

Please complete all relevant questions

Section 3 Proportion of benefits to be taken

18 You can claim up to a maximum of 75% of your benefits, (inclusive of phased retirement already taken). Please state the percentage you wish to claim now.

%

Section 4 Members with ongoing Past Added Years elections

19 Are you currently purchasing Past Added Years?

Yes No

If yes, is it your intention to;

accept the service paid for up to date of retirement or,

pay the outstanding contributions by means of a cheque payment prior to receiving payment of your benefits from the Teachers' Pension Scheme

Section 5 Purchasing Additional Pension

20 Have you purchased additional pension for personal benefits or personal and adult dependant benefits?

Yes No

Do you wish to continue paying contributions towards your additional pension?

Yes No

Do you wish to claim your additional pension now?

Yes No

If yes, do you wish to accept the pension based on what you have paid to date?

Yes No

Section 6 Previously withdrawn contributions (if applicable)

22 If this is your first phased retirement, do you wish to repay your teacher's pension contributions withdrawn before 1 June 1973?

Yes No

If yes the appropriate deduction will be taken from your lump sum.

Section 7 Lump Sum choices

Please read the Notes and consider all your choices before completing this section. You should also read the 'Retirement Lump Sum' fact sheet. Please use your annual benefit statement in conjunction with the calculator on the website to estimate your increased lump sum and reduced annual pension.

Members of the scheme prior to 1 January 2007 and with pensionable service on or after this date

You will automatically receive a lump sum of three times your pension and have the option to take an additional lump sum by giving up part of your annual pension. Do you wish to do this ?

Yes No

If yes please indicate from which pension(s) you wish to convert and how much (per annum):

	Maximum Allowed	or	Specific Amount p.a.
Normal Retirement Pension	<input type="text"/>	or	£ <input type="text"/>
Additional Pension	<input type="text"/>	or	£ <input type="text"/>

Existing Members of the scheme prior to 1 January 2007

You will automatically receive a lump sum of three times your pension.

New Entrants from 1 January 2007 and no pensionable service prior to 1 January 2007

You **will not** automatically receive a lump sum but have the option to take an additional lump sum by giving up part of your annual pension. Do you wish to do this ?

Yes No

If yes, please indicate how much annual pension you are giving up, either the maximum or a specific amount, and from which source:

	Maximum Allowed	or	Specific Amount p.a.
Normal Retirement Pension	<input type="text"/>	or	£ <input type="text"/>
Additional Pension	<input type="text"/>	or	£ <input type="text"/>

Section 8 Lifetime Allowance see notes

24 Will your teacher's pension and all other pensions in payment, or about to come into payment, exceed £60,000 per annum?

Yes

In assessing this, please use the value of your TPS pension before any conversion to provide a higher lump sum (available in section 7). Please do not include any state pension or any pension paid to you if it is a dependant's pension.

Section 9 Other Details

25 Do you currently have more than one teaching employer?

Yes No

If yes, please ensure they each complete a Part B, and please provide details of their names and addresses on a separate sheet.

Declaration

- + I apply for payment of Phased Retirement Benefits under the Teachers' Pensions Regulations.
- + I have ensured that all my employers have completed and returned a Part B of this form.
- + I have reduced the salary from my pensionable teaching employment in England and Wales by at least 20% with immediate effect from the date given in item 12 and I understand that if my salary exceeds this figure this application is invalidated.
- + I have read the Notes and I understand that the lump sum choices I have made are **irrevocable**.
- + I agree to inform Teachers' Pensions of any increase in salary other than standard salary increases within 12 months of this reduction.
- + I agree to inform Teachers' Pensions of any change to my phased retirement date or to any other details I have provided on this form.
- + I agree to inform Teachers' Pensions if I increase my employment in teaching within the British Islands, within the next 12 months.
- + I understand and agree that any overpayment of benefits will be recovered, including any pension paid should this application be invalidated.
- + I understand that if my existing benefits and benefits from the Teachers' Pension Scheme exceed the Lifetime Allowance at retirement, and taking account of any transitional protection certificate, the Lifetime Allowance charge will be paid and my benefits reduced.
- + I confirm that I am not in breach of the HMRC recycling rules (see notes).
- + All the information I have given on this form is true to the best of my knowledge and belief.

Signed

Date

Notes for Phased Retirement applications

Mowden Hall
Darlington DL3 9EE

Please read these notes before completing the Phased Retirement application.

(PLEASE DETACH AND RETAIN)

- Please ensure that you have completed all relevant parts of the form before signing the declaration. Otherwise the form may be returned to you. Without your signature and the date, Teachers' Pensions cannot proceed with your claim.** The form should be forwarded to the employer for completion of Part B. Where we hold your e-mail address, we will use this to communicate with you. This will include posting notification of your retirement benefits in the secure area of the website via 'My Pension Online'.
- We will acknowledge receipt of your application form either by letter, email or SMS text. Generally, you will be notified about your benefits before they are due to come into payment. Please try to avoid enquiring about the progress of your award, as this can cause delays in processing. You may also monitor the progress of your case in 'Track my Case' on the TP website. Where we hold email or mobile phone details we will endeavour to keep you informed of the progress we are making with your application.
- Benefits will be paid into your bank or building society account. It is extremely important that you ensure that the details are correct. For building society accounts you should quote the sort code (6 digits); account number (maximum of 8 digits) and roll number where applicable. If you are in any doubt, contact your branch for clarification. Please be advised that notifying us of changes to your banking details may result in late payment of benefits.
- Age Verification** As part of the application process, TP must verify that a member's age is as given on the application form. Please **DO NOT** forward your birth certificate with this application. You may wish to provide this documentation to your employer before submitting the application form to enable them to verify your date of birth on the form itself. If verification of date of birth is required, we will contact you on receipt of your application.
- To apply for phased retirement you must have pensionable employment on or after the 1 January 2007, be aged 55 or over and your contributable salary must be reduced by at least 20% for a minimum of 12 months. The reduction may be due to either a reduction in the hours you work or in your responsibilities. Benefits are payable from the day the reduction in your salary takes place. Please note the application must be made within three months of starting employment in a reduced capacity. For members who are in multiple employment the reduction may be achieved by giving up one of your employments or reducing them all. Each employer is required to complete a separate copy of Part B of the application form.
- You may choose how much of your benefits you wish to take calculated up to the date of the reduction in your salary. You must retain at least 25% of your benefits in the scheme. Your future service will be added to your residual service in future retirement calculations. You can take 2 phased retirements before final retirement. In each case your salary must be reduced by at least 20% and you must retain at least 25% of your benefits in the scheme. The percentage input at section 3 of the form should represent the proportion of your total pensionable employment accrued up to the point of phased retirement, that you wish to be used in the calculation of your phased benefit (from this we will deduct any service already used in the first phased benefit). For example:

First Phased Benefit

Total pensionable employment accrued up to the date first phased benefit = 20 years.

If you wish to take 50% of your benefits enter 50% in section 3 of the form.

Your first phased benefit will then be based upon 10 years pensionable service.

Second Phased Benefit

Total pensionable employment accrued up to the date of second phased benefit = 22 years.

If you wish to take 75% of your benefits accrued up to this second phased benefit input 75% at section 3.

Your phased benefit will then be based on 6 years 182 days (75% of 22 years = 16 years 182 days less 10 years used in the first phased benefit). This means that the benefits paid at first phased benefit, together with those being paid at second phased benefit, represent 75% of the total benefits accrued at the point of the second phased benefit.

Please note that if your phased retirement benefits are drawn before normal pension age, the benefits will be actuarially reduced.

Final Retirement.

The service to be used in your final retirement award will therefore be your total pensionable employment accrued up to the date of final retirement less the service used in the calculation of phased benefits.

If your final retirement is an Age or Premature retirement, and you later return to teaching employment, your pension may be subject to 'abatement' during that employment. More information on 'abatement' will be issued at final retirement.

- To qualify for phased retirement benefits under the Teachers' Pensions Regulations you will need 2 years pensionable employment completed after 6 April 1988 or 5 years of pensionable employment at any time.
- If you were a member of the scheme before 1 January 2007 the method of calculating benefits, which will consist of an annual pension and a lump sum based on reckonable service and average salary, is as follows:

$$\text{Pension} = \frac{\text{Service} \times \text{Average Salary}}{80}$$

The lump sum is three times the pension.

If you became a member of the scheme on or after 1 January 2007 your benefits will consist of an annual pension based on reckonable service and average salary. It will be:

$$\text{Pension} = \frac{\text{Service} \times \text{Average Salary}}{60}$$

Under the Pensions (Increase) Acts pensions are reviewed automatically in April each year, to maintain the link with movements in the cost of living.

You can access an estimate of your benefits by visiting the TP website at www.teacherspensions.co.uk.

- If you were a member of the scheme before 1 January 2007 and were in pensionable employment on or after 1 January 2007 you can convert part of your pension to receive a lump sum up to 25% of your fund value. If you have an NPA of 60, the formula for calculating the additional amount of lump sum that can be paid is as follows:

$$\frac{\text{Annual Pension} \times 33}{14}$$

If you joined the scheme on or after 1 January 2007, you have an NPA of 65. The formula for calculating the maximum amount of lump sum that can be paid is as follows:

$$\frac{\text{Annual Pension} \times 30}{7}$$

The resulting figure represents 25% of the fund value and is the maximum lump sum you may take. You can take a lower lump sum if you wish. For each £1 of pension converted, there will be £12 of lump sum paid. If you have purchased Additional Pension, the formula for calculating the maximum amount of lump sum that can be paid is as follows:

$$\frac{\text{Additional Pension} \times 30}{7}$$

Calculations can be undertaken on the website www.teacherspensions.co.uk and further information regarding Lump Sums can be found in the fact sheet 'Retirement Lump Sum', which is available on the TP website.

10. **Recycling** If you are intending to use 30% or more of your lump sum to increase your pension benefits, this could result in HMRC subjecting the whole of your lump sum to an unauthorised payment tax charge of 40% and a further 15% surcharge if the value of unauthorised payments exceeds 25% of your rights in the scheme. This recycling rule will not affect you if your lump sum does not exceed 1% of the Lifetime Allowance which is explained further in these notes.

More information on the recycling rule is available on the TP website, www.teacherspensions.co.uk.

11. **The average salary** is the salary used to calculate your benefits when you retire. The way it is calculated depends on when you retire. If you left service before 1 January 2007 it is the highest amount of full salary for any consecutive 365 days of reckonable service, whether continuous or not, during the last three years of reckonable service. In any other case the better of the following calculations will be used:

- + the salaries for the last ten years are increased to current day values using factors provided by HM Treasury. The average of the best consecutive three years re-valued salaries in those ten calendar years is used; or
- + the pensionable salary received in the last 12 months before the date of retirement.

12. **Salary restriction** - The salary used to calculate your retirement benefits may be restricted if your salary is increased by more than £5,000 or 10%, whichever is the greater. The figure of £5,000 will be increased annually in line with factors provided by HM Treasury. NB. This restriction only applies where the better average salary calculation is based on the pensionable salary in the last 12 months before retirement. If the average salary is restricted, unused contributions will be refunded and your employer also has the option to purchase additional pension up to the maximum allowed within 6 months of leaving employment.

13. A maximum of 45 years of reckonable service is allowed in the calculation of pension and lump sum. Reckonable service includes all full-time pensionable service, any part time service that commenced after 31 December 2006, any part time service before 1 January 2007 that has been covered by an election, any additional service bought under the PAY or CAY arrangements and any transferred-in service.

14. If you have teaching service in Scotland or Northern Ireland it may be possible to transfer this into the TPS, to be included in the

calculation of your pension benefits. If you are recorded as having an NPA of 65 in the TPS, but had an NPA of 60 in relation to your teaching service in Scotland or Northern Ireland prior to 1 January 2007, you may be entitled to NPA 60 service in the TPS. Please include a letter from SPPA or DENI confirming the last day of service in their scheme and the NPA recorded.

15. If you are already paying for Past Added Years or additional family benefits (and payments will not be completed by retirement) you will be given the option of accepting the service credit based on the payments made or paying the remaining contributions. Any other outstanding contributions at retirement will automatically be deducted from your lump sum. You should contact HMRC about any tax relief on these contributions.

16. If you have purchased additional pension it will be actuarially reduced if this is taken before your normal pension age.

17. If you have an earmarking or pension sharing order or agreement, made by a court, against part of your pension entitlement, your retirement benefits will be reduced accordingly.

18. **Lifetime Allowance** - The Finance Act 2004 introduced a single tax regime that applies to all UK tax privileged pensions from 6 April 2006. This introduced a "Lifetime Allowance", which is the total allowable value of benefits (both pension and lump sum) from all registered pension schemes. This excludes pensions payable from the state and those where the pension is a dependant's pension. The Lifetime Allowance (LTA) is £1,800,000 until 5 April 2016.

To assess whether you are affected the following formula should be applied to your benefits:

$$\frac{(\text{Annual Pension} \times 20) + \text{Lump Sum}}{\text{Lifetime Allowance}} \times 100 = \text{LTA}\%$$

If the percentage exceeds 100% you will be liable for the LTA charge unless you have a transitional protection certificate.

If your benefits in payment and about to come into payment on the same date as your teacher's pension exceed £60,000 per annum, please tick the 'Yes' box. A further form will then be forwarded to you to complete. Do not include any State pension or any pension paid to you if it is a dependant's pension.

19. If an LTA charge is due, then TP will pay the charge and reduce your benefits accordingly.

20. **Data Protection Act 1998.**

The Department for Education (DfE) will use any information you provide in connection with the Teachers' Pension Scheme for the purpose of administering and operating the scheme and paying benefits under it. This may include passing details to third parties that are involved in the administration and operation of the scheme. The DfE may also use your data for administrative purposes in line with its data protection notification. In order to fulfil its duty to protect public funds, the DfE may use information it holds to prevent and detect fraud. The DfE may also share such information, for the same purpose, with other organisations that handle public funds.

Where there is any difference between the legislation governing the Teachers' Pension Scheme and the information in this leaflet, the legislation will apply.