

## **Second Addendum to Presidential Guidance on Employment Tribunals: Principles for Compensating Pension Loss**

This Second Addendum updates, but does not replace, the Presidential Guidance dated 10 August 2017 which introduced the fourth edition of the guidance for tribunals and parties on calculating compensation for pension loss (the document titled “Employment Tribunals: Principles for Compensating Pension Loss” - referred to as the “Principles”).

The First Addendum of 7 November 2019 introduced the first revision to that fourth edition. A significant feature of the first revision was the inclusion in Appendix 2 of extracts from the Ogden Tables at the new statutory discount rate of minus 0.25%.

However, the Scottish Government has decided not to adopt that new discount rate but to retain the previous rate of minus 0.75%. In order to ensure that the Principles remain fully valid in Scotland the working group has produced a second revision in which Appendix 2 also provides tables at the minus 0.75% rate. One of the sample calculations in Appendix 3 now uses that rate.

The revised document is available at these locations:

<https://www.judiciary.uk/publications/employment-rules-and-legislation-practice-directions/> (for England and Wales)

<https://www.judiciary.uk/publications/directions-for-employment-tribunals-scotland/> (for Scotland)

Tribunals and users should now refer to the second revision rather than to the original fourth edition.

As ever, the working group welcomes further comments and contributions via the email address which appears in paragraph 1.13 of the Principles.

**The Presidents expect that Employment Tribunals will have regard to the current version of the Principles when calculating compensation for pension loss.**