



Manager Guidance – Winding Down Retirement (Teachers)

Introduction

Winding down is a form of phased retirement which offers members approaching their retirement age the opportunity to continue in employment on a part-time basis.

Eligibility

The regulations for eligibility to wind down were amended from 1 April 2007 to allow members who have a normal pension age (NPA) of 65 to be included.

Therefore, to participate in winding down employment, a teacher must:

- have elected to wind down no earlier than 4 years prior to their NPA
- have been in continuous full time service for a period of 10 years immediately prior to commencing winding down employment
- have accrued a minimum of 25 years teaching service prior to commencing winding down (you must have had a contract to teach for at least 25 years). The period may include, for qualifying purposes, a maximum period of 5 years during any break or breaks in teaching service which will count towards the requirement of having 25 years teaching service, but will not count towards the calculation of benefits
- have the consent of their employer
- go part-time and their employment must be equal to or more than 0.5 full time equivalent
- remain in winding down employment for no longer than 4 years

Winding down employment allows each year of service under the part-time contract to count as one full year for pension benefit calculation purposes.

The final pensionable salary, for benefit calculation purposes, will be the salary that you received in the 365 days prior to entering winding down employment, index-linked to the actual point of retirement. This may not be the most beneficial as the index linked winding down salary may not provide a pension equal to or better than a pension based on similar part-time service and using the average of the best 3 out of the last 10 years' salary. This guidance is based on the Scottish Negotiating Committee for Teachers and the Scottish Public Pensions Agency.

A teacher can lose the service credit for winding down if they:

- return to full time employment
- exceed the 4 years maximum period
- work less than a 0.5 contract

Where a teacher ceases to be in winding down employment and returns to teaching, the service credit during the period of winding down employment will be removed and the service will revert to the part-time hours worked.

The contributions both you and your employer pay are based on the actual salary you receive for the part-time post.

The following do not count as teaching service:

- previously purchased Past Added Years or Current Added Years (unless employed in a school or in an educational role supervising teachers outside the UK)
- transfers in, unless from another Teachers' Superannuation Scheme (i.e. England and Wales, Northern Ireland, Guernsey, Jersey, Isle of Man or elsewhere outside the UK)
- the purchase of Additional Pension

It should be noted that we only hold records relating to service which is pensionable in the STSS. If you have had periods of teaching employment where you were not contributing to the STSS, you will be required to provide evidence to support this.

We require you to submit details from your past employer(s) confirming dates and duration of employment. Payslips or other forms of supporting evidence may be suitable.

SPPA will determine eligibility to wind down in all cases and advise both employer and employee. Members should ensure that they have received confirmation of their winding down from SPPA prior to commencing their reduction in hours.

You should consider taking financial advice prior to entering winding down employment as once the pension is in payment it cannot be revoked.

Step	Task	Who does it
1	Advise employee that they require to download STSS (WD)12 – Winding Down application Form from the Scottish Public Pensions Agency website	Employee
2	Complete the application form and send to the HR Business Partner Team	Employee
3	HR Business Partner Team forward the application form to the ESC for completion	HR Business Partner Team
4	ESC complete the relevant information and forward to the SPPA	People Operations
5	SPPA will write to employee/ESC to advise whether eligible or not	People Operations
6	Head Teacher to complete the Notification of Change Form and submit to the HR Business Partner Team for authorisation & onward transmission to the ESC	Line Manager
6	ESC process changes on iTrent	People Operations
7	ESC issue Winding Down Contract	People Operations

What do I as a manager need to know?

Although the employee is applying for Winding Down, the SPPA will confirm whether they are eligible to participate in this scheme or not.



If confirmation is received to confirm that the employee is eligible then you should complete a NOC form with the relevant changes and submit it to the HR Business Partner Team for authorisation and onward transmission to the ESC.

How do I get further help with this?

Further guidance can be found in the following:

Winding Down Retirement

SPPA

You can contact our ESC People Operations Team on ESCPeopleOperations@northlan.gov.uk