



**Ellar Carr PRU  
Policy for School Staff**

# Phased/Flexible Retirement Policy

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Ellar Carr PRU has adopted the PACT HR recommended model procedure as agreed by Trade Unions.

Approved by the governing body on: 10/12/18

To be reviewed on: December 2019

Signed on behalf of the governing body: RM Garside

NB. This guidance will be retained for a period of 7 years from replacement

Dated: June 2016

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# Introduction

- 1.1 This policy applies to members of staff within both the Teachers Pension Scheme and the Local Government Pension Scheme. Both schemes, allow employees to draw their pension whilst continuing to work in a reduced capacity.
- 1.2 The scheme is open to applications from both members of teaching and support staff in school that are 55 years of age or over.

*Please note: Employees only have the right to APPLY for Phased/Flexible Retirement; it is not a right to receive.*

- 1.3 Phased/Flexible Retirement occurs when an employee draws their pension and carries on working, either in a less responsible/lower graded post or on reduced hours.
- 1.4 After Phased/Flexible Retirement the employee can continue to pay pension contributions from their wages/salary and therefore accrue further pensionable service/benefits.
- 1.5 The school recognises the importance of developing a flexible workforce to continue to deliver a high standard of service. The school values the retention of the skills of employees and is committed to having a flexible approach to retirement.
- 1.6 There are significant benefits for both employees and the school by enabling employees to take advantage of Phased/Flexible Retirement provisions.

Phased/Flexible Retirement is recognised as having the following benefits:

- Assist employees to ease into retirement.
- Retention of skills and experience of employees which otherwise may be lost to the School and to make possible the passing on of skills and knowledge to other employees thus preventing knowledge gaps.
- Assist in reducing capacity if required, and help avoid redundancies (and associated costs)
- Providing a development opportunity to other employees as colleagues reduce their hours or responsibility level.
- Flexibility and productivity associated with part-time working.
- Enabling an employee to strike an effective work life balance.
- Complementing the Council's existing work life balance policies.

## Teachers Pension Scheme Members

- 2.1 If the employee is a member of the Teachers Pension Scheme they are applying for 'Phased Retirement'.

### Key Principles

- 2.2 The employee must have pensionable employment on or after the 1<sup>st</sup> January 2007.
- 2.3 Phased Retirement allows the employee to take up to a maximum of 75% of the total benefits they have accrued.
- 2.4 It is possible to take Phased Retirement if the employee has had a break in service providing it is not more than 6 months.
- 2.5 It is the employee's responsibility to apply for possible Phased Retirement and it is essential that they obtain an estimate of pension benefits from the Teachers Pension Scheme. In order to obtain a Phased Retirement estimate the employee should request one via the Teachers Pension Scheme website  
  
<https://www.teacherspensions.co.uk/public/home.aspx>
- 2.6 All requests for Phased Retirement will be subject to operational considerations.
- 2.7 Employee's can request to:
- 1) Reduce their contractual hours
  - 2) Opt to request a post with fewer responsibilities
  - 3) Both the above.
- 2.8 In all cases above the employees pensionable salary must reduce by at least 20% than that received in the previous 6 working months and any decision may be based on the business needs of school. Any change of grade for a member of teaching staff, would need to be made in line with the Teachers Pay and Conditions Document.
- 2.9 Once Phased Retirement is granted, the school will not allow the employee to work additional contractual hours (temporarily or permanently) or be appointed to a higher graded post or a post with higher contractual hours within school, for a minimum period of 12 months. Any exception to this would be with the express permission of the school's governing body.
- 2.10 If the employee opts to request a post with fewer responsibilities resulting in lower pay/grade there is no right to any pay protection between the higher pay/grade and the lower pay/grade.
- 2.11 Applications for Phased Retirement can only be made to the scheme once in every 12 calendar months and an employee can exercise this option twice before final retirement.

- 2.12 Phased Retirement applications must be completed within 3 months of the date the employee's salary reduction starts.
- 2.13 Benefits are payable from the date the reduction as detailed above takes effect.
- 2.14 If the employee has more than one employer when they apply for phased retirement benefits then they have to agree on a common retirement date. What's more, every employer must complete an 'Application for Phased Retirement Benefits' form if the employee has worked for them in the past 12 months.

## West Yorkshire Pension Fund

- 3.1 If the employee is a member of the Local Government Pension Scheme they are applying for 'Flexible Retirement'

### Key Principles

- 3.2 Flexible Retirement allows the employee to take some or all of the total benefits they have accrued providing they have been a member of the scheme for a minimum of 2 years (although benefits maybe reduced for early payment).
- 3.3 It is the employee's responsibility to apply for possible Flexible Retirement and it is essential that the employee obtains an estimate of pension benefits from the West Yorkshire Pension Fund.
- 3.4 In order to obtain a Flexible Retirement estimate the employee should contact the PACT HR team who will arrange this (The school should deal with the West Yorkshire Pension fund direct if a non Local Authority School).

*Please note, this will generate costing information which will be required by school for decision making purposes at a later stage; however if the employee is wanting the request to remain confidential until they have seen their figures and submit an application please make this clear to the PACT HR team (West Yorkshire Pension Fund if a non Local Authority School).*

- 3.5 All requests for Flexible Retirement will be subject to operational considerations.
- 3.6 Employee's can request to:
  - 1) Reduce their contractual hours – these must be reduced by at least 20% for both full and existing part-time staff.
  - 2) Request to move into a lower graded post – this should be at least one grade lower than the employees existing grade and may be subject to the business needs of school.
  - 3) Both the above.
- 3.7 Once Flexible Retirement is granted, the school will not allow the employee to work additional contractual hours (temporarily or permanently) or be appointed to a higher graded post or a post with higher contractual hours within school, for a

minimum period of 12 months. Any exception to this would be with the express permission of the school's governing body.

- 3.8 If the employee opts to request a lower graded post there is no right to any pay protection between the higher grade and the lower grade.
- 3.9 Applications for Flexible Retirement can only be made once in every 12 calendar months.

## How is an Application made for Phased/Flexible Retirement?

(For members of both schemes)

- 4.1 An employee seeking Phased/Flexible Retirement must make a request by submitting a 'Phased/Flexible Retirement Application Form' (Appendix 1) to the head teacher (or governing body in the case of a head teacher) of the school.
- 4.2 A meeting should be held within 28 days of the date on which the application is submitted.
- 4.3 The employee may be accompanied at the meeting if they wish by a trade union representative or work colleague. If a trade union representative or work colleague is unable to attend the meeting, the meeting should be postponed and re-arranged within 5 working days of the originally proposed date. The new date should be convenient to all parties. If this is not possible the employee should consider an alternative representative.
- 4.4 The purpose of the meeting is to determine if the request can be approved and will give both parties the opportunity to explore the request and discuss how it might be accommodated. Applications will be considered in line with school policy and business reasons.
- 4.5 In considering the request, the head teacher (or governing body in the case of a Head teacher) should have regard to the following issues (this list is not exhaustive);
- Any impact which the request may have upon service delivery or the school's performance.
  - The ability in school to reorganise or undertake the work which is required to be carried out by other staff or through other means (e.g. by existing staff or by recruiting) and any associated costs related to this.
  - Whether the reduction in grade/hours can be accommodated by the employee filling an existing lower graded or lesser hour's vacancy thus saving on recruitment costs because the higher graded/hours post will not be recruited to.
  - Whether allowing the request will help retain valuable skills for longer.
  - Whether and to what extent allowing the request will aid succession planning by allowing a gradual handover of duties.
  - The pension cost, if any, to the school of implementing the request. The West Yorkshire Pension Fund will supply these figures.

- Any additional costs which may arise to the school of the request were to be approved.
- The personal circumstances of the individual employee.

## Pension Costs

- 5.1 There may be a cost to the school if the employee is a member of the Local Government Pension Scheme and is requesting to take Flexible Retirement.
- 5.2 There is **no cost** to the school if the employee is a member of the Teachers Pension Scheme and is requesting to take Phased Retirement.
- 5.3 The Head teacher should refer to the costing information provided by the West Yorkshire Pension Fund.
- 5.4 There are usually no pension costs associated with the approval of Flexible Retirement if the employee has met normal retirement age, however, there may be considerable pension costs to the school for early payment of pension benefits if, for example,
- the employee is requesting Flexible Retirement before normal retirement age,
  - if the employee does not have much pensionable service or,
  - If the employee is aged between 55 and 60 and has requested for the 85 year rule to be switched on (*NB the 85 year rule only applies to employees who were in the scheme pre October 2006*).
- 5.5 The Head teacher can agree to fund the costs from the school's budget if: -
- the early payment costs are for legitimate business reasons or
  - If the employee is requesting the payment of unreduced benefits because there are special extenuating circumstances.

### Where the head teacher (or governing body in the case of a head teacher) approves the Phased/Flexible Retirement request

- 5.6 The decision will be confirmed in writing to the employee. The head teacher (or governing body in the case of a Head teacher) should then consult with their HR Business Partner to arrange implementation. This will include issuing a new contract of employment and the employee will be informed of the start date at which the pension benefits will be payable.
- 5.7 For employees in the:
- Teachers Pension Scheme – The employee should download the 'Application for Benefits – Phased' form from the Teachers Pension Scheme Website <https://www.teacherspensions.co.uk/members/resources/forms.aspx> and complete section A. If a Local Authority School the employee should send the form to PACT HR who will then complete section B and pass it on to the scheme for processing (The school should deal with the Teachers Pension Scheme direct if a non Local Authority School). The Teachers Pension Scheme will be in touch with the employee with regards to payment.

- 5.8 Local Government Pension Scheme – PACT HR will notify the West Yorkshire Pension Fund (The school should deal with the West Yorkshire Pension fund direct if a non Local Authority School). The West Yorkshire Pension Fund will be in touch with the employee with regards to payment.

Where the head teacher (or governing body in the case of a head teacher) does not approve the Phased/Flexible Retirement request

- 5.9 The employee has the right to appeal against the decision. Any appeal, should be made within 10 working days of the notification and should do so in writing. The Clerk to Governors will arrange for the appeal to be heard within 28 days receipt of the appeal letter. The appeal will take place in front of the relevant governing body sub-committee.
- 5.10 At the appeal meeting, the employee will have the opportunity to put forward his/her case and the head teacher (or governing body in the case of a head teacher) will explain his/her reasons for refusing it. The employee is entitled to be accompanied at this meeting by a trade union representative or fellow work colleague.
- 5.11 The governing body Sub-Committee will make their decision and inform the employee and the decision will be confirmed in writing. The Sub-Committee's decision is final and there is no further right of appeal.



# Appendix 1

## Phased/Flexible Retirement Application Form

It will help the head teacher (or governing body in the case of a head teacher) to consider your request if you provide as much information as you can. Please also consider what affect your proposed working pattern change will have on the work you do and on your colleagues and how this might be accommodated in school.

<b>Name:</b>	
<b>Job Title:</b>	
<b>School:</b>	
<b>Age at date of current application:</b>	

<b>Which pension scheme are you a member of?</b>	
Teachers Pension Scheme	
West Yorkshire Pension Fund	
<b>Have you requested an estimate of pension benefits from your pension fund?</b>	
YES/NO <i>(if no this should be done ASAP before submitting this application)</i>	
<b>What date would you like this Phased/Flexible Retirement to take effect?</b>	
<b>Dates of any previous Flexible Retirement applications that have been made</b>	
<b>Are you requesting to...</b>	
1) Reduce your contractual hours?	
2) Request a job with fewer responsibilities/lower grade?	
3) Both 1 & 2?	

**Reduction in Contractual Hours - 1**

Please highlight your current working pattern in school:

Please highlight your desired working pattern following Phased/Flexible Retirement (*in line with the relevant pension scheme*):

**Request a Job with Fewer Responsibilities/Lower Grade – 2**

Current grade/pay/responsibilities:

Details of how you propose your pay/responsibilities/grade will reduce following Phased/Flexible Retirement (*this may be subject to the business needs of school and should be in line with the relevant pension scheme*):

**Request a Job with Fewer Responsibilities/Lower Grade and reduced contractual hours – 1& 2**

**What impact do you think the proposed change would have on the school/colleagues and how do you feel any such effect might be dealt with?**

<b>Signature:</b>		<b>Date:</b>	
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