

## Phased withdrawal – member guidelines

### My employer has become a “phased withdrawal” school – what does this mean?

This means no new employees at your school can join the Teachers’ Pension Scheme.

### What happens to me?

If you’re currently in the Teachers’ Pension Scheme and paying contributions, you’ll remain an active member of the scheme. There’s no changes unless you opt out of the Scheme or leave employment.

If you decide to opt out, leave employment or, retire, you’ll not be able to re-join the Scheme for your employment with this school. As a new employee, your employer must offer you membership of an alternative pension scheme.

If you join another school which is fully participating in the Teachers’ Pension Scheme, you’ll be enrolled back into the Scheme.

### What are the benefits of the Teachers’ Pension Scheme?

The benefits are:

- It’s a guaranteed, index linked pension
- It’s a Defined Benefit (DB) scheme, based on your salary and service rather than investments – so there’ll be no surprises when you come to claim your pension
- You’re a member of a pension scheme which follows you through your teaching career, making financial planning easier
- You can take part of your pension as a tax-free lump sum
- It provides benefits for both you and your loved ones
- It offers flexible retirement options, Ill-health benefits and opportunities to increase your pension.

Further information on benefits can be found in our [factsheet](#).

## **What happens if I opted out of the Scheme before my employer became a phased withdrawal school?**

You can elect to re-join the Scheme if you:

- opted out of the Scheme
- commenced part-time employment before 2007
- became re-employed before 2007 and did not elect to join the Scheme.

Otherwise, on their next auto re-enrolment date, they'll need to re-enrol you back into the Scheme. If you then choose to opt out at that point, you'll no longer be eligible to return to the Scheme and should be offered an alternative pension scheme.

If you join another school which is fully participating in the Teachers' Pension Scheme, you'll be enrolled back into the Scheme.

## **What happens if I'm on sick leave or family leave when my employer became a phased withdrawal school?**

If you're on a recognised break in pensionable service as a result of sick leave or family leave, you'll be able to resume active participation in the Scheme where the break is covered by statutory rights or your contract of employment, as long as you return to service within five years. If you return after five years, you should be offered an alternative pension scheme.

If you join another school which is fully participating in the Teachers' Pension Scheme, you'll be enrolled back into the Scheme.

## **What if I am a TUPE member of staff transferred to a phased withdrawal school?**

If you're transferred (for example following a merger of two schools) and you were previously employed in a school participating in the Scheme and were eligible to be a member, you should be enrolled in the Scheme upon taking up the new contract of employment. The only exceptions to this are:-

- Ill-health retirees who retired before 1/4/1997, who are still in receipt of their ill-health pension and are under the age of 60 aren't permitted to re-join. However, you'll be offered an alternative pension scheme. You must keep us informed of any employment which may affect your pension eligibility.
- If you're in the final salary scheme and you've a full-time contract with another employer and a part-time contract for employment in your phased withdrawal school, you're not permitted to be in the Scheme for your part-time contract so you must be offered an alternative pension scheme.

### What if I'm not currently working?

Any breaks in employment, other than a recognised break, means you can't be a member of the Scheme while you're employed at a phased withdrawal school.

It's important to note:

- A break in pensionable service of at least one day whilst employed in a phased withdrawal school, other than for the reasons stated above (e.g. sickness absence), will lead to the loss of future Teachers' Pension Scheme membership.
- If you have a break in service which isn't related to ill-health or opt out, you'll no longer be covered for enhanced in service ill-health benefits. If you subsequently become permanently incapacitated, you may be entitled to out of service ill-health benefits. If the break is related to ill-health (unpaid sick leave for example) and you apply for ill-health benefits within two years, you may be entitled to in service ill-health benefits. Medical evidence would be required.
- If you have a break in service which is not related to ill-health or opt out, you'll no longer be covered for death in service benefits (though you may be entitled to out of service death benefits). If the break is related to ill-health (unpaid sick leave for example) and you die within 12 months, you may be entitled to in service death benefits. Medical evidence would be required.

### What happens if I leave service or opt out of the Scheme?

You'll have the same rights and options as anyone who has left the Scheme. When you leave the Scheme you'll receive a leaver pack which will provide you with all the information you need.

More information on different types of retirement can be found here <https://www.teacherspensions.co.uk/members/planning-retirement/types-of-retirement.aspx>

### Where can I find out more information?

If you require further clarification, in the first instance you may wish to discuss this with your employer. Further information about the Teachers' Pension Scheme can be found on our [website](#).