

Agenda Item No. 6

Appointments Board 29th September 2015

Teachers Pensions Policy

1. Summary of report

The Teacher's Pension regulations have been amended from the 1st April 2015, the report gives a synopsis of the changes and the impact that the changes will have on the Council's pension policy, together with details of changes to Schools financing.

2. Recommendations

Appointments Board are recommended to:

- Note the changes in the Teacher's Pension regulations.
- Approve the new Teacher's Pension Policy

3. Background

Synopsis of changes:

Part 1 – Decisions to be made at start of employment

1. **Discretion 1: Power to allow inwards transfer values to be accepted after 12 months membership** - Part F of the former regulations has become regulations 204 and 222 of the Teachers Pensions Scheme (TPS) Regulations 2014. The meaning of the regulation and the Council's policy decision remains the same as the previous policy statement.
2. **Discretion 2: Power to award additional pension** - Part V Regulation C3C(2) of the former regulations has become Schedule 2, Part 2 of the TPS Regulations 2014 – the meaning of the regulation and the Council's policy decision remains the same as the previous policy statement.

Part 2 – Decisions to be made at termination of employment

1. **Discretion 2: Discretionary compensation for termination** - The terminology has been amended within the regulations – the meaning of the

regulation and the Council's policy decision remains the same as the previous policy statement.

2. **Discretion 3: Premature retirement - Mandatory compensation** – This has been amended in line with Annex 7 of Walsall Children's Services Scheme for Financing Schools 2013. This document was agreed by schools forum and the pension policy has been revised as a result. It puts the onus on the school to pick up the early retirement cost of the premature retirement, unless agreement has been made in writing for the cost to be met from the Council budget. Examples of where the Council would agree to pick up the cost which are included in the Walsall Children's Services Scheme for Financing schools 2013 are as follows.

- Where a school has a long-term reduction in pupil numbers and charging such costs to their budget would impact on standards
- Where a school is closing, does not have sufficient balances to cover the costs and where the central Schools Budget does not have capacity to absorb the deficit
- Where charging such costs to the school's budget would prevent the school from complying with a requirement to recover a licensed deficit within the agreed timescale
- Where a school is in special measures, does not have excess balances and employment of the relevant staff is being/has been terminated as a result of local authority or government intervention to improve standards

3. **Discretion 4: Voluntary early retirement** – Part V of the former regulations has become Chapter 5 of the TPS Regulations 2014. The meaning of the regulation and the Council's policy decision remains the same as the previous policy statement.

4. **Discretion 5: Restriction on average Salary** – Regulation E31(11) of the former regulations has become Regulations 39 and 40 of the TPS Regulations 2010 – the meaning of the regulation and the Council's policy decision remains the same as the previous policy statement.

Part 3 (Injury Allowances) and Part 4 (Appeal Process) of the policy remain unchanged from the previous version.

4. **Resource and Legal Considerations**

All considerations are detailed in the report, with the main impact on resources relating to costs of 'premature retirement – mandatory compensation', where in line with national legislation (Section 37 of the 2002 Education Act), the guidelines have been amended to clearly define that these costs should normally be met from school budgets.

5. Citizen Impact

There is no citizen impact.

6. Performance and Risk Management issues

There are no risk management implications arising out of this report.

7. Equality Implications

There are no equality implications arising out of this report

8. Consultation

Schools Forum – September 2013



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