

reckonable service will also qualify for an immediate tax-free resettlement grant (see Section V of this Schedule). If they leave at any time other than at their optional breakpoints any award of retired pay, preserved pension, or gratuity will be assessed in accordance with the provisions of Schedules I and III.

Section III

Gratuities for Members of Queen Alexandra's Royal Naval Nursing Service and Officers of the Women's Royal Naval Service

(NOTE. For the general purposes of this section, the term "officer" shall include a member of the Queen Alexandra's Royal Naval Nursing Service.)

7. W.R.N.S. officers and Nursing Sisters entered for short service will, on satisfactorily completing the period of service undertaken, be eligible for a gratuity at the rate of £845 for each year of short service.

8. Short career officers whose service is terminated on marriage or for compassionate reasons where the Secretary of State for Defence is satisfied that such reasons necessitate retirement or termination of service will be eligible for a gratuity at the rate of £845 a year proportionate to the length of short career commission actually completed. The minimum of 1 year's service stipulated in Clause 10 (c) of this Schedule may be disregarded for purposes of award under this sub-Clause.

Section IV

General Conditions attached to the award of Short Career Gratuities

9. When an officer's qualifying service (for gratuity purposes) exceeds a given number of years by one or more complete days of a year, his award of gratuity will be increased by that number of days as a fraction of 365 of the difference between the rate for the number of years completed and the rate that would have been awarded had a further complete year been served.

10. Should the officer fail to complete the full period of Active List service which he had undertaken, an award may nevertheless be made as follows:

(a) If his service is terminated on account of disability not due to causes within his own control, he will be granted a gratuity proportionate to the length of Active List service he has actually completed.

(b) If his service is terminated for non-employment, or for incapacity, unsuitability or inefficiency not due to causes within his own control, or if he is permitted voluntarily to terminate his service within 6 months of the completion of the full period of Active List service he has undertaken, he may be awarded either a gratuity proportionate to the length of Active List service he has actually completed or a reduced gratuity at such rate as the Secretary of State for Defence may determine.

(c) If he is permitted voluntarily to terminate his service more than 6 months before the conclusion of the period he has undertaken, no gratuity will be payable to a Pilot or Observer unless he has completed at least 18 months' satisfactory service and is in possession of the flying badge, nor to an officer of any Branch unless he has completed at least 1 year's satisfactory service. Thereafter he may be allowed at the discretion of the Secretary of State for Defence, such gratuity as may be determined, but not in any event exceeding three-quarters of the amount proportionate to the length of his actual service on the Active List.

(d) If his service is terminated owing to disability due to causes within his own control or to inefficiency or other cause within his own control but not amounting to misconduct, he may be allowed, at the discretion of the Secretary of State for Defence, such gratuity as may be determined, but not in any event exceeding the amount which would have been admissible had he been allowed to terminate his service voluntarily.

(e) If his service is terminated on account of misconduct, the special payment of a compassionate gratuity shall be within the discretion of the Secretary of State for Defence according to the circumstances of his

case, but the award will not in any event exceed 90 per cent of the gratuity which would have been admissible had he left voluntarily.

11. Where a short career commissioned officer dies in service leaving neither a widow nor dependent children, a lump sum payment may be made to his estate equal to twice the annual rate of full career pension for an officer of his rank or the amount of gratuity which would be payable had the officer been invalided on the day he died, if this is greater.

12. If an officer serving on a short career commission continues on full pay beyond the period of Active List service which he had undertaken, payment of the gratuity will be deferred until the end of such further service.

13. A short career commissioned officer who is granted a permanent commission will not be eligible for any gratuity in respect of his service on a short career commission, but his service on that commission may count towards an ultimate award of retired pay or gratuity as a permanent or pensionable officer. If, after receipt of a gratuity in respect of short service, an officer is granted a permanent or pensionable commission his previous service will not be reckonable towards an ultimate award of retired pay or gratuity as a pensionable officer, unless satisfactory arrangements are made for the refund of the short service gratuity.

14. A short career commissioned officer who was transferred to that commission from a pensionable commission solely because of failure to complete training due to causes outside his control including medical unfitness may, in addition to the gratuity in respect of his short service be awarded on final satisfactory completion of service a gratuity at the rate provided for in Clause 33 of Schedule I in respect of pensionable service provided it was given before 6th April 1978.

15. In certain circumstances full paid service may be treated as contributory service in another occupational pension scheme as follows:

(a) Service on a short career commission in the medical, dental or education branches of the Royal Navy may be treated as contributory service under the National Health Service (Superannuation) Regulations or under the Teachers (Superannuation) Regulations 1976, as appropriate.

(b) Service on a commission of 2 or more years by Royal Naval Reserve Officers recalled for service with the Royal Navy in peacetime may be treated as contributory under another occupational pension scheme providing that the pension scheme agrees.

16. Where service under Clause 15 is so treated, both the employer's and the officer's contribution will be advanced by the Ministry of Defence and the total amount so advanced will be deducted from the gratuity for which the officer is eligible under the provisions of this Section. When contributions have been so advanced but as a result of being transferred to a permanent or pensionable commission the officer does not qualify for a gratuity under this Section, no refund of the employer's contributions will be required from the officer, but in order that his previous service under Clause 15 may be reckonable towards an ultimate award of retired pay he will be required to obtain a transfer value from the occupational pension scheme to which the Ministry of Defence has advanced contributions. Service which counts for service retired pay may not also count as reckonable service for purposes of pension under the appropriate civil superannuation scheme.

Section V

Resettlement Grants

17. A tax-free resettlement grant may be granted to officers, ratings or other ranks who have been awarded preserved pensions in accordance with Schedule III, subject to satisfactory service and provided that:

(a) officers have completed at least 9 years' reckonable service (from the age of 21 years), and;

(b) ratings or other ranks have completed at least 12 years' reckonable service (from the age of 18 years).

The rates of resettlement grant will be:

Officers		Ratings and Other Ranks	
Male	Female	Male	Female
£	£	£	£
3,045	2,908	2,216	2,116