

Superannuation (Reciprocity) Act, 1950

THE SUPERANNUATION (ISLE OF MAN AND NORTHERN IRELAND
LOCAL GOVERNMENT) INTERCHANGE RULES 1970

The Superannuation (Reciprocity) Act, 1950, empowers His Excellency the Lieutenant Governor to make rules with respect to the pensions payable to and in respect of persons interchanging pensionable employment and pensionable service between the United Kingdom and the Isle of Man specified in the rules.

These rules provide accordingly that :-

- (a) if a pensionable employee under an Isle of Man Superannuation Scheme (which is defined as any Scheme made under the Superannuation (Officers of Boards) Acts, 1934 to 1939, the Superannuation Act, 1938, section 13 of the Local Government Amendment Act, 1929, Section 54 of the National Health Service (Isle of Man) Act 1948, or Section 12 of the Isle of Man Civil Service Act 1962 transfers within a prescribed period (generally twelve months) to pensionable employment under a local government superannuation scheme in Northern Ireland, a transfer value of an appropriate amount shall be payable to the Northern Ireland authority out of the superannuation fund to which he was a contributor; and
- (b) if a pensionable employee under a local government superannuation scheme in Northern Ireland transfers within a prescribed period to pensionable employment under an Isle of Man Superannuation Scheme, and the Northern Ireland authority pay an appropriate transfer value the transferee is to be entitled to reckon his Northern Ireland service for the purposes of the Isle of Man Superannuation Scheme to which he has become subject.

The Isle of Man Schemes chiefly concerned are the Superannuation (Officers of Boards) Scheme and the Douglas Corporation Superannuation Scheme.

In the case mentioned at (a) above, the Ministry of Development for Northern Ireland has made the necessary provision in the Local Government (Superannuation) (Amendment) (No.2) Regulations (Northern Ireland), 1970 for securing that the Isle of Man pensionable service will be reckonable for pension purposes under the Northern Ireland scheme to which a person transferring to pensionable employment there becomes subject.

These rules thus make pensionable employments under Departments of Government Boards of Tynwald and local authorities in the Isle of Man interchangeable with pensionable employments in local government service in Northern Ireland with the preservation of superannuation rights in respect of previous pensionable service.

The rules are made retrospective in effect to a limited extent and transferees and authorities affected by the retrospective provisions of the rules are given an opportunity of electing that these provisions shall not apply.

The rules were approved by Tynwald on **28 DEC**
1970.

By Order

W. B. KENNAUGH

Government Secretary.

ISLE OF MAN)
TO WIT)

By His Excellency Sir Peter Hyla Gawme Stallard,
K.C.M.G., C.V.O., M.B.E., Lieutenant Governor of
the said Isle Etc., Etc., Etc.

Superannuation (Reciprocity) Act, 1950

THE SUPERANNUATION (ISLE OF MAN AND NORTHERN IRELAND
LOCAL GOVERNMENT) INTERCHANGE RULES, 1970

I, the said Lieutenant Governor, in exercise of the powers conferred on me by section one of the Superannuation (Reciprocity) Act, 1950, DO hereby make the following rules:-

1. (1) These Rules may be cited as the Superannuation (Isle of Man and Northern Ireland Local Government) Interchange Rules, 1970, and shall come into operation on the day they are approved by Tynwald.

(2) In these Rules, unless the context otherwise requires, the following expressions have the meanings hereby assigned to them:-

- "the Act" means the Superannuation (Reciprocity) Act, 1950;
- "The Act of 1950" means the Local Government (Superannuation) Act (Northern Ireland) 1950 and any regulations or scheme made thereunder;
- "contributory employee" means a person entitled to participate in the benefits of an Isle of Man Superannuation Scheme;
- "Isle of Man authority" means the Lieutenant Governor of the Isle of Man in respect of the Isle of Man Civil Service, a Board within the meaning of the Superannuation (Officers of Boards) Acts, 1934 to 1939, a local authority administering a superannuation scheme under section 13 of the Local Government Amendment Act, 1929, the Government Secretary of the Isle of Man administering a scheme under Section 54 of the National Health Service (Isle of Man) Act 1948, and any other Board, local authority or body in the Isle of Man any of whose employees are entitled to participate in a superannuation scheme administered under the provisions of an Act of Tynwald;
- "Isle of Man Superannuation Enactments" means the Superannuation (Officers of Boards) Acts, 1934 to 1939; the Superannuation Act, 1938; section thirteen of the Local Government Amendment Act, 1929, Section 54 of the National Health Service (Isle of Man) Act 1948; Section 12 of the Isle of Man Civil Service Act 1962.

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"Isle of Man Superannuation Scheme" means any superannuation scheme made under the provisions of any of the Isle of Man Superannuation Enactments;

"National service" in relation to any person, means compulsory national service within the meaning of the National Service Acts, 1948 or service which is relevant service within the meaning of the Reserve and Auxiliary Forces (Protection of Civil Interests) Act, 1951, or any Acts repealed by such Acts, and includes any period immediately following the termination thereof during which the person with the consent of the authority or body by whom he was employed before undertaking compulsory national service continued in similar service;

"pensionable employee" in relation to Northern Ireland means an employee whether permanent or temporary who has been duly admitted to participate in the benefits of the superannuation Scheme administered by the Northern Ireland Local Government Officers' Superannuation Committee or by the Belfast Corporation Superannuation Scheme.

"war service" in relation to Northern Ireland means war service within the meaning of the Local Government Staffs (War Service) Act (Northern Ireland), 1939, or service in any of the naval, military, or air forces of the Crown, or employment for war purposes, within the meaning of the Superannuation Schemes (War Service) Act (Northern Ireland), 1941, and in relation to the Isle of Man means war service within the meaning of the Public Authorities Staffs (War Service) Act, 1940 (an Act of Tynwald), but does not include, in the case of a person who before the termination of his war service made a claim under any Act of Tynwald or Isle of Man scheme for the return of contributions made by him for superannuation purposes, any part of his war service after the date on which the claim was made.

- (3) In rules 11 and 12 of these rules "The authorities" means an Isle of Man Authority and the authority maintaining the superannuation fund to which a person is or first became a pensionable employee or, as the case may be, was a pensionable employee; and "authority" means one of the authorities.
- (4) Any reference in these Rules to any enactment shall except so far as the context otherwise requires be construed as a reference to that enactment as amended or modified by or under any enactment including these Rules.
- (5) The Interpretation Act, 1970, applies to the interpretation of these rules as it applies to the interpretation of an Act of Tynwald.

2. Where a person becomes or has become before the date of the coming into operation of these rules, a pensionable employee within a period of twelve months, or such longer period as may in any particular case, be

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allowed, after the date on which the person ceased to be employed in employment by virtue of which he was or was deemed to be a contributory employee, or in the case of a person who left such employment in order to undertake war service or who immediately after leaving such employment became engaged in national service within six months after the termination of that service and without having become entitled to, and received payment of, any benefit under any Isle of Man superannuation scheme to which he was subject, other than a return of contributions, then, if he notifies, in writing the authority maintaining the superannuation fund to which he is a contributor within three months after becoming a pensionable employee, or if he became a pensionable employee before the date of the coming into operation of these rules within six months after that date that he desires these rules to apply to him, and if he ceased to hold his former employment before the said date, the Isle of Man authority maintaining the fund to which he was a contributor consent, there shall be payable to the superannuation fund to which he is a contributor out of the fund to which he was a contributor by the Isle of Man authority maintaining that fund, a transfer value calculated in accordance with a method approved by the Governor:

Provided that:-

- (a) this rule shall not apply in relation to any person unless within three months after becoming a pensionable employee or if he became a pensionable employee before the date of the coming into operation of these rules within six months after that date, or within such longer period as the Committee or the Corporation may in any particular case allow, he furnishes the authority maintaining the fund to which he is a contributor with particulars of his previous pensionable employment and war service or national service (if any) and pays to them an amount equal to any sum paid to him by way of a return of contributions on his ceasing to hold his former employment; and
- (b) this rule shall not apply in relation to any person who became a pensionable employee before the date of the coming into operation of these rules unless he ceased to hold his former employment not earlier than the first day of April, 1950, and he has been such a pensionable employee without a break of more than twelve months at any one time, excluding any period of war service or national service, after ceasing to hold his former employment;

3. (1) Where a person becomes or has become a pensionable employee after having ceased to be subject to any Isle of Man Superannuation scheme and these rules have become applicable in relation to him the Isle of Man authority by whom he was employed may, within three months, after the date on which they are informed by the authority maintaining the fund to which he is a contributor of his notification that he desires these rules to apply to him, resolve, that the whole or any part of his non-contributing service (if any) shall be reckonable as contributing service.

(2) Where a person becomes or has become a pensionable employee after having ceased to be subject to an Isle of Man superannuation scheme, and these rules have become applicable in relation to him, then, if any Isle of Man superannuation scheme conferred a discretion on the authority or body by whom he was employed or the authority administering the scheme

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to which he was subject, as the case may be, in calculating any benefit to which that person might have become entitled on ceasing to be employed, to add a number of years to the number of years which that person had actually served in the aggregate, that authority or body may, within three months after the date on which they are informed by the authority maintaining the fund to which he is a contributor of his notification that he desires these rules to apply to him exercise that discretion in relation to him, notwithstanding that he has not become entitled to that benefit.

(3) For the purposes of the last preceding rule, any period of non-contributing service of a person in respect of which a resolution has been passed under paragraph (1) of this rule, and any number of years added to a person's service under paragraph (2) of this rule shall be deemed to be a period of service which that person was entitled to reckon immediately before ceasing to hold his former employment as a period of contributing service or as a period of service for the purposes of the Scheme.

(4) Where the amount of any transfer value payable under the last preceding rule is greater than it would otherwise have been in consequence of the exercise by an authority or body of any power conferred upon them by paragraph (1) or (2) of this rule, that authority or body shall repay the amount by which the transfer value is greater as aforesaid to the superannuation fund out of which the transfer value is payable.

4. Where a person enters or has entered employment by virtue of which he is or is deemed to be a contributory employee within a period of twelve months, or such longer period as may, in any particular case, be allowed after ceasing to be a pensionable employee, or if he ceased to be a pensionable employee in order to undertake war service or national service, within a period of six months after the termination of that service, then, if the authority maintaining the fund to which he is a contributor receive out of the superannuation fund to which he was a contributor as a pensionable employee a transfer value calculated in accordance with a method approved by the Governor in respect of the service which the person was entitled to reckon for the purposes of the Act of 1950, immediately before he ceased to be a pensionable employee, he shall be entitled to reckon that service for the purposes of the Isle of Man superannuation scheme to which he is subject, if it was contributing service for the purposes of the Act of 1950, as contributing service, and if it was non-contributing service, as non-contributing service.

Provided that:-

- (a) this rule shall not apply to any person unless within three months after entering his new employment, or, if he entered that employment before the date of the coming into operation of these rules, within six months after the date, he notified in writing that authority maintaining the superannuation fund to which he is a contributor that he desires these rules to apply to him, furnishes them with particulars of his previous pensionable employment and war service or national service (if any) and pays to them an amount equal to any sum paid to him by way of a return of contributions, on or after his ceasing to hold his former employment; together with an amount equal to any

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income tax which was deducted from his contributions in respect of such payment, and together with any interest he may be required to pay.

- (b) this rule shall not apply in relation to any person who became a contributory employee before the date of the coming into operation of these rules unless he ceased to hold his former employment not earlier than the first day of April, 1950 and he has been such an employee without a break of more than twelve months at any one time, excluding any period of war service or national service, after ceasing to hold his former employment;
- (c) any service which for the purposes of the superannuation scheme applicable to him in respect of his former employment would have been reckonable solely for the purpose of determining whether any benefit was payable thereunder to or in respect of him shall not be reckonable by him as service under this rule except for the sole purpose of determining whether any benefit is payable to him or in respect of him under the Isle of Man Superannuation Scheme;
- (d) where any service of a person for the purposes of the Superannuation scheme applicable to him as a pensionable employee would have been reckonable for the calculation of benefits as non-contributing service under that Scheme at a higher rate than one one-hundred and twentieth or one one-hundred and sixtieth of his emoluments as the case may be in respect of each completed year or part of a year exceeding six months of that service, then, for the purposes of this rule, except for the purpose of determining whether any benefit is payable to or in respect of him under the Isle of Man Superannuation Scheme, that service shall be treated as though it was contributing service of such proportion of the actual length of that service as is obtained by multiplying the number of years of its actual length by sixty or eighty, as the case may be, and dividing the product by the denominator of the fraction constituting such higher rate as aforesaid;
- (e) where a person to whom this rule has become applicable was in his pensionable employment a part-time employee and held no other pensionable employment, the period of his service as such part-time employee shall be treated for the purposes of this rule as if it had been whole-time service for a proportionately reduced period.

5. (1) Where any person to whom the last preceding rule has become applicable was at the time he left his former employment in the course of making but had not completed making additional contributory payments under the Second Schedule to the Regulations or to the Scheme or additional contributions for added years under the Sixth Schedule to the Regulations or to the Scheme, then if on giving the notice referred to in proviso (a) to the last preceding rule, he pays to the Isle of Man Authority an amount equal to any sum which may have been returned to him in respect of these additional contributory payments or additional contributions for added years on or after ceasing to hold his former employment, and if on continuance of these payments he makes payments to the Isle of Man Authority at the times at which and in the manner in which payments would have been made under the Regulations or the Scheme had he not ceased to hold his former employment, he shall be entitled to reckon the service

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in respect of which these payments have been made as contributing service.

(2) Where a person is making payments in accordance with the preceding paragraph he shall be deemed, if he is a contributory employee, to be making those payments pursuant to the provisions of the Isle of Man Superannuation Scheme.

(3) Where any such person as is mentioned in paragraph 1 of this rule does not make the payments to the Isle of Man Authority which are referred to in that paragraph then if in his former employment the period in respect of which he was making such payments would apart from the making of those payments have been reckonable as non-contributing service such period shall reckon as non-contributing service and if the period would not apart from the making of such payments have been reckonable as service, then it shall not be reckonable as service.

6. Where any person to whom rule four of these rules has become applicable had before entering his new employment been engaged in any such war service or national service as is therein referred to the period of service which he become entitled to reckon under the said rule shall be treated as being increased by the period of such war service or national service to the extent (if any) to which the said period of such war service or national service would have been reckonable as pensionable service for the purposes of the superannuation scheme to which he was subject as a pensionable employee had the person again become a pensionable employee on the termination of such war service or national service.

Provided that this rule shall not apply in any case in which a period of national service would have been so reckonable as aforesaid unless the transfer value received under rule four of these rules was calculated so as to include the liability of which the fund to which he was a contributor as a pensionable employee was relieved in respect of the said period of national service.

7. The provisions of any Isle of Man superannuation scheme which relate to the return of contributions in certain cases shall have effect in relation to a contributory employee who has been a pensionable employee as if references therein to contributions which may be returned thereunder on such contributory employee ceasing to be employed or dying included references to contributions and additional contributions to which he was entitled on ceasing to be a pensionable employee, in so far as any such contributions have not been returned to and retained by him and are attributable to service which might have been reckoned under the Isle of Man Superannuation Scheme for the purposes of superannuation allowance in respect of the employment which he has ceased to hold or in which he has died, as the case may be:

Provided that if the superannuation scheme associated with his former employment made provision for the calculation of interest on contributions returned thereunder in a different manner from that provided by the Isle of Man Superannuation Scheme, interest on the contributions to which the person was so entitled as aforesaid shall, on their becoming returnable under the Isle of Man Superannuation Scheme as modified by this rule, be calculated, in manner provided by the said superannuation scheme, up to the date on which he became a contributory

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employee, or, if he received a return of those contributions before that date, up to the date of such return.

8. Where any person to whom rule four of these rules has become applicable was in his employment as a pensionable employee an insured person within the meaning of the National Insurance Act (Northern Ireland) 1966 then

(a) if he had been excepted from the operation of any provision (hereinafter called "the modification provision") of the superannuation scheme to which he was subject as a pensionable employee modifying the benefits provided by the scheme in relation to any such insured person as aforesaid, the provisions of any regulations made by the Governor under subsection (4) of section sixty of the National Insurance (Isle of Man) Act, 1948, shall not apply to him;

(b) if he had not been so excepted -

(i) the provisions of the said regulations shall apply to him as if any service, which he becomes entitled to reckon under rule four of these rules, being service of which account would have been taken under the modification provision for the purpose of reducing any benefit to which the person might have become entitled under the said superannuation scheme had he continued to be subject thereto, were contributing service for the purposes of the Isle of Man Superannuation scheme rendered on or after the fifth day of July, 1948; and

(ii) if the modification provision modified any benefit to which he might have become entitled under the said superannuation scheme by reference to a Table and to his age at a given date, the said regulations shall have effect as if any provision therein modifying superannuation benefits by reference to a Table and the age of a person at a given date applied in his case, except that the reference to his age at that date shall be construed as reference to his age at the date which was relevant for the purposes of the modification provisions.

9. These rules shall not apply in relation to persons entering or leaving employment as pensionable employees if the Governor at any time so directs on being satisfied that the superannuation scheme associated with the employment of pensionable employees does not confer rights in respect of previous pensionable **service** of persons entering that employment after having ceased to be subject to an Isle of Man Superannuation Scheme which are reasonable equivalent to those conferred by these rules in respect of previous pensionable service of persons leaving employment as pensionable employees and becoming subject to an Isle of Man Superannuation Scheme.

Provided that the Governor may at any time withdraw any such direction as aforesaid which he may have given on being satisfied that the need for the direction no longer exists.

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10. Any question concerning the rights or liabilities of a contributory employee or of a person claiming to be treated as such an employee under any of the provisions of these rules shall be decided in the first instance by the authority concerned and if the employee is dissatisfied with any such decision or with the authority's failure to come to a decision shall be determined by the Governor who may refer the same for consideration and report to a tribunal of not less than three persons, one of whom shall be a Deemster and the Governor's determination shall be final.

11. Extension of Time

- (1) Notwithstanding any other provision of these rules, the authorities may at any time, on the application of a person who desires these rules to apply to him, agree to extend any of the following periods namely -
 - (a) a period of 12 months after the person ceased to be employed in employment of a class to which these rules apply;
 - (b) a period of 6 months after any period of national service; or
 - (c) a period of 3 months within which the person must notify in writing that he desires these rules to apply to him.
- (2) An authority to whom a person must furnish particulars of service or pay an amount equal to any sum paid to him by way of return of contributions may at any time, on the application of that person, extend the period within which he must take such action.
- (3) Where a period is extended pursuant to paragraph (1) (a) of this rule in respect of a person who -
 - (a) ceased to be employed by an Isle of Man Authority before
- 8 DEC 1969 and
 - (b) entered the employment of the other authority before
- 8 DEC 1970

then, notwithstanding any other provisions of these rules, the transfer value payable by the authority maintaining the fund in which he was a contributory employee shall be calculated by a reference to his age on 8 DEC 1970

- (4) Where a period is extended pursuant to paragraph (1) (a) of this rule in respect of a person who -
 - (a) has ceased to be employed by an Isle of Man Authority and
 - (b) entered the employment of the other authority on or after.....

then, notwithstanding any other provision of these rules, the transfer value payable by the authority maintaining the fund in which he was a contributory employee shall be calculated by reference to his age on entering the employment of the other authority.

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12. Interest on Returned Contributions

(1) Where a period is extended pursuant to paragraph (1) (a) of the last preceding rule in respect of a person who has ceased to be in Isle of Man authority employment, that person may be required by the authority maintaining the fund to which he was a contributory employee to make a payment by way of compound interest on any sum paid to him by way of return of contributions, other than voluntary contributions, on or after ceasing to be in that employment at a rate of 3 per cent per annum with half-yearly rests for a period beginning either with the date 12 months after the date on which he left that employment or, where this is later, the date on which he received such sum, and ending with the date on which he notified in writing that he desired these rules to apply to him:

Provided that the interest so payable shall not exceed a sum equal to one-half of the difference between the transfer value payable by virtue of paragraph (3) or (4) of the last preceding rule, as may be applicable, and the transfer value which would be payable if calculated by reference to the person's age on ceasing to be in that employment.

(2) A person required to pay interest under this rule shall pay it to the authority appropriate to the employment he has entered, together with any amount he may be required to pay in respect of returned contributions; and the authority whose employment he has left shall reduce the transfer value payable by them by a corresponding amount.

13. Termination of Entitlement

Notwithstanding anything in the Isle of Man Superannuation Enactments when these rules become applicable to a person who has ceased to be in the employment of an Isle of Man Authority he shall cease to be entitled to any payment out of the superannuation fund in which he participated while in that employment in respect of any service of which account was taken in calculating the transfer value payable under these rules out of that fund, other than a payment by way of return of voluntary contributions.

GIVEN under my hand this 10th day of November, 1970.

P.H.G. STALLARD
Lieutenant Governor