

Additional information on premature retirement

I have found two further statements which, in my view, confirm the discretionary power of the employer in this matter:

1. Your Guide to Teachers' Pensions – Employer Guide – Page 20 – Section 2.10
Premature retirement –
“It is your choice whether or not to award teachers aged over 55 whose employment has terminated on the grounds of redundancy or organisational efficiency unreduced premature retirement benefits. “
2. National Union of Teachers General Fact Sheet on Redundancy Pay and Entitlements for Teachers – (revised 15.6.2011)
“Will I be able to claim Premature Retirement Compensation?
There is no automatic entitlement to an accrued pension without actuarial reduction if your employment has terminated on the grounds of redundancy before normal retirement age. If you are granted PRC you will be able to retire without your pensionable service being reduced for early payment. Your employer may also agree to enhance your service. However, PRC is not an entitlement, but a benefit exercised at your employer’s discretion.

The minimum age to be able to claim premature retirement is 55.”

This surely confirms that it is for the individual employer to determine whether such compensation should be awarded.

However, it does then raise a supplementary question about who is the employer! In a maintained school, surely it is the LA, not the governing body.

Recommendation

That, following the receipt of confirmation of the above, an additional annex is added to the funding document, which makes it clear to the governing body of all schools that,

- a) should PRC be offered by a governing body, it is to be charged to its own budget
- b) PRC is not an entitlement.

Gary Crowther,
Head Teacher,
Shire Oak Academy.