May 2017

Teachers' | For Pensions | Members

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Hello

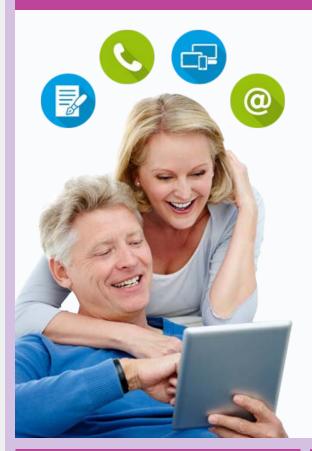
As a member of the Teachers' Pension Scheme now's the time to start taking control of your future! By keeping up to date with the latest news and changes, you can be sure you're taking the right steps to do just that.

After the last edition we asked you what you'd like to see included in future and we've done our best to accommodate those requests. We hope you enjoy reading this edition.



SCHEME NEWS AND UPDATES

Importance of keeping forms up to date



Following a recent court ruling, it's no longer necessary to nominate an unmarried partner to receive a pension in the event of your death, but you may wish to make a partner nomination so that we have the most up to date contact details.

If you're not married or in a civil partnership but are in a long term relationship, your partner may be entitled to a survivor's pension, depending on certain criteria being met. To ensure that your partner receives any discretionary death grant you may wish to complete a death grant nomination form.

It's vitally important that you keep all of your personal information and nominations up to date to give yourself and your family peace of mind.

Find out more

The Teachers' Pension Scheme - the facts

The Scheme changed in 2015 from a final salary arrangement to a career average arrangement. This means the way your pension benefits are calculated are dependent on which Scheme arrangement you're in.

Final salary benefits are based on service, a final average salary that's determined when you retire, multiplied by either 1/80th or 1/60th, depending on which section of the arrangement the benefits are in, either with a Normal Pension Age of 60 or 65, respectively.

Under career average you'll accumulate a pension based on 1/57th of your earnings for each year you work, including any overtime. Your total benefits will consist of the pension 'pot' that you add to each year. We revalue the 'pot' each year to keep it in line with inflation, adding a further 1.6% on top if you're active in the Scheme. You'll be able to see what you've earned via your online Benefit Statement.

Find out more



Important changes to contribution salary bands

The Department for Education have confirmed that as of 1 April 2017, the salary bands for member contributions for the Teachers' Pension Scheme have changed in line with Consumer Price Index (CPI).

The appropriate percentage increase to salary bands from 1 April 2017 is the same percentage as the increase in CPI in the year to September 2016. CPI rose by 1% in the year to September 2016. Therefore, the salary bands for contribution rates for members have increased by 1% with effect from 1 April 2017.

Find out more



WORKING FOR YOU

Online security is important to Teachers' Pensions

One of the most frequently asked questions we receive is 'why is your website so secure?' Well, we work hard to ensure you're safe and secure on our website. Therefore, it's built to comply with Government standards of data management to ensure confidentiality, integrity and availability of data.

For more information about keeping safe online visit our <u>website</u>.

Find out more about your Benefit Statement

You'll have recently received communications to inform you that your Benefit Statement is ready to view online.

The Benefit Statement shows how much pension you've built up, based on the service and salary information provided to us by your employer.

Find out more about the Benefit Statement and why it's important with our helpful resources:



- Benefit Statement guide
- Benefit Statement video
- Your Benefit Statement web page

Can't access a Benefit Statement?
Please be aware that if you've been employed for less than two years, you don't yet qualify for pension benefits and as such won't be able to view a Benefit Statement.
On reaching two years you'll be able to view the benefits you've built up since joining the Scheme.

This doesn't apply to members who are in additional service after retirement, who qualify for (further) retirement benefits after one year.

Make sure you're using the correct contact details

Thanks for your patience when getting in touch with us via our Contact Centre. We understand it can get extremely busy, particularly on Mondays and in holiday periods. In March we received 34,638 calls, many of which are specialist questions that take our team longer to resolve. To ensure your query is dealt with promptly and by the right team, please ensure you're using the correct number - 0345 6066166.

We're open Monday - Friday 8.30am - 6.00pm.

Alternatively, you can sign up for a secure online account and contact us quickly and easily 24 hours a day.



We've listened to your feedback and refreshed our website

We've made changes to our website as a result of feedback we've received from our members. These changes build on the updates we made in 2015 and we hope they meet our aim of continually striving to make the site relevant and easy to use.

The key changes are:

- 1. An improved search function, making finding what you need faster
- 2. Simplified content, helping you understand the Scheme
- 3. Easier navigation, allowing you to clearly see where you need to go.

Find out more



Understanding lump sums

If you've final salary service that includes service before 1 January 2007, you'll receive an automatic lump sum when you take your final salary benefits.

If you only have final salary service after that date, or have any career average service, you'll not receive an automatic lump sum when you take your benefits. However, you can choose to give up part of your pension to receive a lump sum. Your pension will be reduced for your lifetime and you must make your decision when completing your application form. For each £1 of pension that you give up you'll receive £12 of lump sum.

The maximum amount of lump sum that you can receive is 25% of the total value of your benefits, and the lump-sum is tax-free. To help you decide how much pension you might want to give up in exchange for a lump sum, please use our <u>calculator</u>.

Find out more

What are Additional Voluntary Contributions?

Additional Voluntary Contributions (or AVCs for short) are a way of increasing your benefits through a separate scheme to your teacher's pension.

The Department for Education has an AVC arrangement with Prudential, but you can use other companies. You can find out more by taking a look at Prudential's Introduction to AVCs factsheet, or by visiting their website at www.pru.co.uk/takecontrol

Find out more



The Money Advice Service

Whether you've just started your career in teaching, are mid-way through or approaching retirement, it's important you consider your pension.

The Money Advice Service website will help you understand the benefits of long-term pension saving and of actively managing your money to ensure you have enough to live on for life.



What's coming?

Sometimes your questions can't wait and in order to provide another route to contact us we're looking into web chat, which will allow our staff to provide online responses in real-time.

Make sure you check out our website for the latest updates.



Register or log in to My Pension Online today.





Contact us: 0345 6066166 | 8.30am - 6pm Monday to Friday

The content of this email is based on our understanding of the current legislation governing the Teachers' Pension Scheme. In the event that there is a disagreement between the content of this email and the overriding Regulations, then the content of the Regulations will take precedence. The benefits of the Teachers' Pension Scheme, and the tax treatment of pensions may be subject to change in the future.