



Leaving the Teachers' Pension Scheme

Leaving the Teachers' Pension Scheme - checklist

If you've considered all of the information we've provided and you understand what your staff are going to lose out on if you leave the Teachers' Pension Scheme, here's what you need to action:

Steps	Actions/Considerations	Complete
Step 1 Consider the benefits that members will be missing out on if you leave which are:	<ul style="list-style-type: none"> It's a guaranteed, index linked pension 	<input type="checkbox"/>
	<ul style="list-style-type: none"> It's a Defined Benefit (DB) scheme, based on their salary and service rather than investments – so there'll be no surprises when they come to claim their pension 	<input type="checkbox"/>
	<ul style="list-style-type: none"> They're a member of a pension scheme which follows you through your teaching career, making financial planning easier 	<input type="checkbox"/>
	<ul style="list-style-type: none"> They can take part of their pension as a tax-free lump sum 	<input type="checkbox"/>
	<ul style="list-style-type: none"> It provides benefits for both the member and their loved ones 	<input type="checkbox"/>
	<ul style="list-style-type: none"> Should members return to the Teachers' Pension Scheme later in their career they may lose out on the generous in-service indexation 	<input type="checkbox"/>
Step 2 Consult with your staff and trade unions (if appropriate) in line with relevant legislation	<ul style="list-style-type: none"> Advise there may be changes to their contract of employment / terms and conditions 	<input type="checkbox"/>
	<ul style="list-style-type: none"> Encourage members to ensure they have a My Pension Online (MPO) account so they can access information about their benefits in the Teachers' Pension Scheme. If they don't have an account there are details of how they can register on our website 	<input type="checkbox"/>
	<ul style="list-style-type: none"> Recommend that Teachers' Pension Scheme members seek independent financial advice to help them fully understand the impact on their pension and future retirement plans 	<input type="checkbox"/>

Step 3 Provide an alternative pension scheme	<ul style="list-style-type: none"> Under workplace pension legislation, you must enrol all eligible staff into a qualifying pension scheme from the first day after they leave the Teachers' Pension Scheme. The type of pension scheme you offer is up to you, but you should be aware that members cannot transfer their existing pension unless it's to another DB scheme 	<input type="checkbox"/>
	<ul style="list-style-type: none"> Advise your staff of the benefits of the alternative pension scheme to ensure they understand what the changes will mean to them (and what they could potentially lose through changing to a new scheme) 	<input type="checkbox"/>
Step 4 Advise members of what they can do with their benefits should you choose to leave	<ul style="list-style-type: none"> If they've qualified they have 'retained rights' in the Scheme and will be paid a pension in accordance with the Scheme regulations. They can also qualify for Ill-health pension benefits, but as deferred members they'll need to meet the total incapacity criteria. Deferred members are not eligible for an enhanced Ill-health pension 	<input type="checkbox"/>
	<ul style="list-style-type: none"> If a member leaves the Scheme and returns after a break of not more than five years, they'll continue as an active member of the Scheme as though they hadn't left 	<input type="checkbox"/>
	<ul style="list-style-type: none"> Members can transfer out to another DB scheme as long as they complete this within 12 months of joining that scheme 	<input type="checkbox"/>
	<ul style="list-style-type: none"> If they haven't qualified for pension benefits, i.e. they have less than two years' service in the Scheme, they can transfer to another pension scheme (DB or DC), or take a repayment of contributions 	<input type="checkbox"/>
Step 5 What do I do if I decide to leave?	<ul style="list-style-type: none"> You must inform all your teaching staff of your decision and the date you propose to leave 	<input type="checkbox"/>
	<ul style="list-style-type: none"> You need to put your request in writing to the Scheme Manager – you can do this by contacting us at: tpestabs@teacherspensions.co.uk, specifying the date from which you wish to leave the Scheme 	<input type="checkbox"/>
	<ul style="list-style-type: none"> We'll then confirm your leaving date. You'll remain responsible for the payment of all contributions payable in respect of service up to the date you leave the Scheme, and any outstanding contributions will become due immediately 	<input type="checkbox"/>
	<ul style="list-style-type: none"> On your last MDC submission you'll need to put the 'W' withdrawal indicator on each member to identify they're a leaver. Service and salary information in relation to employment after this date is not required 	<input type="checkbox"/>

If you have any queries on leaving the Scheme please contact:
tpestabs@teacherspensions.co.uk