regulations contains definitions of words and expressions used and provides that the Scheme is to be modified in accordance with the succeeding provisions of the Regulations.

...../Part II

Part II provides that superannuation contributions payable under the Scheme are to be reduced during periods of participating employment for the purposes of the National Insurance (Isle of Man) Act, 1961. The method of reduction takes account of any reduction already required to be made in connection with the National Insurance (Isle of Man) Act, 1948, and provides for a single consolidated reduction. Under Part III pensions payable under the Scheme are reduced where any service reckonable for the pension also qualifies the employee for graduated retirement benefit under the National Insurance (Isle of Man) Act, 1961. Here again any reduction required to be made under the National Insurance (Isle of Man) Act, 1948, is consolidated.

The miscellaneous provisions in Part IV include a provision for the deduction from contributions returned to any employee of sums paid in respect of him as payments in lieu of contributions, and also a provision that the contributions required by the Scheme are to be deemed for the purpose of reckoning contributing service to have been made in full, notwithstanding the reductions required by the Regulations.

In Part V of the Regulations provision is made for modifying the Douglas Corporation Superannuation Scheme

- (i) by limiting the right to surrender, commute or assign a pension in certain cases, and
- (ii) by limiting certain provisions for the reduction, termination or suspension of a pension.

In Part VI provision is made for a female officer who retires on attaining age sixty and has completed ten year's reckonable service to receive a pension under the Scheme.

These Regulations were approved by Tynwald on the day of March, 1961.