

# Your Guide

TP  
Teachers'  
Pensions

September 2008

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**If there is any difference between the legislation governing this scheme and the information in this guide the legislation will apply.**

# Introduction

This booklet details the benefits provided by the Teachers' Pension Scheme (TPS) in England and Wales.

The TPS is a contributory scheme administered by Teachers' Pensions (TP) on behalf of the Department for Children, Schools and Families (DCSF). It is a defined benefit 'final salary' scheme and is one of the most important and valuable benefits available to teachers. The TPS not only provides you with a regular income after you retire but can also provide a lump sum. It also gives financial protection to your family or other dependants after you die.

The TPS is contracted-out of the State Second Pension (S2P) on a Reference Scheme Test basis that means the TPS guarantees to pay benefits which are at least as high as those the state would pay. Although you will be contracted out of S2P you will receive the Basic State Pension in addition to your teacher's pension.

The TPS is a statutory scheme subject to the Teachers' Pensions Regulations 1997 (as amended). Nothing said in this booklet overrides the provisions of the regulations. You can visit the TP website at **[www.teacherspensions.co.uk](http://www.teacherspensions.co.uk)** to obtain more detailed information about any aspect of the scheme.

Teachers' Pensions  
Mowden Hall  
Darlington  
DL3 9EE

Call us on 0845 6066166  
Minicom 0845 6099899 (for the hearing impaired)

# A to Z Jargon buster

## **Additional Voluntary Contributions (AVCs)**

AVCs are extra contributions that you can choose to pay if you wish to increase your benefits by providing an additional annuity.

## **Actuarially Reduced Benefits (ARB)**

These are benefits which may be taken before NPA if the member is aged 55 or over and has pensionable employment on or after 30 March 2000. The benefits will be actuarially reduced permanently, according to age at retirement although the reduced pension will attract index linking.

## **Elected Further Employment (EFE)**

This is teaching employment after a member has claimed retirement benefits from the TPS and for which he/she has specifically signed an election on or after 1 April 2000 for it to be pensionable. These elections were discontinued from 1 January 2007.

## **Excluded Employment**

This is teaching employment which would have been pensionable but for an election to opt-out of the scheme or the absence of a part-time election prior to 1 January 2007.

## **Final Average Salary**

This is the salary used in the calculation of benefits at retirement.

## **Guaranteed Minimum Pension (GMP)**

This is the minimum pension which schemes must provide as a condition of being contracted out of SERPS.

## **Her Majesty's Revenue and Customs (HMRC)**

Previously known as the Inland Revenue.

## **Normal Pension Age (NPA)**

Existing members have an NPA of 60. New entrants from 1 January 2007 have an NPA of 65.

## **Pensionable Employment**

A period of full-time or part-time employment during which pension contributions were paid.

## **Preserved Benefits**

These are benefits which will be paid in the future if you satisfy the qualification conditions. If you have left the pension scheme and have not transferred your entitlement to another scheme, these are the benefits you will receive when you reach NPA.

## **Reckonable Service**

Service which counts for benefits. This can include service from pensionable employment, any additional service previously purchased and any service credited into the TPS from another pension scheme.

## **State Earnings Related Pension Scheme (SERPS)**

SERPS was also known as the additional State Pension. It ran from 6 April 1978 to 5 April 2002 when it was replaced by the State Second Pension (S2P).

# The Scheme website

[www.teacherspensions.co.uk](http://www.teacherspensions.co.uk)

The website contains information for members and employers. It is a useful source for:

- + information e.g. fact sheets, leaflets and forms;
- + latest news updates about the Scheme and wider pension matters; and
- + “What if?” calculators to help members plan for retirement and assess costs for increasing benefits.

There is also a facility for member on-line services.

Here pensioner members can:

- + access their monthly payslips and annual P60 details; and
- + change their personal details.

Other Scheme members can:

- + access their individual Combined Pension Forecast showing Scheme and State benefits;
- + change their personal details; and
- + make a death grant nomination.

# Good reasons for being a member of the TPS

- + You receive a guaranteed pension.
- + Your pension is index-linked, so it won't be reduced by the effects of inflation.
- + You may choose to receive a tax-free lump sum at retirement.
- + Your employer contributes towards the cost of your benefits.
- + When we work out your benefits, we add together all periods of reckonable service, before retirement.
- + If you are entitled to ill-health benefits, you will get them immediately.
- + We will pay lump sum benefits if you die before you retire.
- + When you die, we may pay children's and dependants' pensions.
- + You may be able to pay extra contributions for additional pension benefits.
- + You may be able to transfer pension credits from another scheme into the teachers' scheme.
- + We provide a wide range of information about the scheme and have a dedicated member website.



**This area is being expanded to include other services.**

# Joining the TPS

## Employment from 1 January 2007

You automatically become a member of the scheme if you are:

- + employed full-time or part-time;
- + between the ages of 18 and 75;
- + whether or not you have retired;

and if you are:

- + employed in an establishment maintained by a local authority or in an establishment grant-aided by the Secretary of State;
- + employed in an independent school or further and higher education establishment that has been accepted into the teachers' scheme; or
- + employed as a teacher by a Function Provider (a company awarded a contract to perform functions on behalf of a local authority).

## Part time employment where the contract started before 1 January 2007

For your service to be treated as pensionable you must have made a part time election. If you have not made an election and you change your contract or have a break in service after 1 January 2007 your future service will automatically be pensionable unless you opt out of the TPS.

## Opting out

You do not have to stay in the TPS. You can opt out of the scheme at any time in order to make your own pension arrangements. You should think very carefully before you opt out. You should compare the benefits of the TPS with those offered by personal pension plans or other arrangements and consider the long-term effect on your financial position. You may wish to consult an independent financial adviser or your teachers' association before taking such a serious step.

Application forms are available on the TP website. If you have opted out you can re-enter the scheme.



**If you have already opted out of the TPS you can opt back in.**

# Contributions

## What do I pay?

As a member of the TPS, whether full-time or part-time, you will pay 6.4% of your salary towards a package of benefits. Your employer pays a further 14.1%. This makes a total of 20.5%. You will receive income tax relief on your contributions. The Government Actuary reviews these rates at regular intervals.

## How do I pay?

Your employer will deduct contributions from your monthly salary. Your employer will pay all contributions direct to TP each month. It is important that you make sure that the correct amounts have been deducted. If you think an error has been made, contact your employer immediately.

## Can I pay additional contributions?

There are other ways in which you can increase your retirement benefits by paying extra contributions. These include:

- + purchasing additional pension;
- + paying Additional Voluntary Contributions (AVCs) through the Prudential;
- + paying Free-Standing Additional Voluntary Contributions (FSAVCs);
- + paying into a stakeholder pension or a personal pension.

In certain circumstances, you can also choose to pay extra contributions to increase the amount of family benefits your dependants may receive.

You can get income tax relief on your additional contributions. If you make a lump sum payment you should contact HMRC for information on tax relief.

## Purchasing additional pension

You can purchase additional pension that is paid separately from your TPS benefits. When you retire your eventual retirement benefits will attract 'Pensions Increase', which means they are index-linked. The additional pension you purchase will also attract Pensions Increase.

The cost of purchasing additional pension depends on your age and the amount of additional pension you wish to receive. You cannot purchase additional pension after NPA. The maximum payment period is 20 years and must be completed before NPA. There are two ways you can pay for additional pension:

- + by having deductions from your salary; or
- + by paying a one off lump sum.

You will find full details in the fact sheet '**Additional Pension**' and a calculator to estimate the cost. Both are available on the TP website.

## AVCs through the Prudential

The TPS has a special arrangement with the Prudential. The Prudential invests your AVCs and the profits (on which you do not pay income tax or capital gains tax) are added to your account. The Prudential cannot guarantee your profits

## Need help?

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or visit our website  
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in advance, but each year they will send you a benefits statement so that you can see how your investments are performing. You can pay AVCs to increase your own pension, a dependant's pension, the lump-sum death grant or any combination of these three. You can contact the Prudential direct for more detailed information at:

Prudential Life and Pensions  
Teachers' AVCs  
Craigforth  
Stirling  
FK9 4UE  
or visit their web site,  
[www.pru-teachers.co.uk](http://www.pru-teachers.co.uk)

### **Stakeholder, personal pensions and Freestanding AVC's**

Members of the TPS can also contribute to a stakeholder pension, personal pension or Freestanding AVC scheme. If you wish to take out an individual pension you need to make your own arrangements.

We cannot advise you about which type of extra contribution to choose. You can get advice from an independent financial adviser or from your teachers' association.

### **Can I increase the pension my dependants will receive?**

If you are a married man all your service from 1 April 1972 will automatically count for survivor benefits. You can purchase service before April 1972 so that this also counts for survivor benefits if you marry for the first time before you retire.

If you are a married woman all your service from 6 April 1988 automatically counts for survivor benefits. You can purchase service before April 1988 within six months of getting married, for the first time, or if you married whilst out of service within 6 months of returning to service. You should contact us immediately if this applies to you.

If you have registered a Civil Partnership all your service from 6 April 1988 automatically counts for survivor benefits. If you are in a civil partnership and are in service, you can purchase previous service for survivor benefits if you apply to TP within six months of registering your civil partnership. If you were not in service when you registered, you may do so by applying within six months of returning to service.

If you are living with a partner you can nominate your partner to receive survivor benefits after your death. Service from 1 January 2007 will automatically count for survivor benefits. You can purchase service before that date within six months of nominating your partner. There will be a check undertaken after your death to ensure the conditions of nomination are still satisfied. If your partnership ends you must inform us.

If you are a single teacher you can nominate a close relative who is financially dependent on you to receive a pension when you die, provided that financial dependency still applies at the time of your death. When you make the nomination, you can also choose to pay extra contributions for a higher pension. The person you nominate will not be entitled to a pension if you marry.



# Contributions (continued)

## **Can I restore service if I have had my contributions returned?**

If you are in pensionable employment you can repay to the TPS any contributions you withdrew before 1 June 1973. You will have to pay compound interest on the contributions at the rate of 3.5% for each year since the refund was made. This service will then be reinstated into the TPS and will count in the normal way when we calculate your retirement pension and lump sum.

# Transferring from another scheme

When you join the teachers' scheme you can transfer your pension credit from a previous scheme provided that:

- + the previous scheme meets HMRC requirements;
- + your previous scheme is willing to pay a transfer value; and
- + you apply for a transfer within one year of entering pensionable teaching service.

The sum of money offered as a transfer value from your previous scheme does not guarantee you the same amount of service in the TPS as you had in your previous scheme.

## **Transfers from the teachers' schemes for Scotland and Northern Ireland**

We have a special arrangement with these schemes which means that service credit transferred from them gives you exactly the same amount of service in the teachers' scheme for England and Wales as you had with them. We will accept transfers from these schemes any time up to retirement.

# Leaving the Scheme

If you leave teaching service, you have three options open to you depending on how long your service is.

You can leave your pension benefits in the scheme as all periods of reckonable service are added together and used to qualify for benefits. If you have not qualified when you leave, you may qualify later if you return to teaching and claim your benefits at NPA. All 'preserved' benefits are increased in line with the cost of living. They are index-linked from the date you leave.

If you take up other employment and you want to transfer your pension rights you must apply before NPA. You can only transfer them if the new scheme will accept a transfer. The new scheme must satisfy HMRC requirements. If the transfer is to a scheme that cannot accept the GMP liabilities, the GMP element can be transferred to a personal pension scheme or a buy-out policy with an insurance company.

If you have been out of pensionable employment for one month and you have not qualified for benefits, you can take a repayment of contributions.



**More details are available in the fact sheet 'Leaving Pensionable Employment' which is available on the TP website.**

# Your pension benefits

## Qualifying for benefits

This means becoming entitled to a pension when you retire. You will qualify for benefits if you complete:

- + two years' pensionable employment at any time after 5 April 1988;
- + two years' pensionable employment at any time, if you were in pensionable employment on 6 April 1988; or
- + five years' pensionable employment at any time.

If you are in part-time pensionable employment, the whole period counts towards the above qualifying periods. But only the days you actually work will count towards your benefits. So if you work half-time for a year, this counts as one year for qualification, but only six months for calculating your benefits.

## Calculation of benefits

If you were a member of the scheme before 1 January 2007 the method of calculating benefits, which will consist of an annual pension and a lump sum based on reckonable service and average salary, is as follows:

$$\text{Pension} = \frac{\text{Service} \times \text{Average Salary}}{80}$$

The lump sum is three times the pension.

# Your pension benefits (continued)

If you were a member of the scheme before 1 January 2007 and have service after that date you can convert part of your pension to receive a lump sum up to 25% of your fund value. The formula for calculating the maximum amount of lump sum benefits that can be paid is as follows:

$$\frac{(\text{Pension} \times 20) + (\text{Lump Sum} \times 20/12)}{4.6667}$$

If you became a member of the scheme on or after 1 January 2007 your benefits will consist of an annual pension based on reckonable service and average salary. It will be:

$$\text{Pension} = \frac{\text{Service} \times \text{Average Salary}}{60}$$

You can convert part of your pension to a lump sum and the formula for calculating the maximum amount of lump sum benefits that can be paid is as follows:

$$\frac{\text{Pension} \times 20}{4.6667}$$

The conversion formulae represent 25% of your fund value. You can choose up to 25% maximum to be paid as a lump sum. In doing so there is a consequent reduction in the value of the annual pension. For each £1 of pension converted there will be £12 of lump sum paid. Calculations can be undertaken on the TP website.

## Average salary

If you left service before 1 January 2007 your average salary is:

- + the highest amount of full salary for any consecutive 365 days of reckonable service, whether continuous or not, during the last three years of reckonable service.
- + Reckonable service is those years and days that count towards your pension benefits.

If you were in service before 1 January 2007 and retire before 31 December 2008 your average salary is the best of the following :

- + the highest amount of full salary for any consecutive 365 days of reckonable service, whether continuous or not, during the last three years of reckonable service;
- + the salaries for the last ten years are increased using the Retail Prices Index (RPI). The average of the best consecutive three years' re-valued salaries in those ten years is used; or
- + the pensionable salary received in the last 12 months before the date of retirement.



**More details are available on the fact sheet 'Retirement Lump Sum'**

## Need help?

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or visit our website  
[www.teacherspensions.co.uk](http://www.teacherspensions.co.uk)

If you retire after 31 December 2008 your average salary is the better of the following :

- + the salaries for the last ten years are increased to current day value using the RPI. The average of the best consecutive three years re-valued salaries in those ten years is used; or
- + the pensionable salary received in the last 12 months before the date of retirement.

If your final year's salary is used to calculate your benefits and you received an increase of more than 10% plus the standard salary increase, your salary will be restricted if your employer is not prepared to meet the additional cost of the difference in benefits. When your application for benefits is received, TP will calculate both the restricted and unrestricted average salaries. TP will then notify your employer of the sum required known as the 'additional contribution'. If your employer pays the additional contribution, you will receive your benefits calculated using the unrestricted average salary.

It is not possible to anticipate if this provision will apply in advance of a known retirement date. If you are approaching retirement and you think it is possible that your average salary might be affected, you should discuss this with your employer.

## Age retirement (Retiring at NPA or later)

You will be paid age retirement benefits on application at NPA if you are no longer in pensionable employment. If you remain in employment after NPA, you will be paid benefits when you eventually cease pensionable employment. If you have a break in pensionable employment after NPA, even for 1 day, you will be entitled to benefits from that date. All reckonable service up to age 75, limited to 45 years in total, will be used in the calculation of your retirement benefits.

## Actuarially Reduced Benefits (Retiring between the ages of 55 and NPA)

If you are aged between 55 and NPA and you have been in pensionable employment on or after 30 March 2000, you may be able to obtain access to your pension benefits, which will be reduced, provided that your benefits are at least equal to your GMP.

If you are in pensionable employment or excluded employment when you apply for reduced benefits you must obtain the consent of your employer to gain immediate access to retirement benefits. Employers cannot withhold their consent for longer than 6 months from the date on which you submit your request. Subject to your employer's consent, reduced pension benefits are paid from the day after the last day of pensionable or excluded employment.

If you have already left teaching when you apply, benefits will be paid from a date not earlier than 6 weeks after the date of your application.

# Your pension benefits (continued)

## Premature Retirement (Caused by redundancy or reorganisation)

If you are aged 50 or over and your employer makes you redundant or you leave pensionable employment on the grounds of organisational efficiency, you may be granted Premature Retirement benefits. The payment of these unreduced benefits from the TPS is at the discretion of your employer. The Premature Retirement arrangements provide for two types of compensation payable by your employer:

- + **Mandatory compensation** - benefits (pension and lump sum) are split between the scheme and your employer. Your employer must agree to pay their share if an application for premature retirement is to be accepted.
- + **Discretionary compensation** - your benefits may be increased by your employer. Whether to increase your benefits in this way is entirely at the discretion of your employer and is subject to certain limits.

## Phased Retirement (Drawing part of your benefits while continuing in service)

After age 55 you may take Phased Retirement without having a break in employment provided that your pensionable salary reduces by 25% or more for at least 12 months. The reduction in salary is compared to your average salary over the previous 6 months. This could for example be because you have taken up a post of lesser responsibility or because you are working reduced hours. You will need to discuss this arrangement with your employer and they will be required to provide confirmation of the reduction on your application form. You may exercise this option twice before final retirement.

You can decide how much you wish to take of the benefits you have accrued up to the commencement of Phased Retirement up to a maximum of 75% of your total benefits. Remaining service, which must be at least 25%, will be aggregated with any subsequent service you accrue and be used in any future benefit calculations.

Please note that if your Phased Retirement benefits are drawn before NPA, the benefits taken will be reduced.



### How do I apply for retirement benefits?

You should apply about four months before the date of your retirement. You can obtain an application form from your employer or if you are out of service from the TP website.

## Need help?

Call us on 0845 6066166  
Minicom 0845 6099899  
or visit our website  
[www.teacherspensions.co.uk](http://www.teacherspensions.co.uk)

### Can I receive my benefits if I become ill?

If you are under NPA and have to retire through ill-health, you can apply for ill-health benefits. Applications should only be submitted after all other avenues such as redeployment have been exhausted. You must provide medical evidence that your illness permanently prevents you from teaching. Ill health benefits can be paid at two different levels depending upon the severity of the illness; enhanced benefits will be awarded if you are assessed as being permanently unable to teach and unable to undertake any other gainful employment. Unenhanced benefits would be awarded if you are assessed as being permanently unable to teach but can do other work.

If you are not in pensionable employment, are not on a career break agreed with your employer, sick leave or parental leave, only unenhanced benefits can be awarded and your service will not be enhanced, but you must satisfy the criteria for enhanced benefits.

The total amount of enhancement you may receive is half the service you could have completed before normal pension age (NPA).

Ill-health benefits cannot be awarded to a teacher who has been barred for misconduct or who is under investigation by the DCSF with a view to barring. Where a teacher under investigation is not subsequently barred, and an application for ill-health benefits is accepted, the benefits will be backdated.

You cannot normally obtain ill-health benefits if you have already been awarded premature or actuarially reduced retirement benefits.

If you are seriously ill, your ill-health pension may be converted to a lump sum payment. The request for conversion of pension must be made at the time of application for ill-health benefits: a pension cannot be converted to lump sum once it has come into payment. Life expectancy must be less than a year. The lump sum payment amounts to approximately five times the annual pension.

If you have not been in service long enough to qualify for ill-health benefits you can apply for a short-service incapacity grant. You must have at least one year of pensionable employment to your credit. You must apply within six months of leaving reckonable service. The incapacity grant is 1/12 of your final average salary for the length of your reckonable service (years and days).

# Your pension benefits (continued)

## **How to apply for ill-health retirement benefits**

Employers and their occupational health advisors must look at ways of helping you return to work, e.g. re-deployment, part time working, transfer to a post with less responsibility or consider other workplace adjustments, before concluding that ill-health retirement may be appropriate. You and your employer's occupational health advisor in conjunction with your medical practitioner need to provide the medical evidence and complete the application forms. The cost of providing medical evidence is a matter between you and your employer.

If you are still employed you should obtain the two forms required for your application from your employer. One form is for you to complete with your employer, the other is for the medical evidence to support your application.

If you are no longer employed as a teacher you can either download the forms from the TP website or telephone TP on 0845 6066 166 quoting your teacher's reference number or National Insurance number. TP also have a minicom facility for the hard of hearing, 0845 6099899.

If you left pensionable teaching within 12 months of submitting your application, the medical information sections of your

application form must be completed by your ex-employer. If you are not currently employed in pensionable teaching employment you will have to pay for any costs incurred in providing medical evidence

Forms should be returned to TP together by your employer if you are in service or by you if you are out of service.

## **Pensions Increase (applies to all pensions)**

Your pension will be increased to take into account increases in the cost of living. This is called 'index-linking' because the increases are related to rises in the Retail Price Index. The increases are paid in April, the same date as increases in state social security benefits.

Preserved pensions and lump sums are also increased so that they keep their value. Pensions Increase also applies to pensions paid by the scheme to widows, widowers, civil partners, children and dependants. If you take premature retirement, Pensions Increase will not usually begin until you are aged 55.

# Returning to work after retirement

## Abatement of pension during re-employment

Whether your re-employment is pensionable or not, your pension including any additional pension may be subject to abatement. If, however, you retired on ARB or Phased Retirement grounds your pension will not be abated. You must notify us immediately if you take up any re-employment.

## Returning to work after ill-health retirement

Ill-health benefits are awarded because you are permanently medically unfit to teach so if you return to teaching your ill-health pension must stop immediately. It is your responsibility to notify TP immediately of **any** employment undertaken when in receipt of ill-health benefits. If you wish to return to teaching your employer must be satisfied that you are fit to teach in the capacity required.

If your pension is stopped, another ill health pension can only be awarded if you become ill again and satisfy the medical advisors that you have again become unfit to teach. You can retire on other grounds at the appropriate age. If your re-employment is pensionable, future retirement benefits will be calculated to take account of the extra reckonable service and new salary rates.

If you are in receipt of a TIB pension and you intend to return to employment outside of teaching and you want your TIB pension to continue, you must provide the Secretary of State with a certificate from a registered medical practitioner that in the opinion of the medical practitioner you still meet the medical condition for TIB to be paid. The nature of your proposed employment will also assist the Secretary of State in coming to his decision about whether or not the TIB pension can continue to be paid.

In all cases TP will need to know:

- + the name and address of your employer;
- + the date your employment started;
- + the duration, if known;
- + the rate of salary; and
- + the nature of employment (indicating whether it is full or part-time).



**If you forget to tell TP about any employment whilst receiving a pension and you are overpaid, TP will recover this debt from you in full.**



**If you are considering returning to teaching you must inform TP.**



# Death benefits

The TPS may pay an in service lump sum death grant if:

- + you die while you are employed in pensionable employment;
- + you die within a year of leaving pensionable employment (because of ill-health) and you have not been receiving an ill-health pension; or
- + you die while you are paying current added years.

In these cases, there is no minimum qualifying period and the death grant will be three times your average salary.

If you die during further pensionable employment after retirement (Including phased retirement) the TPS will pay a lump sum, worked out using three times your average salary less any lump sum benefits you have previously been paid.

If you die after leaving pensionable employment the death grant will be based upon:

- + your actual reckonable service if you have 2 or more years reckonable service; or
- + your pension contributions plus interest of 3% if you have less than 2 years reckonable service.

## Payment of a death grant

The death grant can be paid to a person you nominate, to your widow, widower, civil partner or, if you are unmarried or have not registered a civil partnership or nominated a partner when you die, to your estate. Your survivors should complete an application form which they can get from your employer or direct from us.

## Nomination for a death grant

Your nomination for receipt of the death grant must be made on the Death Grant Nomination form that is available on the TP website. It is your responsibility to review your nomination to ensure your wishes are current.

## Additional pension

If you die within 12 months of commencing the purchase of additional pension your contributions will be returned.

If the contributions have been paid by the employer, and you die within twelve months, the contributions will be returned to the employer.

If you have purchased both personal and dependants additional pension your dependant will receive an additional pension together with any other TPS benefits. If you die after 12 months and have purchased only personal additional pension then no benefits will be paid.

# Survivor benefits

When you die, the TPS may pay pensions to your widow, widower, civil partner, nominated partner, children or nominated dependant. The amount of long-term pension payable depends on the amount of survivor benefits service you have in the TPS. To qualify for survivor benefits, you must have two or more years' eligible service.

## Short-term pensions

If you die in service or within a year of leaving service (because of ill health) your widow, widower, civil partner or nominated partner may be paid a short-term pension which is the same as your pensionable pay at the time of your death. Your employer usually pays it for three months from the day after your death. A short-term pension may also be payable for the same three months to your children. If there is no long-term pension payable to a spouse, civil partner, nominated partner or nominated dependant, and there is one or more eligible children, a short-term pension may be payable to them for six months.

If you die after you retire a short term pension may be paid to your widow, widower, civil partner or nominated partner based upon the pension you were receiving when you died.

## Long-term pensions

Long-term pensions for adult survivors are paid at the rate of 1/160 of the final average salary for each year of your survivor benefits service. If all your service counts for survivor benefits, the pension will be half the pension you have earned up to the date of your death. If only part of your service is covered for survivor benefits, the pension will be less.

If you die in service, your survivor pension may be increased by allowing extra service you are purchasing to count for survivor benefit. This is usually only increased if you die before 60 and you have 2 years qualifying service on or after 1 April 2000. If you are a male and you marry after you leave pensionable employment only service from 6 April 1978 will count for a widow's pension. If you are a female and you marry after you leave pensionable employment only service from 6 April 1988 will count for a widower's pension. If you leave pensionable employment and then register a civil partnership only service from 6 April 1988 will count for a civil partner's pension.

The child's rate of pension is paid at 1/320 of the final average salary for each year of your survivor benefits service. This is up to a maximum of 1/160th for 2 or more children.

If there is no spouse, civil partner or dependant's long-term pension payable, an orphan's pension may be paid. This will be at a higher rate than a child's pension.



**You will find more details on the TP website.**

# Survivor benefits (continued)

## Nominated Partner's Pensions

From 1 January 2007 service counts for partner benefits, although a number of conditions must be satisfied before a pension can be paid. These are:

- + you must have lived with your partner in a permanent exclusive relationship for a minimum of two years;
- + you must be legally free to marry or to enter into a civil partnership;
- + you and your partner must be financially interdependent; and
- + you must have 2 or more years service counting for partner benefits.

Some examples of financial interdependency are given below, but these are not exhaustive and not all need to be met. Typically interdependency means:

- + you share a household and its related spending;
- + you have a joint bank account or mortgage;
- + you have made wills naming each other as beneficiaries;
- + you have mutual power of attorney.

You do not need to demonstrate financial interdependency at the time you nominate your partner. This will be checked after you die. Only service from 1 January 2007 will count automatically towards a pension for your partner but if you were a member before that date you may be able to cover previous service by paying extra contributions. Pensioners may nominate a partner but cannot purchase service prior to their retirement. You need to complete an application form to nominate your partner. It is your responsibility to ensure your nomination is kept up to date.

## Dependant's Pensions

If you are not married or have not registered a civil partnership, you can nominate a close relative who is financially dependent on you to receive pension benefits when you die. You must nominate this person before you retire. The benefits will be the same as those paid to a widow, widower or civil partner. The nomination will end if you marry or register as a civil partner. It will also end if the nominated person dies or marries.

You can nominate:

- + an unmarried or widowed parent;
- + step parent; or
- + an unmarried brother or sister.

# Survivor benefits (continued)

## Children's Pensions

Children include:

- + those born during the member's lifetime or within 12 months of the date of death. you must include any children born to a previous partner;
- + adopted children; and
- + unadopted children who lived as part of the member's family at the date of death and were financially dependant on the deceased member.

An eligible child must be:

- + Unmarried or not registered as a civil partner; and
- + Under age 17; or
- + Under age 23 and since attaining age 17 in continuous full time education or training lasting at least 2 years for a trade or profession without a break of more than one academic year; or
- + Incapacitated when the member died and unable to earn a living due to ill health (Please provide a letter from a doctor to confirm and details of any benefits received from the state).

There are circumstances when a child's pension may exceptionally be paid after age 23. Please contact TP for further information.

## Supplementary death grant

When a pensioner dies an additional payment, called the supplementary death grant, may be made of the difference between the pension paid up to the date of death and five times the annual rate of pension.

The supplementary death grant is paid to the pensioner's nominee, spouse, civil partner or nominated partner. If the pensioner is not married, registered as a civil partner, or a nominated partner it will be paid to their estate.

## Duration of long term pensions

Long-term pensions are paid immediately after the short-term pension stops or from the day after death. Pensions will end in the event of the recipient's death, remarriage, cohabitation or if a new civil partnership is registered and the member left pensionable employment before 1 January 2007. If the member is in service on or after 1 January 2007 and dies, the adult dependant's pension will be payable for life.

Children's pensions are paid for children under the age of 17 and for older children up to the age of 23. Older children only qualify if they are not in a legal partnership and have been in full-time education or in certain kinds of training since reaching the age of 17 without a break of more than one year. Pensions can continue after age 23 if a child is dependent because of ill-health at the date of the member's death.

Applications for family pensions should be made on the Death Benefits application form .

## Pension sharing on divorce or dissolution

There are arrangements whereby, when a couple divorce or a civil partnership is legally dissolved, the Courts will establish the value of the member's pension and the amount of the pension that is to be shared.

A pension debit will then be made against the member's benefits that will reduce their pension at retirement or death. A corresponding credit will be given to the ex-spouse or ex-civil partner who will become a 'credit member' in the TPS.



**You will find more details on the TP website.**

## Data Protection Act 1998

The DCSF will use any information you provide in connection with the TPS for the purpose of administering and operating the scheme and paying benefits under it. This may include passing details to third parties that are involved in the administration and operation of the scheme.

The Department may also use your data for administrative purposes in line with its data protection notification. In order to fulfil its duty to protect public funds, the DCSF may use information it holds to prevent and detect fraud. The Department may also share such information, for the same purpose, with other organisations that handle public funds.

## Customer service

It would be helpful if you could supply the following information when you contact us:

- + your teacher's reference number (such as RP99/99999);
- + your full name;
- + your date of birth; and
- + your National Insurance number.

This information will help us to identify your record and to deal with your enquiry quickly.

There is a full range of leaflets and fact sheets which give more detailed information on the scheme. Leaflets are available on the website, [www.teacherspensions.co.uk](http://www.teacherspensions.co.uk). You may find it helpful to read a leaflet before you ask us for information.

Alternatively, you may wish to Email us at [TPMail@capita.co.uk](mailto:TPMail@capita.co.uk)

Opening times: On normal working days we are open Monday to Friday from 8:30am to 6:00 pm.

# Procedures for complaints and disputes

The Occupational Pension Schemes (Internal Dispute Resolution Procedures) Regulations 1996 provide a formal process for the resolution of disagreements. The information below sets out the arrangements for the Teachers' Pension Scheme.

## First Stage

The teachers' pensions regulations are administered by Teachers' Pensions on behalf of the Department for Children, Schools and Families (DCSF). If you disagree with a decision made by Teachers' Pensions about how the regulations apply to you, or you wish to complain about how your case has been handled, you should write to:

Customer Services Manager  
Teachers' Pensions  
Mowden Hall  
Darlington  
DL3 9EE

## Second Stage

If you are dissatisfied with the reply from Teachers' Pensions, you may appeal to the DCSF. You should write to:

Terms and Conditions Unit  
Department for Children,  
Schools and Families  
Mowden Hall  
Darlington  
DL3 9BG

An appeal should be made within six months of receiving your reply to your first letter of complaint or dispute. Included in this appeal, you must provide your full name and address, your teacher's reference

number, your date of birth and your National Insurance number. If you choose to ask a representative to write in on your behalf, these details must still be provided. It is open to you, at any stage to approach The Pensions Advisory Service. They offer a free service and their address is:

The Pensions Advisory Service  
11 Belgrave Road  
London  
SW1V 1RB

Tel: 0845 601 2923

If you have received a second stage reply, and you wish to pursue the matter further, you may contact the Pensions Ombudsman, who is independent and acts as an impartial adjudicator. The address is:

Pensions Ombudsman  
11 Belgrave Road  
London  
SW1V 1RB

Tel: 0207 834 9144

The Pensions Regulator is able to intervene in the running of schemes if scheme managers or administrators have failed in their duties, and will impose financial penalties where it sees fit. The address is:

The Pensions Regulator  
Napier House  
Trafalgar Place  
Brighton  
East Sussex  
BN1 4DW

Tel: 0870 6063636

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