EXPLANATORY MEMORANDUM TO

THE TEACHERS (COMPENSATION FOR REDUNDANCY AND PREMATURE RETIREMENT) (AMENDMENT) REGULATIONS 2006

2006 No.2216

1. This explanatory memorandum has been prepared by The Department for Education and Skills and is laid before Parliament by Command of Her Majesty.

2. Description

2.1 This instrument amends The Teachers (Compensation for Redundancy and Premature Retirement) Regulations 1997 (1997 PRC Regulations) to change the basis of enhanced severance payments awarded on a discretionary basis to teachers employed by local authorities, further education colleges and the post-92 universities.

3. Matters of special interest to the Joint Committee on Statutory Instruments

3.1 None

4. Legislative Background

4.1 There is no legislative background to this amendment.

4.2 The amendment amends regulation 6 of the 1997 PRC Regulations by substituting the age and service-related enhanced severance arrangement which, subject to qualifying conditions, permits payments of up to a maximum of 66 weeks pay to people aged under 60. The amendment provides employers with discretion to make enhanced severance payments up to a maximum of 104 weeks pay with no upper age limit. The circumstances under which payments may be made and the level of such payments will be a matter of policy on the part of the employer.

5. Extent

5.1 This instrument applies to England and Wales.

6. European Convention on Human Rights

6.1 As the instrument is subject to negative resolution procedure and does not amend primary legislation, no statement is required.

7. Policy background

7.1 This amendment mirrors the severance arrangement on which the Department for Communities and Local Government are planning to bring into force on 1 October 2006. The Department has concluded that there is considerable merit in consistent severance terms applying to both teaching and non-teaching staff in schools and colleges. 7.2 Consultation on this amendment was issued in tandem with some miscellaneous amendments to the Teachers' Pensions Regulations 1997 which took place between 27 June 2006 and 20 July 2006. This covered 86 key stakeholder groups in England and Wales including trade unions and teacher employer organisations and details of the consultation were placed on the TeacherNet website with information on how individuals could respond. Only one teacher union responded to register concern about the implementation of the new arrangements, but the union did not object to the amendment being made.

8. Impact

8.1 A Regulatory Impact Assessment has not been prepared for this instrument as it has no impact on business, charities or voluntary bodies.

9. Contact

Mrs Valerie Tooth at the Department for Education and Skills Tel: 01325-392 796 or By email: <u>Valerie.tooth@dfes.gsi.gov.uk</u> who can answer any queries regarding the instrument.