Retirement Policy and Procedure for Teaching Staff

Ffederasiwn Ysgolion **Llanidloes** Schools Federation

This policy applies to all teaching staff and individual schools are strongly encouraged to adopt it.

Status	Version 1
Policy Author	Schools Policy Forum
Date of Issue	31.01.2024
Date of Review	
Agreed by	Governing Body
Next Review Date	Spring 2026
Authorisation	Chair of the Governing Body Date: 31.01.2024 Signature:

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1. Introduction

The Schools' Policy is that employees may continue working until they give notice that they wish to retire. In line with UK legislation, the Schools do not have a contractual retirement age.

2. Scope

This policy applies to all teaching staff although the provisions relating to pension benefits are applicable only to those employees who are paying into the Teachers' Pension Scheme (TPS).

3. Principles

3.1 The Schools value the contribution of all employees and seek to maximise their potential, whilst allowing them flexibility and choice about when to end their career. This policy sets out the Schools' approach to the retirement of employees.

3.2 The effect of this policy is that contractual retirement ages contained in some employee contracts of employment are no longer applicable.

3.3 Teachers are encouraged to register online with Teachers Pensions and check that their pension history and service is correct. We would encourage teachers to carry out these checks every year so errors can be rectified. By accessing their statement online this also will enable teachers to prepare for retirement.

4. Legal Background

The Equality Act 2010 makes discrimination in employment and training because of a person's age unlawful. This includes recruitment, terms and conditions, promotions, transfers and dismissals. The Employment Equality (Repeal of Retirement Age) Regulations 2011 abolished the Default Retirement Age of 65 from 1 October 2011.

5. Providing Notice of Retirement

5.1 Employees who intend to retire normally from their employment are required to resign and give the required notice of their intended date of retirement to their Headteacher or line manager. This notice must be in writing. The notice period must be not less than their contractual notice.

5.2 Employees are encouraged to give an early indication of their planned retirement date as this will assist the Schools in ensuring that appropriate succession plans are in place prior to the employee's retirement.

5.3 Employees who are members of the TPS and wish to retire are required to contact the Teacher's Pension School at the earliest opportunity. They can be contacted at mypensiononline or by phoning 0345 6066166. Note carefully that members of the TPS must claim their pension before the eve of their 75th birthday. Such employees can continue in employment, but their pension

contributions must end the day before the eve of their 75th birthday to put pension benefits into payment the day before their 75th birthday. This is in accordance with HMRC rules.

6. Premature Retirement

6.1 Pension scheme members may decide to retire at any time on or after attainment of their State Pension Age and will receive unreduced pension benefits. State Pension Ages can be calculated on the following site – www.gov.uk/calculate-state-pension

6.2 Pension scheme members can prematurely retire and take their benefits from the age of 55 years, subject to reductions for early payment, where applicable.

6.3 For premature retirement over the age of 55, written consent of the employer is required in order for teachers to access their pension at a reduced level. Employees are encouraged to obtain this written consent early in the process of accessing their pension. Schools should respond to requests for consent to retire early promptly.

7. Redundancy and Early Retirement

Employees aged 55 years and older who are made redundant by the Schools and who have been a member of the TPS for at least two years (or have transferred service) are entitled to immediate payment of unreduced benefits.

8. Ill-Health and Early Retirement

8.1 Ill-Health Retirement can be taken if a member becomes too ill to work during their teaching career. This can be taken before their Normal Pension Age without the usual reduction applied to an early retirement pension.

8.2 Employees should seek advice as to whether Ill-Health Retirement is an option and the possible impact of this before they submit any application forms.

8.3 The TPS application forms for Ill-health Retirement should be completed. The member should complete the application form whilst the employer and relevant occupational health advisors should complete the medical evidence form.8.3. There are two different levels of ill-health benefits that can be awarded. Accrued benefits are awarded if the member is assessed as being permanently unable to teach but can still work in another role. With accrued benefits, a member's service won't be enhanced. Enhanced benefits are awarded if the member is assessed as being unable to undertake any type of gainful employment.

9. Phased Retirement

9.1 Employees who are members of the Teachers' Pension (TPS) may consider a Phased Retirement pattern of work as an alternative to full retirement. Please see Teachers' Pension website for full details www.teacherspension.co.uk. It should be noted that an employee is required to reduce their salary by at least 20% if they wish to access Phased Retirement.

9.2 Only the pension you are contributing to will be paid. If you have any deferred TPS pensions they will not be paid at the same time.

9.3 An employee who takes Phased Retirement is not limited to the amount they can earn as a total of both their salary and pension.

9.4 If the employee is under age 75 and has a contract of employment of 3 months or more, subject to salary criteria, they will automatically be opted back into the Teachers' Pension (TPS). The member can opt out, but they will be giving up 'death in service' cover associated with the pension scheme and the possibility of accruing another small pension for when they fully retire.

10. Retirement Process

10.1 Once an employee has decided that they wish to retire, they should inform their Headteacher or line manager in writing of their intended retirement resignation date, in accordance with their contractual notice period.

10.2 The School will write to the employee acknowledging receipt of the employee's notice of retirement resignation letter.

10.3 The Headteacher or line manager will meet with the employee within 10 working days of receipt of the employee's notice of retirement letter to discuss arrangements for leaving the School, including the intended leaving date, succession and handover plans, pension details and flexible retirement, if applicable.

10.4 Once a leaving date has been agreed, the School will write to the employee confirming their last date of employment, and the normal arrangements for leaving the School will apply.

10.5 The Headteacher or line manager should complete the iTrent Employee Leaver Form and ensure that copies of the employee's letter of notice is forwarded to both the Pensions team and the Employment Services / Payroll team.

11. Further Information

11.1 For queries relating to the content of this policy, contact a member of the Schools' HR team at 01597 826501.

11.2 For pension-related queries, contact www.teacherspension.co.uk or 0345 606 6166