



“Every Opportunity for Every Child”

Alpha Trust

Teachers’ Severance Discretions Policy



Alpha Trust Policy & Procedures No: AT P17

Committee:	Board of Trustees
Responsibility:	CFOO
Policy reviewed:	May 2023
Approved by Alpha Trustees:	July 2023
Review cycle:	Two years, or sooner depending on statutory changes or guidance
Review due:	July 2025
Adopted by all Alpha Trust Academies	



1. Introduction

Employers have certain discretions under the Teachers’ Pension Regulations and in other areas related to severance. This statement sets out how such discretions will be exercised.

Redundancy

Age & Service	Statutory Redundancy payment	Discretionary Compensation ¹	Immediate pension benefit (pension & lump sum)	Cost to Academy	Paid Notice
All ages					
With less than 2 years continuous LG service	No	No	No	None	Yes
With more than 2 years LG service	Yes	No	No	Redundancy Payment	Yes

¹Academy to determine if payable for new staff. TUPE may apply such that staff who transferred from a Maintained School where the home Authority made compensation payments, may be entitled to these payments, the cost of which must be borne by the Academy.

Early Retirement

Type	Age & Service	Pension benefit payable	Employers consent needed	Cost to Academy	Paid notice
Efficiency Retirement	Age 55 and over 3 months pensionable service	Immediate pension, no reduction with employer consent or reduction without consent	Yes ² – The Academy will not consent to any early retirements which incur a cost	Financial strain	No
Actuarially Reduced Benefits (ARB)	Age 55	Immediate pension with reduction	Yes ² – cannot be withheld beyond 6 months	None	No
Phased Retirement	Age 55+	Immediate pension with	Yes	None	No



Type	Age & Service	Pension benefit payable	Employers consent needed	Cost to Academy	Paid notice
(20% reduction)		reduction where applicable			

² The Teachers' Pension Scheme expects that where an employee retires and accesses their pension that they are genuinely ceasing work by reason of retirement (i.e. not returning to similar employment). In any case, the Academy will require a minimum 7 day break if the employee is to return to work following retirement.

Other Discretions

Discretion	Policy
Pension Enhancement (Extra Service or Additional Added Years)	The Academy will not grant pension enhancements under any circumstances
Waiving of pension reductions	The Academy will not waive pension reductions other than on exceptional compassionate grounds ³
Shared cost additional voluntary contributions (SCAVC)	The Academy will not make additional voluntary contributions
Transferring of other pension after 12 months	The Academy will not extend the time limit for acceptance of a transfer value, other than in exceptional circumstances where the processing of the election was delayed, other than by the employee.
Age Retirement	An employee may retire at their Normal Retirement Age (NRA) and receive benefits due at no cost to the Academy. The Teachers' Pension Scheme expects that where an employee retires and accesses their pension that they are genuinely ceasing work by reason of retirement (i.e. not returning to similar employment). In any case, the Academy will require a minimum 7 day break if the employee is to return to work following retirement.

³ Exceptional Compassionate Grounds

Financial hardship alone is not deemed sufficient grounds. For the purposes of this Policy, exceptional compassionate grounds are where an ex-member has had to give up paid employment to be the sole carer for a severely disabled or seriously ill dependent, and where reasonable additional support is not viable.

