

# **Education Reform Act 1988**

## **1988 CHAPTER 40**

#### PART II

HIGHER AND FURTHER EDUCATION

### **CHAPTER III**

FINANCE AND GOVERNMENT OF LOCALLY FUNDED FURTHER AND HIGHER EDUCATION

Appointment and dismissal of staff during financial delegation

# 149 Costs of dismissal, premature retirement or voluntary severance

- (1) Subject to any provision of the relevant scheme or the articles of government of the institution and subsection (2) below, it shall be for the governing body of any institution to which section 148 of this Act for the time being applies to determine—
  - (a) whether any payment should be made by the local education authority concerned in respect of the dismissal, or for the purpose of securing the resignation, of any member of the staff of the institution; and
  - (b) the amount of any such payment.
- (2) Subsection (1) above does not apply in relation to any payment which the authority are required to make—
  - (a) by virtue of any contract other than one made in contemplation of the impending dismissal or resignation of the member of staff concerned; or
  - (b) under any statutory provision.
- (3) The local education authority concerned—
  - (a) shall take such steps as may be required for giving effect to any determination of the governing body of any such institution under subsection (1) above; and
  - (b) shall not make, or agree to make, any payment to which that subsection applies in respect of the dismissal, or for the purpose of securing the resignation, of

*Status:* This is the original version (as it was originally enacted).

any member of the staff of any such institution otherwise than in accordance with any such determination.

- (4) Subject to any provision of the relevant scheme or the articles of government of the institution, costs incurred by the local education authority concerned in respect of the dismissal or premature retirement, or for the purpose of securing the resignation, of any member of the staff of any such institution shall not be met from the institution's budget share for any financial year except in so far as the authority have good reason for deducting those costs, or any part of those costs, from that share.
- (5) The fact that the authority have a policy precluding dismissal of their employees by reason of redundancy is not to be regarded as a good reason for the purposes of subsection (4) above.