

Retired member guide

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

Introduction

Well you've retired.

But before we get into those 'now you've retired' clichés, it's worth remembering that, where your pension is concerned, being retired isn't the end.

On the contrary, if there's one time you want to really get on top of your pension, it's now.



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Basic things about my pension

Here are the top things to remember when it comes to understanding the benefits of your teacher's pension.

If your retirement benefits included any service built in the Transitional Protection 'remedy period' (1 April 2015 to 31 March 2022), we'll be in touch separately about this. For more information on Transitional Protection, [please visit our site](#).

Each month your pension will be paid into your nominated bank account. Your monthly pension payment will be made on the day before your birth date. So, for example, if you were born on the 7th of the month, your pension will be paid on the 6th of each month. Each year you'll be able to view your updated P60 online via My Pension Online (MPO). This will outline the amount of pension you've received and the tax you've paid in that tax year.

The good news is your pension is index-linked to protect it from increases in the cost of living. The increases are paid in April, on the same date as increases in State social security benefits. They're based on figures provided by HM Treasury. Pensions Increase also applies to pensions paid by the Teachers' Pension Scheme to widows, widowers, pension credit members, nominated partners, civil partners, children and dependants.

If you move house or change your bank details, you'll need to let us know so we can ensure your details are correct. [You can do this via MPO](#).

Guaranteed Minimum Pension

When you start claiming your State pension, the government may pay some of the increase on your teacher's pension with your State Pension. This is because you may be entitled to a Guaranteed Minimum Pension (GMP) in the State scheme.

The Teachers' Pension Scheme provides for the full-indexation for members whose State Pension age is after 5 April 2016.

The GMP consists of two elements:

- For service up to 5 April 1988, the government will pay all Pensions Increases (PI) with your State Pension. This part does not attract increases from the Teachers' Pension Scheme
- For service after 5 April 1988, Pension Increase (up to 3%) is paid by the Teachers' Pension Scheme. The balance will be paid by the Government with your State Pension.

When we receive confirmation of your GMP from HMRC, we'll adjust your pension. If you're not entitled to a GMP or your State Additional Pension (AP) is of greater value than your GMP, you'll receive the full increase from the Teachers' Pension Scheme. If you look at the information provided with your P60 you'll see a breakdown of how the different elements of your pension have been increased.

If you've any further questions about State Benefits or GMP, please contact the Department for Work and Pensions (DWP) on 0845 300 0168.

What if I start work again?

Re-employment is teaching employment with a Scheme employer (i.e. eligible employment) undertaken after you've accessed your pension benefits in full (i.e. not Phased Retirement).

If you're receiving Age or Premature final salary benefits, your pension may be temporarily suspended (abated), depending upon your earnings and irrespective of whether your new service is pensionable or not.

If you're receiving career average benefits they won't be affected by re-employment.

If you took final salary benefits and you're receiving Early Retirement (Actuarially Adjusted Benefits), your pension won't be affected. If you return to work and subsequently take Age, Premature or Ill-health Retirement your benefits may be affected.

How do Teachers' Pensions decide if my pension should be suspended?

Any final salary pension benefits will be suspended if your pension and re-employment earnings exceed your salary of reference. Any career average benefits that you're receiving won't be affected by your re-employment but will be counted as part of your pensionable earnings.

What is the salary of reference?

Your salary of reference is the highest salary in the average salary period, as calculated at retirement.

Where can I find out what my salary of reference is?

You can find your salary of reference in your retirement award papers. Your salary of reference is index-linked.

What is the limit that I can earn in a tax year?

Your salary of reference minus your annual pension is the limit that you can earn in a tax year before your pension is affected. If your earnings in the tax year exceed that limit, your pension is suspended. Your employer will send us your service and salary information each month which means we can check if you're nearing your earnings limit.

What scheme will I return to?

From 1 April 2022 all member benefits will be built up in the career average scheme.

What if I'm receiving Ill-health benefits and am returning to teaching?

If you're receiving Ill-health Retirement, it's because you had been judged permanently medically unfit to teach. So if you return to teaching, these benefits must stop immediately.

If you wish to return to teaching, your employer must be satisfied that you're fit to teach in the capacity required. It's your responsibility to notify us in writing immediately of any employment undertaken if you're in receipt of Ill-health benefits.

If your pension is stopped because you return to work, you'll only be awarded another Ill-health pension if you become ill again and satisfy us that you're unfit to teach. You can retire on any other grounds at the appropriate age.

If you're receiving an enhanced pension and you intend to return to employment outside of teaching, you must provide a certificate from a registered medical practitioner. The medical practitioner must be satisfied that you still have the medical condition that caused your enhanced pension to be paid. The nature of your proposed employment will also help us decide whether or not the enhanced pension can continue to be paid.

Will I earn a further pension if I return to work?

If your teaching service is pensionable, and providing you have enough service to re-qualify for benefits then you'll gain further retirement benefits. They'll be based on your pensionable employment completed since returning to work and your current salary. This is known as Additional Service After Retirement (ASAR).

If you're re-employed after taking retirement benefits other than Phased Retirement, you must have one year (365 days) of ASAR to qualify for further benefits. However, if you've less than one year's service and don't intend to continue in the Teachers' Pension Scheme, your contributions and interest will generate an annuity to add to your existing pension.

Note - If you're working part-time, the whole period counts towards your qualifying service including the days you don't work. However, your benefits are based on the pensionable earnings that you actually receive.

You don't have to claim your benefits immediately if you stop ASAR and plan to do further work, as all your ASAR benefits will be added together when you decide to claim them.

Any new service on or after 1 April 2022 will be in the career average scheme. The standard retirement types, Age, Premature, Early (AAB), Phased and Ill-health will apply to ASAR benefits.

NB Ill-health only if you haven't reached your normal pension age for the benefits.

What's an annuity?

A short service annuity is payable when a member enters post benefit service, has not re-qualified for benefits in respect of that service, and has left all eligible employment. It's the actuarial equivalent of your contributions in respect of the post benefit service plus interest to the date of payment at 3% per year. An annuity is payable for your life only, it doesn't revert to dependants should the worst happen.

After I'm gone

It goes without saying that your pension isn't just about you. It's also about the people you love and care for.

If I'm retired what will my beneficiary or nominee(s) receive after I die?

As a pensioner, if your pension has been in payment for less than five years, a death grant will be paid that's equal to five times your annual pension, less any pension you've received. A death grant is not payable if your pension has been in payment for more than five years. This is the same for all pensioners regardless of whether you were in the final salary or career average schemes when you left service. If there's no death grant nomination or adult beneficiary at the time of your death, any death grant that's due will be paid to your estate.

If you wish to make a death grant nomination or would like to amend a previous nomination [the death grant nomination form can be found on our website here.](#)

What pension will be payable in the event of my death?

If you die after retiring we'll continue to pay your pension in full for three months. These payments are called short term pension. After the short term pension ends a long term pension is put into place for payment.

Pensions for a Spouse or Civil Partner

If you're married or in a civil partnership, your spouse or civil partner will automatically receive a pension after you die, provided you've a minimum of two years pensionable service. If you've a surviving qualifying partner, a pension will only be paid if you've been living together for at least two years when you die and are still interdependent.

After I'm gone

Adult short term pension

The rate of the short term pension is the annual rate you were receiving at the date of your death.

Adult long term pension

Final salary scheme - If your benefits were in the final salary scheme the long term pension for an adult survivor is 1/160th of the final average salary for each year of your survivor benefit service.

Career average scheme - If your benefits were in the career average scheme the long term pension is the value of 37.5% of the pension you've earned up to your date of death.

Benefits in both sections - If you have benefits in both sections, two calculations will be made, one for each type of benefit and these will be paid together.

Pensions for eligible child/children

In order for a child to be entitled to benefits upon your death, they must meet the criteria to be deemed an eligible child.

To be eligible, your child/children must be:

- Born during your lifetime or within 12 months of your death, or
- Adopted by you, or
- Financially dependent on you at the date of your death, and
- Under 17; or if over 17 has remained in full time education or has been in training for a trade or profession for at least two years, without a break of more than one academic year and up to age 23 at the latest, or
- Incapacitated and unable to earn a living due to ill-health at the time of your death. A doctor will need to confirm this. We'll also need to know if they're receiving any benefits.

After I'm gone

Child short term pension

Where an adult pension is payable for three months, and there is an eligible child/ children the child short term pension is paid for the same period as the adult pension. The amount is the rate of your retirement pension at the date of death divided by the number of eligible children who are entitled to a pension.

Where no adult pension is payable the rate of the eligible child short term pension is the rate of your retirement pension at the date of your death divided by the number of eligible children who are entitled to a pension.

This is payable for six months, or if shorter the date in which the child ceases to be deemed an eligible child.

Child long term pension

Final salary scheme - If your benefits were in the final salary scheme the long term pension for an eligible child is:

- If an adult pension is payable then the rate of the child long term pension is 1/160th of the final average salary for each year of your survivor benefit service
- If no adult pension is payable or was payable on death but has now ceased to be payable then the rate of the child long term pension is 1/120th of the final average salary for each year of your survivor benefit service.

Career average scheme - If your benefits were in the career average scheme the long term pension for an eligible child is:

- If an adult pension is payable then the rate of the child long term pension is $37.5\% \times$ your accrued earned pension at the date of death / the number of eligible children
- If an adult pension is not payable then the rate of the child long term pension is $50\% \times$ your accrued pension at date of death/ the number of eligible children.

Benefits in both sections- If you've benefits in both sections, two calculations will be made, one for each type of benefit and these will be paid together.

After I'm gone

What about my financially dependent relative?

If you're unmarried and haven't registered as a civil partner or don't have a surviving qualifying partner to receive a pension you may have/ wish to nominate one financially dependent close relative to receive a pension when you die. This is provided they're widowed or have never been married or been a registered civil partner. The nomination will no longer stand if you marry, become a civil partner or have a surviving qualifying partner for benefits or your nominated financially dependent relative marries or forms a civil partnership.

How long will my family continue to receive a pension?

If you were in service on or after 1 January 2007 any adult pension will be paid for your beneficiary's lifetime. If you weren't in service on or after 1 January 2007 then any adult pension will cease if the recipient remarries, registers a civil partnership or cohabits with another person as husband and wife or as civil partners. Your children will receive a pension as long as they're under age 17.

Once they're over age 17, if they're receiving full-time education and have received full-time education since reaching the age of 17 without a break, their pension will stop when they reach age 23.

How much of my service counts towards family benefits?

If you've a surviving qualifying partner for family benefits your service from 1 January 2007 will automatically be used in the calculation of family benefits. You can pay for service before that date to be counted towards family benefits if you apply within six months of nominating your partner.

If you're married or have registered a civil partnership prior to retiring whether same sex or opposite sex, all your service from 6 April 1972 automatically counts for family benefits.

Different rules apply for female teachers who died before 5 December 2005. In those instances the survivor will have received or be in receipt of a pension based on the female teachers' service from 6 April 1988.

After I'm gone

What happens if I marry or register a civil partnership after I've retired?

Only your service from 6 April 1978 will count for an adult beneficiary's pension if your marriage or civil partnership occurred following your retirement.

When marrying, forming a civil partnership, those meeting the surviving qualifying partner criteria, or nominating a financial dependant, it may be possible to make an election to cover pensionable service for inclusion in adult pension qualification service.

[Further details can be found here.](#)

How would my beneficiary claim the benefits should the worst happen?

Your beneficiary should inform us of the death, by either calling our Contact Centre on 0345 606 6166 (8.30am-6.00pm, Monday to Friday) or by [downloading the application for death benefits form which can be found here.](#)

The Application for death benefits form should be completed in all cases, even if it's thought that there aren't any benefits to pass on.

What happens if I die whilst I'm re-employed?

If you go back to work after claiming benefits from the Scheme, in service death benefits may be available for your loved ones.

A death grant lump sum will be calculated using three times your annual rate of pensionable earnings.

Any lump sum benefits you've already been paid will be deducted from the death grant that's due.

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

If you have a complaint

If you wish to make a complaint about the service provided by Teachers' Pensions or to dispute a decision reached in the administration of your benefits, then the best method of getting in touch is via your My Pension Online account.

Alternatively, you can contact us in writing. Please remember to use your Teachers' Pensions Reference number and National Insurance number in all correspondence.

For details of the Scheme's Internal Dispute Resolution Procedure (IDRP) please see the '[Member complaints and appeals](#)' section of our website. The Scheme operates a one- step IDRP, where a dispute with the administrator can be raised with the Department for Education in their capacity as the Scheme Manager. If you remain dissatisfied you can then escalate your complaint to The Pensions Ombudsman, who is an independent and impartial adjudicator.

The Ombudsman's details are:

Pensions Ombudsman 10 South
Colonnade Canary Wharf
London
E14 4PU

0800 917 4487

At any stage during a complaint you may wish to approach Money Helper for assistance. They offer a free service and their address is:

Money Helper
120 Holborn
London
EC19 2TD

0800 011 3797

Need a hand?

The easiest way to contact us is via My Pension Online and to explore our website for any queries you may have.



Visit us at:

www.teacherspensions.co.uk

My Pension Online (MPO)

MPO is the best way to access your pension information online anytime you want, you can interact with your pension in a whole new way. Log in or register online today. The tools and resources available online are designed to make things easier and give you all the answers you need. www.teacherspensions.co.uk/login



Message us on:

Secure web messaging

Open 24 hours day, responses will be sent Monday - Friday, 9:00am to 4:20pm (excluding bank holidays)



WhatsApp:

07545 932848 (please note it may take up to 48 hours to receive a response and this number doesn't allow phone calls)

Responses will be sent Monday-Friday, 9:00am to 4:20pm (excluding bank holidays)



Call us on:

0345 606 6166
Monday–Friday, 8.30am–6.00pm



Write to us at:

Teachers' Pensions, 11b Lingfield Point,
Darlington, DL1 1AX

The information contained in this guide is correct at the time of press, but may be subject to change. If there is any difference between the legislation governing the Teachers' Pension Scheme and the information contained in this guide, the legislation will apply.

Department for Work and Pensions – For questions about State Pension please contact the Department for Work and Pensions on: 0800 731 0175.

HM Revenue & Customs (HMRC) – If you have any other questions about your income tax or P45 please contact: HMRC, HM Revenue & Customs Customer Operations, PSA PO BOX 4000, Cardiff, CF14 8HR. Contact telephone number: 0300 200 3300. The PAYE number in respect of your teacher's pension is 948 400.

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