

their 8 or 12 year breakpoints which occur on or after 6th April 1978 will be entitled to either:

- (a) a preserved pension and tax free preserved terminal grant based on reckonable service from 6th April 1978 plus an immediate tax-free gratuity as specified in Clause 6 of Schedule VIII, or
- (b) a preserved pension and tax-free preserved terminal grant payable at the age of 60 years based on all reckonable service from the age of 21 years.

In either case those officers who have completed at least 9 years' reckonable service may be awarded an immediate tax-free resettlement grant.

28. Officers who leave at any time other than at their optional breakpoints will have any award of retired pay or preserved benefits assessed in accordance with Section I of this Schedule and with Schedule III.

#### Section IV

##### *Service Attributable Retired Pay*

29. The provisions of this Section relate with effect from 1st April 1980 to officers of the Royal Navy, Royal Marines, Queen Alexandra's Royal Naval Nursing Service, the Women's Royal Naval Service, and of their Reserves and relate also to officers of the Sea Cadet Corps and Naval officers of the Combined Cadet Force who are accepted by the Department of Health and Social Security as member of the Armed Forces while on duty.

##### *RN, RM, QARNNS and WRNS Officers Serving on the Active List*

30. Irrespective of their length of service all officers including those serving on short service commissions who are invalided from the Active List with a degree of disability assessed by the Department of Health and Social Security at 20 per cent or more may be awarded Service Attributable Retired pay provided that such disability shall be accepted by that Department as being attributable to or aggravated by their period of service and that such disability was the cause of invaliding. The rank on which the award is based will be determined in the same way as for Service Invaliding Retired Pay. The award of Service Attributable Retired Pay will be at the minimum rate shown in Clause 4 of Schedule VIII unless the rate of Service Invaliding Retired Pay is more favourable in which case the rate of Service Invaliding Retired Pay will be substituted for the minimum rate. In either case the award will be tax-free.

31. This award may be paid concurrently with any disablement pension or other Department of Health and Social Security allowance except that Service Attributable Retired Pay will be abated by the amount of any Unemployability Supplement put into payment by the Department of Health and Social Security within 12 months of their determination of attributability provided the amount abated shall not exceed the excess of the minimum rate set out in Clause 4 of Schedule VIII over the appropriate rate of Service Invaliding Retired Pay.

32. Should the degree of disability increase at any time, the rate of Service Attributable Retired Pay will be reviewed. If the degree of disability decreases however, attributable retired pay will only be reviewed during the 12 months immediately following retirement unless the degree of disability falls below 20 per cent in which case the rate of Attributable Retired Pay will be reduced to the rate of Service Invaliding Retired Pay for which the officer is eligible.

33. Where the rate of Service Attributable Retired Pay is reviewed the revised rate will be that appropriate to the revised degree of disability, at the rate current at the date of invaliding, enhanced where applicable by relevant pensions increase measures.

34. An adjustment to the excess of the minimum rate over the appropriate rate of Service Invaliding Retired Pay may be made in cases where an officer recovers damages for the injury which led to the attributable invaliding.

35. Only the amount by which the appropriate rate of Service Attributable Retired Pay exceeds the minimum rate of Service Attributable Retired Pay may be commuted.

36. In addition to any award of attributable retired pay under Clause 30 of this Schedule any officer invalided from attributable causes may be awarded:

- (i) the terminal grant, if any, for which he would have been eligible on non-attributable invaliding plus an additional attributable gratuity if his degree of disability is 20 per cent or more at the rates shown in Clause 7 of Schedule VIII, or
- (ii) the gratuity which he would have received on non-attributable invaliding plus an additional attributable gratuity, if his degree of disability is 20 per cent or more, at the rates shown in Clause 7 of Schedule VIII. A pensionable officer who is attributably invalided with less than 2 years qualifying service may be awarded a gratuity pro rata to the 2 year rate of invaliding gratuity, but in any event at a rate not less than half the 2 year rate, plus if the degree of disability is 20 per cent or more, an additional attributable gratuity at the rates shown in Clause 7 of Schedule VIII.

##### *Officers of the Reserve Forces*

37. Officers of the Royal Naval Reserve including officers appointed for duty with the Sea Cadet Corps or Combined Cadet Force, the Royal Marines Reserve, the Queen Alexandra's Royal Naval Nursing Service Reserve, and the Women's Royal Naval Reserve who are invalided from the Reserve on account of a disability accepted by the Department of Health and Social Security as being attributable to their service in the Reserve, and provided that the degree of that disability is assessed by the Department of Health and Social Security at 20 per cent or over, may be awarded Service Attributable Retired Pay as follows:

- (i) if, as a result of the disability, the officer is, in the opinion of the Secretary of State for Defence, no longer able to follow his civilian occupation, at the minimum rates set out in Clause 4 of Schedule VIII according to rank for invaliding purposes and degree of disability less such part, as is provided for in Clause 38 of this Schedule, of any occupation pension benefits awarded at a result of termination of civil employment on account of the disability; or less, when they come into payment, such part, as provided for in Clause 38 of this Schedule of any preserved occupational pension benefits earned by employment prior to the occurrence of the attributable disability;
- (ii) if in the opinion of the Secretary of State for Defence the officer is able to continue his civilian occupation, at the rates set out in Clause 10(c) of Schedule VIII.

38. The amount of civilian pension benefits to be taken into account will, where the civilian pension scheme is one which pays a pension plus a lump sum of three times the annual rate of pension, be the amount of civilian pension awarded. In other cases the amount of civilian pension awarded will, before being taken into account, be adjusted to the rate it would be were the civilian pension scheme one which paid in addition to pension a lump sum equal to three times the annual rate of pension.

39. An officer who is awarded Service Attributable Retired Pay under Clause 37 of this Schedule may be awarded an attributable gratuity as provided for in Clause 7 of Schedule VIII.

40. The award of Service Attributable Retired Pay under Clause 37 of this Schedule may be paid concurrently with any war disablement pension or other Department of Health and Social Security allowances except that Service Attributable Retired Pay will be abated by the amount of any Unemployability Supplement put into payment by the Department of Health and Social Security within 12 months of their determination of attributability.

41. Should the degree of disability increase at any time, the rate of Service Attributable Retired Pay will be reviewed. If the degree of disability decreases, however, attributable retired pay will be reviewed only during 12 months following invaliding from the reserve unless at any time the degree of disability falls below 20 per cent when Service Attributable Retired Pay will cease.

42. Where the rate of Service Attributable Retired Pay is reviewed in accordance with Clause 41 of this Schedule the revised rate will be that appropriate to the revised degree of disability at the rate current at the date of invaliding, enhanced, where appropriate, by relevant pensions increase measures, less, where appropriate and subject to the provisions of Clause 38 of this Schedule, the current rate of civilian pension in payment.

43. Where the officer is in receipt of a civilian occupational pension which is taken into account in the assessment of his Service Attributable Retired Pay the increase