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Our Ref: MP272403

John Thurso MP  
House of Commons  
London  
SW1A 0AA

04 February 2010

Dear John,

1. Thank you for your letter to Liam Byrne of 30 December concerning a number of issues raised by David Robson, Secretary General of The Combined Armed Forces Federation, in relation to the occupational pension rights of those who served in the Armed Forces prior to 1975. I am responding as I have ministerial responsibility for Civil Service Pensions.
2. Mr Robson questioned whether benefits relating to former military service were allowed to be transferred into the Civil Service pension scheme or if time served in the military was allowed to be counted as time served in the Civil Service. The circumstances where time served or where a transfer of benefits was allowed are set out below.
3.
  - Where an individual had war service between 3 September 1939 and 31 December 1949, and either:
    - that war service interrupted their Civil Service employment, or
    - subsequent to their war service they joined the Civil Service before 30 June 1950 (or after 30 June 1950 through a reconstruction competition), individuals were allowed to have their war service treated as service in the Civil Service. This was laid down in The Superannuation Act 1946 s.1 as amended by The Superannuation (War Service) (End of Period) Order 1950.
4.
  - Where a serving civil servant was called up for National Service after 1 July 1947, or was called up after passing the Civil Service entrance examination before taking up duty, they may count that National Service as Civil Service employment so long as they returned to the Civil Service after being demobbed.



- 5.
- Another way someone could count Armed Service towards a Civil Service pension is if the member transferred their pension from the Armed Forces scheme into the Civil Service scheme. However, prior to 1975 the minimum qualifying service for a preserved award in the Armed Forces scheme was 22 years, and it did not provide a transfer-out facility for those who left before qualifying for a preserved award.

- 6.
- The Civil Service Pension Scheme also had a number of restrictions placed upon it through legislation. The Superannuation Act 1949 provided that a civil servant would be paid a pension and lump sum if they:
- retired at 60 with 40 years' reckonable service;
  - retired at 50 in the interests of efficiency;
  - retired on medical grounds with at least 20 years service.

Resignation for any other reason meant the loss of reckonable service for pension purposes, even if they were re-employed in the Civil Service at a later date. This was superseded by The Superannuation Act 1965 which provided that a civil servant would be paid a pension and lump sum, either:

- on retirement at 60 with at least 10 years' reckonable service, or
- if they were retired prematurely on medical grounds.

- 7.
- Preserved pensions were awarded to certain persons aged 50 or more with at least 10 years' service who either took early retirement or who could no longer be employed under certain circumstances. Otherwise resignation meant loss of reckonable service for pension purposes.

- 8.
- All of the above information was laid down in the statutes I have referred to. The information was sent to all Civil Service departments by the Treasury using Establishment Circulars.

- 9.
- Civil Service Pensions have no information regarding the amount of service that personnel were able to transfer to their service into the Civil Service scheme.

- 10.
- Under Revenue rules, at the time of the 1949 and 1965 Acts, if membership of a contracted-out occupational pension scheme did not result in a preserved award, the employer made a payment to the National Insurance fund to buy the employee into the State Pension scheme. These payments into the State Graduated Retirement Benefit scheme will be paid as part of the State Retirement Pension.

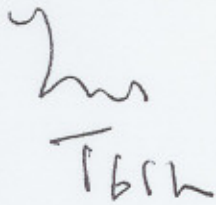
- 11.
- It was not until The Superannuation Act 1972 that the new Principal Civil Service Pension Scheme (PCSPS) introduced preservation of pension benefits for all types of resignation, where a member had accrued a minimum service of five years (reduced to two years from 6 April 1988).

- 12.
- Mr Robson raised a further question concerning the refund of contributions made to the Widows Pension Scheme. If a member was single and had been single throughout their Civil Service career they would have received a full refund of contributions when they left the Civil Service. If the member was single on leaving the Civil Service but had been married at any point during their career they would have received a partial refund of contributions for the period from divorce to leaving the Civil Service. Only contributions made to the scheme would be refunded and not any benefits that had been transferred in.

13.

In addition, in his letter of 13 October Mr Robson asks a series of questions on Reconstruction Competitions, which were held in the seven year period following the end of the Second World War. These were organised and ran by the Civil Service Commission. The Commission ceased to operate in 1991 when the process of devolving responsibility for recruitment to departments and agencies was completed. Those papers of the Commission that have been preserved have I understand been transferred to the National Archives. The Civil Service Commissioners do continue to operate with a revised regulatory remit. The Office of the Civil Service Commissioners, which is based in the Cabinet Office, does not hold any records from the period in question. The Civil Service Commissioners did publish a very detailed special report in 1954 on the Commission's work during the Reconstruction Period 1945-1952. This should provide at least some of the answers to Mr Robson's questions in his letter of 13 October. The report will be available in the library of the House of Commons but not readily available to the public. I therefore attach a copy of the report which you may wish to send to Mr Robson.

I hope this information is useful in addressing the issues Mr Robson has raised.

Handwritten signature of Tessa Jowell, consisting of a stylized first name and the surname 'TJOWELL'.

**TESSA JOWELL**