
STATUTORY RULES OF NORTHERN IRELAND

2010 No. 136

**The Teachers' (Compensation for Redundancy and
Premature Retirement) Regulations (Northern Ireland) 2010**

PART 5

Discretionary compensation for premature retirement

Discretion to credit an additional period of service

11.—(1) Subject to the approval of the compensating authority, the deciding authority, ascertained from the first and second columns of the table in Part I of Schedule 1, may, within 6 months after the material date, credit an eligible teacher (including an eligible teacher who has since died) with a period of service not exceeding the shortest of—

- (a) the period by which his effective service falls short of 40 years;
 - (b) the period beginning on the day following the material date and ending with his 65th birthday, less, where paragraph 1 of Part 3 of Schedule 1 applies, any period required by paragraph 2 of that Part to be deducted;
 - (c) the length of his effective service; and
 - (d) the period specified in Part 2 of Schedule 1.
- (2) An eligible teacher's effective service comprises—
- (a) any period which he is entitled to count as reckonable service; and
 - (b) if his former employment was not pensionable employment, any period which he would have been entitled so to count if it had been.

Compensation payable to credited teacher

12.—(1) A credited teacher is entitled to lump sum compensation and to annual compensation.

(2) Subject to regulation 16 (termination payments), the amount of the lump sum compensation is A-B, where—

A is the retirement lump sum to which he would be entitled on the hypothesis specified in paragraph (4), and

B is the assumed retirement lump sum.

(3) Subject to paragraph (6) and to regulations 17 to 19, the rate of the annual compensation is C-D, where—

C is the annual rate of the retirement pension to which he would be entitled on the hypothesis specified in paragraph (4), and

D is the annual rate of the assumed retirement pension.

(4) The hypothesis is that—

- (a) all his effective service counts as reckonable service; and

- (b) any actuarial reduction required by regulation E5(14) or E6(10) of the Superannuation Regulations is disregarded.
- (5) The assumed retirement lump sum and the assumed retirement pension are—
- (a) where all his effective service counts as reckonable service, those to which he is entitled disregarding any actuarial reduction required by regulation E5(14) or E6(10) of the Superannuation Regulations; and
 - (b) in any other case, those to which he would have been entitled if all his effective service had counted as reckonable service disregarding any actuarial reduction required by regulation E5(14) or E6(10) of the Superannuation Regulations.
- (6) Where—
- (a) an occupational pension is being paid in respect of service before the material date; and
 - (b) the aggregate of his effective service, any period in respect of which he is entitled to the occupational pension, and the credited period would exceed 40 years; and
 - (c) the aggregate of the annual rates for the time being of the occupational pension and of the annual compensation under this regulation would exceed the relevant amount defined in paragraph (8);
- the rate of the annual compensation under this regulation is to be reduced so that the relevant amount is not exceeded.
- (7) For the purposes of paragraph (6)—
- (a) the annual rate at any time of the annual compensation under this regulation and of any other official pension within the meaning of the 1971 Act are their annual rates as increased under that Act; and
 - (b) the annual rate at any time of an occupational pension which is not such an official pension is its annual rate as increased under any contract, scheme or other arrangement.
- (8) The relevant amount mentioned in paragraph (6) is E+ F, where—
- E is the amount specified in paragraph (9), and
- F is any amount by which E would have been increased if it had been the annual rate of an official pension within the meaning of the 1971 Act beginning, and first qualifying for increases under that Act, on the day after the material date.
- (9) The amount constituting E is—
- $$\frac{G}{80} \times (40 - H)$$
- where—
- G is his average salary, and
- H is the length in years of his effective service.
- (10) For the purposes of this regulation an occupational pension is a pension by way of periodical payments, other than a retirement pension under the Superannuation Regulations or annual compensation payable under regulation 7, which is payable under an occupational pension scheme; and for the purposes of paragraph (9) regulation E31 of the Superannuation Regulations (average salary) is in every case to be construed as if the former employment were pensionable employment.

Short-term compensation on death

- 13.—**(1) This regulation applies where a credited teacher dies and a short-term pension—
- (a) becomes payable under regulation E24 of the Superannuation Regulations; or

(b) would have become so payable but for an election under regulation B1(4) or B4 of those Regulations.

(2) Subject to paragraph (3) and to regulation 17 (periodic payments), the rate of the short-term compensation is the rate at which the deceased's annual compensation payable under regulation 12 would have been payable immediately before his death if any reduction under regulation 16, 18 or 19(3) had been left out of account.

(3) If the deceased died in new employment which was pensionable employment, he is for the purposes of paragraph (2) to be taken to have ceased to be in that employment immediately before his death.

(4) If the rate calculated in accordance with paragraph (2) is less than that of long-term compensation to which there is a prospective entitlement under regulation 14, the rate of the short-term compensation is the same as that of the long-term compensation.

Long-term compensation on death

14.—(1) This regulation applies where a credited teacher dies and one or more long-term pensions

- (a) become payable under regulation E26 of the Superannuation Regulations; or
- (b) would have become so payable but for an election under regulation B1(4) or B4 of those Regulations.

(2) Subject to regulation 15 (duration), where this regulation applies long-term compensation is to be paid to, or as the case may be for the benefit of, every person who became or would have become entitled to payment of a long-term pension.

(3) Subject to regulation 17 (periodic payments), the rate of the long-term compensation payable to a person who is not a child ("adult compensation") is one half of the notional annual compensation rate.

(4) Subject to regulation 17, the rate of the long-term compensation payable to or for the benefit of a child or children ("children's compensation") is the appropriate fraction of the notional annual compensation rate.

- (5) While adult compensation is payable, then
 - (a) while children's compensation is payable to or for the benefit of two or more children, the appropriate fraction is one half; and
 - (b) while it is payable to or for the benefit of one child, the appropriate fraction is one quarter.
- (6) If adult compensation did not become payable, or has ceased to be payable, then—
 - (a) while children's compensation is payable to or for the benefit of two or more children, the appropriate fraction is two thirds; and
 - (b) while it is payable to or for the benefit of one child, the appropriate fraction is one third.

(7) Subject to paragraph (8), the notional annual compensation rate is the rate at which the deceased's annual compensation would have been payable under regulation 12 immediately before his death if there had been left out of account and any reduction under regulation 16, 18 or 19(7).

(8) If the deceased died in new employment which was pensionable employment, he is for the purposes of paragraph (7) to be taken to have ceased to be in that employment immediately before his death.

Duration of compensation on death

15.—(1) Subject to paragraphs (2) and (5), a person’s short-term compensation under regulation 13 is payable from the day after that of the death, and the duration of the short-term compensation payable shall be ascertained from the table below.

Table 1

<i>Category</i>	<i>Person entitled to short-term compensation</i>	<i>Duration of compensation (months)</i>
1.	Spouse, civil partner, surviving nominated partner or nominated beneficiary	3
2.	One child or more where adult compensation is payable	3
3.	One child or more where no adult compensation is payable	6

In the table above “adult compensation” means short-term compensation payable to a spouse, civil partner, surviving nominated partner or nominated beneficiary.

(2) Unless the compensating authority determines otherwise in the particular case, long-term adult compensation—

- (a) is not payable if, at the date of the deceased’s death, the person to whom it would (apart from this sub-paragraph) have been payable is living with someone as if they were husband and wife or as if they were civil partners, and
- (b) ceases to be payable when the person to whom it was payable marries, forms a civil partnership or begins to live with someone as if they were husband and wife or as if they were civil partners.

(3) But paragraph (4) does not apply to any long-term adult compensation payable following the death of a person who was in pensionable employment after 31st March 2007 or who would have been in such employment after that date but for an election under regulation B4 of the Superannuation Regulations.

(4) Short-term or long-term compensation payable to or for the benefit of a child ceases to be payable when he ceases to be a child.

(5) For the purposes of this regulation, two people of the same sex are to be regarded as living together as if they were civil partners if they would be regarded as living together as husband and wife if they were not of the same sex.