



# Leaving the Teachers' Pension Scheme - what you need to know

Although you'll no longer be in pensionable employment in the Teachers' Pension Scheme, we wanted to reassure you about what happens to the benefits you've already built up (accrued):

- If you've already qualified for pension benefits in the Scheme (i.e. you've more than two years' qualifying service), you'll become a deferred member and will retain your pension rights
- As a deferred member the in-service Death Grant of three times the annual rate of pensionable earnings no longer applies. A deferred death grant (five times the annual pension that would have been payable, less any lump sum already paid) may be payable instead. You may want to review your death and health insurance cover
- For Career Average benefits this means that the pension accrued so far will, from the point you leave pensionable employment, be revalued in line with the annual Pensions Increase (PI) for public service pensions - this is applied in April and is usually in line with the annual rate of Consumer Price Index (CPI) in the preceding September
- For Final Salary benefits we'll apply PI to the final average salary used to calculate the Final Salary pension
- If you leave your pension benefits in the Scheme you can apply for your pension from the age of 55, or at any time before the normal retirement date for your teacher's pension if you apply for and meet the criteria for an ill-health pension
- Deferred members of the Scheme can still qualify for ill-health pension benefits, but you'll need to meet the total incapacity criteria and your benefits will not be enhanced as they would for active members
- If you return after a break of not more than five years, we'll revalue your Career Average benefits with the additional 1.6% per annum on top of CPI provided to active members of the Scheme, as though you hadn't left, and your entire Career Average pension will continue to be revalued using the active rate
- If you return after a break of more than five years, only new accrual of your Career Average pension will be revalued using the active rate. The pension accrued before the break in service will continue to be revalued in line with PI
- If you've qualified for benefits, you can transfer your pension to another scheme, but it can only be to another defined benefits scheme (e.g. final salary, career average) and the transfer must be completed within 12 months of you joining that scheme
- If you've less than two years' qualifying service, you haven't qualified for benefits. If you think it's likely you'll move to an employer participating in the Teachers' Pension Scheme, you may want to consider leaving everything where it is, and pick up from where you left off. Alternatively, you can transfer the cash equivalent as a Cash Transfer Sum to another pension (either defined contributions or defined benefits), or take a repayment of your contributions. Please note only member contributions plus interest are repayable.

We'd recommend that you seek independent financial advice to help with your decision making.

If you'd like more details regarding your Deferred Member status then read our [Deferred Member Guide](#).