
STATUTORY INSTRUMENTS

1998 No. 1759

Education (Northern Ireland) Order 1998

PART VII

FINANCING OF SCHOOLS

CHAPTER I

FINANCING OF SCHOOLS BY BOARDS

Provision by a scheme for determination of budget shares

Premature retirement compensation costs

51.—(1) This Article applies in any financial year if—

- (a) in the case of any board, the board's financial provision for relevant schools is subject to regulation by a scheme; and
- (b) in accordance with that scheme, premature retirement compensation costs of the board in relation to members of the staff of relevant schools are not included in the board's aggregated budget for that year.

(2) Premature retirement compensation costs of a board in relation to a member of the staff of a relevant school shall not be met from the budget share of that school, except in pursuance of, and in accordance with the terms of, a direction under paragraph (3).

(3) Where there appears to a board to be good reason to do so in relation to any school, the board may direct that—

- (a) a specified amount shall be deducted from the budget share of the school in any single specified financial year; or
- (b) a specified amount shall be deducted from the budget share of the school in each financial year for such period (not exceeding 10 years) as may be specified, in respect of premature retirement compensation costs of the board in relation to a member of the staff of the school; and in this paragraph "specified" means specified in a direction under this paragraph.

(4) Before giving a direction under paragraph (3) in relation to a Catholic maintained school, the board shall consult the Council for Catholic Maintained Schools.

(5) The amount or (in a case falling within sub-paragraph (b) of that paragraph) the total amount to be deducted from the budget share of a school in pursuance of a direction given under paragraph

(3) in relation to a member of the staff of a school shall not exceed such amount as appears to the board to represent the cost, capitalised as of the date on which the direction is given, of discharging the board's liability to pay premature retirement compensation to, or in respect of, that member of staff.

(6) In relation to a controlled or maintained school, sub-paragraph (5) of paragraph 7 of Schedule 2 applies for the purposes of paragraph (3) of this Article as it applies for the purposes of sub-paragraph

(4) of that paragraph.

(7) In this Article—

“member of staff” includes former member of staff;

“premature retirement compensation” means compensation under Parts III and IV of the Teachers' (Compensation for Redundancy and Premature Retirement) Regulations (Northern Ireland) 1991;

“premature retirement compensation costs of a board”, in relation to any person, means the costs incurred or to be incurred by the board in paying premature retirement compensation to, or in respect of, that person.