

**CHILMARK and FONTHILL BISHOP CHURCH OF ENGLAND AIDED
PRIMARY SCHOOL**

MISSION STATEMENT: *We Live and Learn with Faith and Love*

**REDUNDANCY PAY POLICY
FOR TEACHING STAFF IN WILTSHIRE
SCHOOLS / ACADEMIES**

Consultations on this updated model policy have taken place with the following recognised teachers' unions: NAHT, ASCL, ATL, NUT, NASUWT.

The Local Authority recommends this model for adoption in Wiltshire schools/ academies from 1st September 2015.

Adopted by FGB: February 2017

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Introduction

1. This policy sets out the redundancy pay benefits a teacher is entitled to receive if they are made redundant.
2. This policy must be read in conjunction with the Model Redundancy Procedure for Teaching and Support Staff in Schools/ Academies which provides information on when a redundancy situation will apply and the procedure which should be followed.
3. The Employment Rights Act 1996 (ERA) provides the framework for the payment of redundancy compensation. The Teachers (Compensation for Redundancy and Premature Retirement) Regulations 2015 provide the statutory framework for the payment of premature retirement compensation relating to the release of pension for teachers aged 55 and over who are members of the Teachers Pension (TP), are covered by Burgundy Book terms and conditions and who are made redundant.
4. Conditions relating to the payment of redundancy and premature retirement compensation are detailed in Annex A and Annex B of the Burgundy Book.

Policy Statement

5. This policy sets out the redundancy pay benefits a teacher is entitled to receive if they are made redundant, including payment of premature retirement compensation for eligible teachers aged 55 and over and who are members of the Teachers Pension (TP).

Who does this policy apply to?

6. This policy applies to all teaching staff employed within Wiltshire schools / academies and who are employed under Burgundy Book terms and conditions.

When does the policy not apply?

7. This policy does not apply to support staff employed on National Joint Council (NJC) terms and conditions as they are covered by separate redundancy pay arrangements.
8. Teachers with less than 2 years continuous service with one or more LA on the date their employment ends will have no entitlement to any redundancy pay.

9. Teachers on fixed term contracts and over age 55 are not eligible for premature retirement compensation under the rules of the TPS.
10. Teachers on fixed term contracts with 2 years or more continuous service accrued with one or more LA on the date their employment ends will be entitled to redundancy pay on the termination of that contract.

Redundancy pay arrangements

11. Under the Model Redundancy Procedure for Teaching and Support Staff in Schools, there are two redundancy outcomes. Teachers may volunteer to be considered for redundancy – this is termed **voluntary redundancy**. For those who do not volunteer but are subsequently selected against criteria their roles will be made **compulsory redundant**.
12. The redundancy pay benefits available under both the voluntary and compulsory arrangements are the same. There is no additional enhancement available should a teacher volunteer for redundancy since the basic compulsory redundancy entitlement they would be eligible to receive under the LA's contractual arrangement is already enhanced as this uses actual weekly pay and is above the statutory redundancy weekly pay level.
13. The redundancy pay calculation available to teaching staff in Wiltshire schools / academies and the LA is based on the statutory weeks, used in the calculation of a statutory redundancy payment, multiplied by actual weekly pay (i.e. statutory weeks x actual weekly pay). This means the statutory cap on weekly pay is not applied to teachers under this contractual arrangement and the calculation will therefore be based on a teacher's actual weekly pay.
14. The statutory redundancy calculation table which sets out the number of weeks pay an individual would be entitled to, based on age and length of service, can be found in toolkit 1.
15. Statutory payments are capped at 30 weeks, or 20 years service.

Premature retirement

16. Premature retirement will be applied where a teacher is retired before reaching normal retirement age by reason of redundancy.
17. Premature retirement compensation benefits will be awarded to teachers on permanent contracts who are members of the Teachers Pension (TP) and are aged 55 or over with at least 2 years pensionable service at the time of their role being made redundant.

18. The Teachers Pension (TP) will pay an actuarially reduced pension and lump sum based upon the teacher's pensionable service. For maintained schools the local authority (LA) will fund the difference between the actuarially reduced pension and what the teacher would have received if they had retired at normal pension age. This means that the teacher receives unreduced benefits for their lifetime. This is referred to as "mandatory compensation".
19. Academies are responsible for funding this mandatory compensation
20. Payment of premature retirement compensation is not available if the teacher is solely employed on a fixed term contract or specific purpose contract.
21. Premature retirement compensation under the efficient discharge of the employer's function or 'efficiency of the service' is not supported as a routine solution for a school to reorganise its staff or cope with changed leadership needs. Schools should contact their HR Advisor before considering this early retirement option as any early release of pension or enhanced pension costs may fall to the school to pay.

Premature retirement with no discretionary compensation (age 55 and over)

22. The school / academy will not award "discretionary compensation" in the form of added years of service to generate increased pension benefits to teachers aged over 55 who are made redundant.

Funding of redundancy compensation

23. The LA will continue to fund the costs of redundancy for maintained schools. This includes redundancy costs arising from the following:
 - Staffing reductions as part of a deficit recovery/budget plan;
 - Staffing reductions arising from a federation or amalgamation, or a closing school.
24. In cases where schools are restructuring and reducing staff numbers for other reasons the LA may consider that the costs should be met from the school's delegated budget.
25. Academies will be responsible for meeting all costs arising from redundancy and premature retirement compensation.

Roles and responsibilities under this policy

Head teachers

26. To apply for estimates for redundancy pay for at risk staff in good time through the Schools HR Advisory Team (where they purchase this service) or through their alternative HR and payroll provider using toolkit 4 (parts 1, 2 and 3) of the Model Redundancy Procedure for Teaching and Support Staff in Schools.
27. To advise any teacher eligible for premature retirement compensation to contact Teachers Pension direct for a quote. To inform the teacher whether the school / academy has agreed within this policy to fund the costs of discretionary compensation so that added years can be applied to pensionable service when asking for a quote from Teachers Pension.
28. To answer any queries about redundancy estimates at individual consultation meetings or refer complex queries to the Schools HR Advisory Team / Schools HR payroll administration team where this service is purchased.

Schools HR Advisory Team

29. Where the school / academy purchases the service, to liaise with the Schools HR payroll administration team to obtain estimates for redundancy pay.
30. To inform the LA schools accounts and budgets team of potential redundancy situation.
31. Once completed by the Schools HR payroll administration team (where this service is purchased), send redundancy estimates to the Head teacher to be included in redundancy packs.
32. To advise Head teachers on the application of this policy.

Schools HR Payroll Team

33. To obtain teaching record information from TP in order to produce estimates for redundancy and return to the Schools HR Advisory Team along with guidance letter about applying for pension (where applicable).
34. To issue pensions application forms to teachers aged 55+.
35. To confirm redundancies of 55+ teachers to the Teachers Pension.

36. To process leavers forms and issue final termination letters to teachers in Community and Voluntary Controlled schools, including providing details about eligible 55+ teachers applying for Teachers pension.
37. To check redundancy estimates of other HR and payroll providers (where the school / academy does not purchase the LA's service) before confirming payment to the council finance team.
38. To comply with the guidance letter issued by the Schools HR Payroll Team in respect of applying for release of their Teachers pension.

Frequently asked questions

How are retirement benefits calculated?

Benefits will be calculated based on your membership status. As this will depend on which section of the scheme is applicable to you

I am aged over 55 and entitled to receive premature retirement compensation. What benefits will I receive?

You will receive an estimate detailing your retirement benefits which will be specific to your membership status and whether the school / academy has adopted within this policy to fund discretionary compensation.

I am aged over 55 but am not a member of the TP and do not have any pensionable service in the scheme. Will I receive premature retirement benefits?

No – premature retirement is only available to members of TP who are aged 55 or over and have at least 2 years pensionable service at the time of being made redundant.

Related policies

Model Redundancy Procedure for Teaching and Support Staff in Schools

Further information

For further details relating to pension entitlements, please refer to the Teachers Pensions (TP) website at www.teacherspensions.co.uk

Statutory redundancy calculation table

Age / Years	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
17	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18	1	1½	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	1	1½	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20	1	1½	2	2½	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21	1	1½	2	2½	3	-	-	-	-	-	-	-	-	-	-	-	-	-	-
22	1	1½	2	2½	3	3½	-	-	-	-	-	-	-	-	-	-	-	-	-
23	1½	2	2½	3	3½	4	4½	-	-	-	-	-	-	-	-	-	-	-	-
24	2	2½	3	3½	4	4½	5	5½	-	-	-	-	-	-	-	-	-	-	-
25	2	3	3½	4	4½	5	5½	6	6½	-	-	-	-	-	-	-	-	-	-
26	2	3	4	4½	5	5½	6	6½	7	7½	-	-	-	-	-	-	-	-	-
27	2	3	4	5	5½	6	6½	7	7½	8	8½	-	-	-	-	-	-	-	-
28	2	3	4	5	6	6½	7	7½	8	8½	9	9½	-	-	-	-	-	-	-
29	2	3	4	5	6	7	7½	8	8½	9	9½	10	10½	-	-	-	-	-	-
30	2	3	4	5	6	7	8	8½	9	9½	10	10½	11	11½	-	-	-	-	-
31	2	3	4	5	6	7	8	9	9½	10	10½	11	11½	12	12½	-	-	-	-
32	2	3	4	5	6	7	8	9	10	10½	11	11½	12	12½	13	13½	-	-	-
33	2	3	4	5	6	7	8	9	10	11	11½	12	12½	13	13½	14	14½	-	-
34	2	3	4	5	6	7	8	9	10	11	12	12½	13	13½	14	14½	15	15½	-
35	2	3	4	5	6	7	8	9	10	11	12	13	13½	14	14½	15	15½	16	16½
36	2	3	4	5	6	7	8	9	10	11	12	13	14	14½	15	15½	16	16½	17
37	2	3	4	5	6	7	8	9	10	11	12	13	14	15	15½	16	16½	17	17½
38	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	16½	17	17½	18
39	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	17½	18	18½
40	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	18½	19
41	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	19½
42	2½	3½	4½	5½	6½	7½	8½	9½	10½	11½	12½	13½	14½	15½	16½	17½	18½	19½	20½
43	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21
44	3	4½	5½	6½	7½	8½	9½	10½	11½	12½	13½	14½	15½	16½	17½	18½	19½	20½	21½
45	3	4½	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22
46	3	4½	6	7½	8½	9½	10½	11½	12½	13½	14½	15½	16½	17½	18½	19½	20½	21½	22½
47	3	4½	6	7½	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23
48	3	4½	6	7½	9	10½	11½	12½	13½	14½	15½	16½	17½	18½	19½	20½	21½	22½	23½
49	3	4½	6	7½	9	10½	12	13	14	15	16	17	18	19	20	21	22	23	24
50	3	4½	6	7½	9	10½	12	13½	14½	15½	16½	17½	18½	19½	20½	21½	22½	23½	24½
51	3	4½	6	7½	9	10½	12	13½	15	16	17	18	19	20	21	22	23	24	25
52	3	4½	6	7½	9	10½	12	13½	15	16½	17½	18½	19½	20½	21½	22½	23½	24½	25½
53	3	4½	6	7½	9	10½	12	13½	15	16½	18	19	20	21	22	23	24	25	26
54	3	4½	6	7½	9	10½	12	13½	15	16½	18	19½	20½	21½	22½	23½	24½	25½	26½
55	3	4½	6	7½	9	10½	12	13½	15	16½	18	19½	21	22	23	24	25	26	27
56	3	4½	6	7½	9	10½	12	13½	15	16½	18	19½	21	22½	23½	24½	25½	26½	27½
57	3	4½	6	7½	9	10½	12	13½	15	16½	18	19½	21	22½	24	25	26	27	28
58	3	4½	6	7½	9	10½	12	13½	15	16½	18	19½	21	22½	24	25½	26½	27½	28½
59	3	4½	6	7½	9	10½	12	13½	15	16½	18	19½	21	22½	24	25½	27	28	29
60	3	4½	6	7½	9	10½	12	13½	15	16½	18	19½	21	22½	24	25½	27	28½	29½
61+	3	4½	6	7½	9	10½	12	13½	15	16½	18	19½	21	22½	24	25½	27	28½	30