

OXFORDSHIRE COUNTY COUNCIL PREMATURE RETIREMENT COMPENSATION SCHEME FOR TEACHERS

INTRODUCTION

1. The Policy set out in the following pages has been agreed by the Council's Cabinet to take effect from September 2005.
2. The normal retirement age for teachers remains the end of the term in which they reach age 65: however, teachers are able to retire and claim their pension benefits from the age of 60 based on their own contributions.
3. Teachers are entitled to apply for actuarially-reduced pension benefits from age 55 as of right but are recommended to seek professional advice either from HR Officers or their own professional association before taking this course of action. The reduced pension is payable for life, not just to age 60 or 65.
4. The term "Premature Retirement" refers to retirement before the age of 60 with no actuarial reduction and to those retirements where an enhancement is payable.
5. Premature retirement will not be granted where the school or service has invoked the Professional Capability Procedure in relation to the applicant and the applicant has not yet been judged to be performing satisfactorily.

THE SCHEME IN OPERATION

6. The new Policy requires that premature retirements be agreed only if budget provision is available. Any budget to pay for early retirements will be agreed for each financial year. In practice, part of the budget will have to be set aside for employees who are made redundant and for those teachers who apply under Oxfordshire's scheme for premature retirement on grounds of ill health (paragraph 9(b)(iii)).
7. Retirements under paragraphs 9(b)(i) and (ii) will be agreed only if sufficient funding then remains. Teachers who wish to apply under these provisions (i.e. "efficiency of the service" applications) for a retirement date between 1 April 2006 and 31 March 2007 will need to send a letter of application to John Vallis to arrive in Macclesfield House by **28 February 2006**. The letter should set out the reasons for wanting to retire early. If sufficient budget remains, there will be a second application date of **31 August 2006** for retirement by 31 March 2007. The application must be supported by the school or service and must fulfil one or other of the criteria in paragraph 9(b)(i) or (ii). A letter of support for the application will be essential, signed by the headteacher, chair of governors or Head of Service, as appropriate.
8. Applications received by the deadline will be considered by a panel and decisions made as to which of them can be agreed within the budget. Once these decisions have been made, they will be communicated to the applicants during March and there will be a right of appeal for those not recommended for approval. Appeals will be heard by a panel of elected Members.

9. The order of priority for granting premature retirements under these paragraphs will be as follows:
- i. A teacher whose school requires “special measures” where the school’s Task Group recommends it in accordance with paragraph 9(b)(ii) (application to be signed by the Task Group Manager and the Chair of Governors)
 - ii. A teacher whose school is under an Improvement Notice, where the Task Group recommends it (as above)
 - iii. A teacher whose school is formally “of concern” to the Authority, where the Task Group recommends it (as above)
 - iv. Teachers in other schools and services and all applications under paragraph 9(b)(i).

November 2005

Retirement Policy for Teachers

Principles

1. This policy applies from 1 September 2005 to all employees who are members of the Teachers' Pension Scheme (TPS) or are eligible to join. A separate version of this policy applies to those eligible to join the Local Government Pension Scheme.
2. An employee who has chosen not to contribute to the Teachers' Pension Scheme will receive no pension benefits under this scheme upon retirement. This does not affect the payment of redundancy compensation under the Oxfordshire County Council Scheme.
3. The normal retirement age for all employees is 65 years. However, employees may seek to continue to work beyond that age. Employees will be advised to consult their line manager for advice in these circumstances. Employment beyond age 65 will be subject to regular risk assessment of the employee's suitability in view of the duties and responsibilities of the job. This may include referral to Occupational Health for a health assessment. The council's normal employment policies and procedures will be applied to all employees over 65 years of age.
4. An employee who is aged 60 to 64 years may choose to retire by giving the appropriate notice. Those employees who have a sufficient period of membership in the pension scheme will receive immediate payment of pension benefits. Employees will be advised to contact HR for information about any pension entitlement and the arrangements for payment options.
5. Retirement with an immediate payment of pension before the age of 60 years may also arise for the reasons set down in paragraphs 8 and 9 overleaf and is subject to the conditions stated.
6. An ex-employee who has retired and is receiving a Teachers' pension is required to advise Teachers' Pensions of any new employment as his/her pension may be affected.

Special Retirements

7. In the case of the retirements referred to in paragraphs 8 and 9(a) and (b) below, redeployment to other appropriate employment will be considered where appropriate and available but this may be subject to decisions made by governing bodies.

III Health Retirements

8. An employee who has been certified by Teachers' Pensions as being permanently incapable of discharging his/her duties or other comparable duties by reason of ill health or infirmity of body or mind may retire at any age, with immediate payment of a pension, if they have sufficient service under the regulations.

Other Retirements requiring Pensions Benefits Sub-Committee Approval

9. Early retirement may be available for employees in the circumstances set out in (a) and (b) below, **taking into consideration the budget available**, the full cost of the retirement and the best interest of the Council in making their decision. The Council will not normally agree to early payment of deferred benefits, or early retirement on other grounds such as for compassionate reasons.
 - a) Redundancy after the School's or Council's Redundancy Procedure has been followed.

In this case employees who are 50 years old or more will receive a redundancy payment calculated in accordance with the statutory redundancy pay rules but based on actual salary, plus immediate payment of their pension entitlement with no reduction of pension benefits. Employees who are aged 57 years and over will be considered for an additional award of up to 3 added years' enhancement where they have 20 years or more employment service with Oxfordshire County Council. Employment service for these purposes may be full- or part-time and need not necessarily be continuous. Enhancement will be pro rata for employees who are part time at the time of retirement.

b) Where it is in the interests of the efficiency of the Council's operations.

Under the circumstances in (i) to (iii) below, employees will receive immediate payment of their pension entitlement with no reduction of pension benefits. No added years' enhancement will be awarded in these cases. Early retirement on these grounds will only be granted where the application of the school's or Council's policies to improve individual performance are not appropriate.

- (i) an employee aged 57 years or over whose retirement will enable organisational change to take place resulting in a saving to the revenue budget.
- (ii) an employee aged 57 years or over whose retirement will make a significant contribution to ensuring that the quality of educational attainment at a particular establishment is maintained or improved.
- (iii) an employee aged 50 years or over where retirement on the grounds of ill health has been refused by Teachers' Pensions but where there is a substantial medical or psychiatric condition and the retirement is supported by Occupational Health because, in the view of the Council's medical adviser, it is likely to render him/her significantly less efficient, for example, due to high level of absences.

- 10. Any request for early retirement which falls outside this scheme will be considered by the appropriate committee of the Council, together with a recommendation from the appropriate Director as to whether or not it should be supported. The financial and other implications of the request will be taken into account.
- 11. Where the retirement is under paragraphs 8 to 10 above, the additional costs incurred and the payment of any added years benefits will be met by the employing Directorate.

Disputes Procedure

- 12. Where a member of the TPS has a dispute regarding his/her pension s/he may refer this as appropriate through the school's or Council's Grievance Procedure

Revision of this Policy

- 13. This policy will be reviewed within 2 years of its implementation or earlier if deemed necessary.

Revised October 2005