



**Truro and Penwith
Academy Trust**

Retirement Policy

Review Summary

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RETIREMENT POLICY

1 Introduction

- 1.1 This Retirement Policy and guidance has been determined by Truro and Penwith Academy Trust (TPAT) with reference to pension regulations and should be read in conjunction with TPAT's [LGPS Discretions Policy](#).
- 1.2 This Retirement Policy sets out the framework for making decisions on retirement and access to early pension benefits. It has been developed to comply with current legislation detailed in the [Local Government Pension Scheme \(LGPS\)](#) and [Teachers' Pensions \(TP\) Regulations](#), and the requirements of the [Conditions of Service for School Teachers in England and Wales](#), also known as the [Burgundy Book](#), and the [National Agreement on Pay and Conditions of Service](#), otherwise known as the [Green Book](#) for Support Staff, with the exception of the pay scale as TPAT has its own.
- 1.3 This policy is needed to explain whether and in what circumstances the Trust will exercise any of its discretions under the Local Government Pension Scheme 2014 and to set out the approval process for decision making. All local government employers are required to review and update their policy to take account of the changes introduced as part of the LGPS 2014 regulations.

2 Purpose

- 2.1 The purpose of this policy and guidance is to establish an open and transparent framework that enables the Board of Trustees, Trust Senior Leaders and Headteachers in TPAT schools to manage retirement requests in a supportive, fair and equitable way.
- 2.2 This Retirement Policy will also ensure consistency of treatment in dealing with the administration of employee retirement.
- 2.3 This policy is intended to set out the policy position and clarify the limited circumstances and the related approval process where the Trust might exercise its discretions under the LGPS 2014 and Teachers' Pensions regulations in favour of the employee. The exercise of any of the available discretions in favour of an employee will mean that the Trust will be responsible for additional mandatory pension costs.
- 2.4 The default position is that the Trust will not grant access to unreduced pension benefits under the LGPS 2014 or Teachers' Pensions regulations except where it is essential to do so in order to facilitate a tangible and specific organisational benefit and the additional pension costs are recovered within a two-year period or where the Trust considers it appropriate to exercise its discretion on compassionate grounds.

3 Responsibilities

- 3.1 The Board of Trustees are accountable for adopting policies across the Trust. The Chief Executive Officer (CEO) and Executive Team (including Headteachers) have been delegated responsibility for overseeing its implementation.
- 3.2 Any questions about the day to day application of the policy should be referred to Headteachers or TPAT HR in the first instance.
- 3.3 This policy is reviewed regularly by Trustees.

4 Scope

- 4.1 The policy aims to provide an overview of pension regulations and types of retirement available to employees at the appropriate age, defined within the scheme literature and regulations.

- 4.2 The TPAT Board of Trustees has agreed a [LGPS Discretions Policy](#) in relation to its support staff with regard to pension matters, as required by law.
- 4.3 In relation to teachers, TPAT follows the TP regulations with regard to pension matters.
- 4.4 In all cases, TPAT will consider requests to retire early taking into account the Retirement Policy, the appropriate pension regulations and the [LGPS Discretions Policy](#) (where appropriate).



Section 1 – Support Staff – Local Government Pension Scheme

Normal Pension Age in the 2014 Scheme is the employee's State Pension Age (SPA) (with a minimum of age 65). The Normal Pension Age for benefits accrued before 1 April 2014 will remain age 65 for most members. A member cannot take their 2008 Scheme benefits earlier than the 2014 Scheme benefits, other than on flexible retirement. The ill health retirement (from any age), flexible retirement (from age 55, subject to their employer's discretions policy) and redundancy / efficiency retirement (from age 55) provisions continue.

The Government has confirmed that the normal minimum pension age will increase from 55 to 57 in April 2028. The earliest age that people who joined the LGPS on or after 4 November 2021 will rise to 57 from April 2028. We await a decision on whether the 'Department for Levelling Up, Housing and Communities' will introduce a protected pension age to the LGPS. If they do so, LGPS members who joined the Scheme before 4 November 2021 will continue to be able to take their pension from age 55 beyond 2028. The changes will not affect members who retire due to ill health.

1.1 The 85-Year Rule – Support Staff

A Scheme member can elect to take payment of their pension benefits from age 55 on termination of their employment. The Scheme member does not require employer consent and should have been provided with an estimate of any reduction to their pension before making an election. The 85-year rule protections for Scheme members subject to the 85-year rule continue to apply automatically to members' 2008 Scheme and 2014 Scheme benefits if the member takes their benefits at or after age 60. To have 85-year rule protections, a member must have joined the LGPS before 1 October 2006.

The 85-year rule does not automatically apply if the employee decides to take their benefits voluntarily on or after age 55 and before age 60. The employer can agree to apply the 85-year rule, subject to their discretions policy. If the employer does apply the 85-year rule, the employer must meet any strain on fund cost. If the employer does not apply the 85-year rule, the Scheme member meets any strain on fund cost by receiving a reduced pension. In the case of a voluntary retirement before Normal Pension Age (NPA), the employer has the discretion to waive in whole or in part any actuarial reduction that would otherwise apply, where their discretions policy permits. The employer would meet the cost by making a strain on fund payment to the administering authority.

TPAT LGPS Discretions Policy – Early Retirement 85-Year Rule

TPAT does not wish to switch on the 85 year rule for employees voluntarily drawing their benefits on or after age 55 and before age 60. Benefits will therefore be paid on an actuarial basis at no cost to the employer.

TPAT will only consider switching on the 85 year rule in truly exceptional circumstances and where the capital cost payment has been authorised by the Chief Executive Officer and TPAT Board of Trustees on the basis of a recommendation approved by TPAT HR, where it is clearly in the interest of TPAT both financially and operationally.

1.2 Normal Age Retirement – Support Staff

Your normal pension age (NPA) is the age when you can retire and take the pension you have built up without early retirement reductions. Your NPA is the same as your state pension age (SPA) but with a minimum age of 66.

Your LGPS pension increases in line with the cost of living every year throughout your retirement. If the cost of living goes up, so will your pension.

Further information is provided on the Cornwall Pension Fund website [Cornwall Pension Fund - Cornwall Council](#) or through your “My Pension Online” account.

If you stay in work after your NPA, you may continue to pay into the LGPS and build up further benefits. You must take your pension by age 75.

If you delay taking your pension, your benefits will be increased. The increase is based on how long after your NPA you take your pension.

1.3 Taking your pension benefits before your Normal Pension Age – Support Staff

There is no reduction if you take pension at your normal pension age (NPA). If you take your pension early before your NPA, it will be reduced. The reduction is based on the number of years and days from the date you take your pension to your NPA.

The Government sets the early retirement reduction factors. They can vary from time to time. The current early retirement reduction factors can be viewed on the Cornwall Pension Fund website.

1.4 Early Retirement on the grounds of Redundancy – Support Staff

The LGPS benefits you have earned up to the date of leaving employment will be paid immediately without any early retirement reductions if:

- you are age 55 or over;
- you have been a scheme member for at least two years; and
- your employer makes you redundant.

If a support staff employee in the LGPS is over the age of 55 and is made redundant, they will receive immediate payment of the pension they have built up, providing they have met the two year vesting period. Any additional pension they have bought would be reduced if they are under normal pension age when they retire. For support staff under normal pension age, their main LGPS benefits will not be reduced for early payment. An additional one off “capital cost” is likely to apply to the School, to fund the difference between the actuarial reduction of the pension benefits based on age and the benefits at normal age retirement.

In coming to a decision as to whether a post is redundant or not, the CEO of TPAT will need to be satisfied that:

1.4.1 The following statutory redundancy criteria are met:

Definition - An employee who is dismissed will have been dismissed for redundancy if the dismissal is attributable wholly or mainly to the fact that:

- (a) the Trust has ceased, or intends to cease:
 - (i) to carry on the business for the purposes of which the employee was employed by it; or
 - (ii) to carry on the business in the place where the employee was so employed; or
- (b) the requirements of the business for employees:
 - (i) to carry out work of a particular kind; or
 - (ii) to carry out work of a particular kind in the place where the employee was employed;

have ceased or diminished, or are expected to cease or diminish.

A redundancy situation will arise where the School’s financial budget necessitates a reduction in costs which can only be achieved through a reduction in staffing, and it is not practicable to avoid redundancies:

- by terminating the employment of agency staff or temporary staff; or
- by relying on foreseeable staff turnover to achieve the required reductions; or
- by redeployment to other areas of the curriculum, with appropriate support in those cases where redundancies are attributable to a diminished need to employ staff in particular areas of work.

1.4.2 Requirements of the Trust's Financial Handbook will be strictly adhered to.

TPAT LGPS Discretions Policy – Early Retirement on the grounds of Redundancy

The LGPS benefits employees have earned up to the date of leaving employment must be paid immediately without any early retirement reductions if employees are age 55 or over, have been a scheme member for at least two years, and the employer makes them redundant. This is a mandatory requirement of the scheme regulations.

TPAT must pay a mandatory capital cost to the scheme if required.

1.5 Early Retirement on the grounds of Business Efficiency – Support Staff

The Local Government Pension Scheme (LGPS) benefits you have earned up to the date of leaving employment will be paid immediately without any early retirement reductions if:

- you are age 55 or over;
- you have been a scheme member for at least two years; and
- you are retired on the grounds of business efficiency.

TPAT will consider any requests for early retirement on the grounds of efficiency of the service using the following criteria:

- 1.5.1 the capacity of the individual being considered for early retirement to make a continuing contribution to the work of the Trust;
- 1.5.2 whether the Trust's academic and financial objectives can more appropriately be achieved in respect of any individual by means other than early retirement;
- 1.5.3 how the individual's retirement would affect the age structure and promotion prospects of staff at the School;
- 1.5.4 the prospects for finding an adequate replacement bearing in mind the recruitment difficulties that exist in particular locations and disciplines; and
- 1.5.5 any capital cost payable by TPAT must be recovered within a period of no more than two years.

Headteachers wishing to support a potential efficiency retirement should submit a robust business case to TPAT HR. The Director of People Strategy will consider the business case presented, and importantly, the costs of the potential retirement. Requests are only likely to be agreed where there is a sound business case to support the application which can justify any costs.

TPAT LGPS Discretions Policy – Early Retirement on the grounds of Business Efficiency

The LGPS benefits employees have earned up to the date of leaving employment will be paid immediately without any early retirement reductions if employees are age 55 or over, have been a scheme member for at least two years, and the employer approves retirement on the grounds of business efficiency.

TPAT will only permit early retirement on efficiency grounds in truly exceptional circumstances and where the capital cost payment has been authorised by the Chief Executive Officer and TPAT Board of Trustees on the basis of a recommendation approved by TPAT HR, where it is clearly in the interest of TPAT both financially and operationally.

1.6 Flexible Retirement – Support Staff

From age 55, if you reduce your hours or move to a less senior position, and your employer agrees, you can take some or all of the pension benefits you have built up. You can draw your wages from your reduced hours or grade post and continue paying into the LGPS, building up further benefits in the scheme.

Where the Trust agrees to flexible retirement, the employee must take all of their pre 1 April 2008 benefits, plus some, all or none of their benefits accrued after 1 April 2008. Any extra benefits the member or employer had paid for via extra contributions will be payable in accordance with guidance issued by the Secretary of State. The 85-year rule automatically applies to flexible retirements (if the Scheme member is

subject to the 85-year rule), even when the flexible retirement occurs before age 60. If flexible retirement occurs before NPA, TPAT will not waive in whole or in part any actuarial reduction that would otherwise apply. Should TPAT agree to a request for flexible retirement, the employee will receive actuarially reduced pension benefits, as described in our [LGPS Discretions Policy](#).

TPAT LGPS Discretions Policy – Flexible Retirement

From age 55, if employees reduce their hours or move to a less senior position, and their employer agrees, they can take some or all of the pension benefits they have built up.

They can draw their wages from their reduced hours or grade post and continue paying into the LGPS, building up further benefits in the scheme.

TPAT allows flexible retirement with actuarial benefits.

1.7 Early Retirement on Compassionate Grounds - Support Staff

The Trust may permit early retirement on compassionate grounds in exceptional circumstances. These circumstances might include extreme financial hardship or the need to give up work in order to provide constant care for an immediate family member. TPAT may also consider early retirement on compassionate grounds where an individual has applied for ill health retirement and where this has been refused, but medical evidence received supports that the employee is not fit to work in the short and long term.

TPAT LGPS Discretions Policy – Early Retirement on Compassionate Grounds

TPAT will only permit early retirement on compassionate grounds in truly exceptional circumstances and where the payment has been authorised by the Chief Executive Officer and TPAT Board of Trustees on the basis of a recommendation approved by TPAT HR, where it is clearly in the interest of TPAT both financially and operationally.

1.8 Ill Health Retirement – Support Staff

If, after 2 years' service, you are retired on the grounds of ill health at any age by your employer, following advice from an occupational health physician, the benefits you have earned will become payable immediately without any reduction. The payment of this benefit may be reviewed after 18 months to determine an ongoing entitlement to payment. Potentially your benefits could be enhanced depending on the severity of your illness and the likelihood of your ability to return to work, as assessed by the occupational health physician. The maximum possible enhancement to your pension would be all the pension you would have earned up to your normal pension age.

1.9 Re-employment – Support Staff

If you are re employed with an employer who participates in the Local Government Pension Scheme (LGPS), it is important that you notify the Pensions Team of this new job. Do this even if you do not intend to join the pension scheme on your new post. They will then check to see if your pension will be affected by your new job.

The Pensions Team only need to know if you are employed with an employer who participates in the [LGPS](#). They do not need to know if you are re employed outside of local government, as this will not affect your pension.

If you rejoin the LGPS in your new post, you will build up further pension benefits which you will receive when you retire from your new post.

Help and Support – Support Staff

For further information about planning retirement, scheme changes, resources and online forms, please visit the Cornwall Pension Fund website at [Cornwall Pension Fund - Cornwall Council](#).

Benefits, Member Support Team and general enquiries:

✉ pensions@cornwall.gov.uk

📞 01872 324 324 option 2

Section 2 – Teachers – Teachers’ Pension Scheme

Teachers’ Pensions are responsible for administering the Teachers’ Pensions Scheme on behalf of the government. Their website helps teachers understand and manage your teacher’s pension, with a range of resources to support you including videos, frequently asked questions (FAQs), calculators and more.

You can use your ‘My Pension Online (MPO)’ to check in on your pension anytime and make sure everything is up to date. As your pension is one of the key benefits of your profession why not take the time to learn more about what it offers.

You must have two years’ service completed after 6 April 1988 or five years pensionable service completed at any time, to be able to receive benefits from the Teachers’ Pension Scheme. Your service may be final salary or career average or a combination of both. For example, if you have completed six months in the final salary scheme and then a further 18 months in career average, you will qualify for benefits. The earliest retirement benefits can be paid is age 55, unless you are granted ill- health benefits. Please note that the minimum pension age of 55 is set by the Government who have stated that they intend to raise it to 57 in 2028, and then keep it ten years below the State Pension age.

2.1 Normal Age Retirement – Teachers

Once you reach your Normal Pension Age (NPA) and providing you are ceasing all contracts of employment falling under the Teachers’ Pension Scheme, you can apply for your benefits. Where there is a contractual cessation of employment and the member plans to continue in pensionable employment / service after NPA, there must be a break in employment for at least one day before a person is re-employed. Alternatively, you can opt out of the TPS in respect of all employments covered by the regulations, so that the individual is no longer in pensionable service after NPA. If a member is in more than one employment, individual opt outs are required in respect of all employments covered by the regulations.

The payable date for benefits will be the first day of being out of all pensionable service. With regard to opting out, the opt out is effective from the 1st of the month following the date the opt out form is received by Teachers’ Pensions.

Please also be aware that benefits cannot come into payment until a person completes a retirement application form. If there is any delay in applying for the Age Retirement benefits, the Age Retirement award will be backdated to the earlier payable date and interest applied (if applicable).

If you continue in pensionable service after you reach your NPA your benefits will be paid from the last day of pensionable service. If you delay making your claim then your benefits will be backdated to your last day of service or when you reached your Normal Pension Age, whichever is the later. Any backdated payments will be paid as a lump sum and will be subject to tax.

If you have benefits in both final salary and career average and provided you’re out of service, you can also claim your career average benefits as well as your final salary benefits. Your career average benefits will be reduced because they are being paid before your normal pension age (NPA) in that scheme. If you wish you can leave these benefits until you reach your career average NPA and they’ll then be paid in full. If you’ve any unclaimed final salary benefits when you claim your career average benefits, you must take them too.

2.2 Early Retirement Benefits - Actuarially Adjusted Benefits – Teachers

You may claim retirement benefits if you are 55 or over, and have been in pensionable teaching employment on or after 30 March 2000. The minimum pension age is changing from 6 April 2028, when it will rise from age 55 to 57. Find out more about what this means on the Teachers’ Pensions website. If you apply whilst in service, Early Retirement Benefits (AAB) are paid from the day after the last day of pensionable employment.

If you retire early, your pension benefits will be actuarially adjusted as they're being paid out for a longer period of time than for which they were designed and costed. This means that you'll receive a smaller annual pension and lump sum than you would have done if you'd retired at your NPA.

You need to be aware that:

- If you're applying for Early Retirement Benefits (AAB) and you are still in teaching employment, you must cease all pensionable employment with the consent of your employer(s) before you can access your retirement benefits. The payable date will be the first day after you leave employment;
- If you choose Early Retirement Benefits (AAB), the actuarial adjustment will apply for your lifetime;
- If you've service in both final salary and career average schemes you have to take all your benefits at the same time;
- Your employer cannot withhold their consent for longer than six months from the date on which you request your pension benefits
- If you're out of pensionable service you can choose your payable date, but your benefits will not be paid any earlier than six weeks after the date you signed the application form. You'll not be eligible for pension payments during this six week period;
- If you re-enter any teaching employment during this six-week period your application will be invalidated;
- Your Benefit Statement does not take into account the reduction that applies if you take your pension early. You'll need to use the calculator on the TP website or through your 'My Pension Online (MPO)' account to gain an understanding of the pension that you might be entitled to receive.

2.3 Premature Retirement on the grounds of Redundancy - Teachers

Truro and Penwith Academy Trust does not offer premature retirement on the grounds of redundancy.

2.4 Premature Retirement on the grounds of Business Efficiency - Teachers

Employers are responsible for making the decision to grant premature retirement and for paying a portion of any pension and any lump sum.

If you're aged 55 or over, but have not reached your Normal Pension Age (NPA), Premature Retirement allows you to take your accrued pension benefits without a reduction. The minimum pension age is changing from 6 April 2028, when it will rise from age 55 to 57. It can only be offered to you by your employer if you're leaving on efficiency grounds. It's not an automatic right and is at the discretion of your employer.

If your employer is offering you the opportunity to take Premature Retirement, they'll provide you with the application form which you will need to be completed by both yourself and your employer (the Trust) and returned to Teachers' Pensions. If Premature Retirement is granted you'll receive an actuarially adjusted pension (and lump sum if applicable) from the Teachers' Pension Scheme, and your employer must pay the balance between the unadjusted pension and the actuarially adjusted pension (effectively the accrued pension at the date of retirement minus the Early Retirement pension that the Scheme will be paying). This is known as Mandatory Compensation.

Employers can administer the Mandatory Compensation themselves or opt for Teachers' Pensions to administer it on their behalf. If the employer opts to administer, then part of the pension (and lump sum if applicable) will be paid by Teachers' Pensions and part will be paid by your employer. The pension from any Mandatory Compensation paid by an employer cannot be commuted to receive any additional lump sum.

TPAT does not offer discretionary enhancement to pension benefits.

TPAT will consider any requests for early retirement on the grounds of efficiency of the service using the following criteria:

- 2.4.1 The capacity of the individual being considered for early retirement to make a continuing contribution to the work of the Trust;
- 2.4.2 whether the Trust's academic and financial objectives can more appropriately be achieved in respect of any individual by means other than early retirement;
- 2.4.3 how the individual's retirement would affect the age structure and promotion prospects of staff at the School;
- 2.4.4 the prospects for finding an adequate replacement bearing in mind the recruitment difficulties that exist in particular locations and disciplines; and
- 2.4.5 any capital cost payable by TPAT must be recovered within a period of no more than two years.

Headteachers wishing to support a potential efficiency retirement should submit a robust business case to TPAT HR. The Director of People Strategy will consider the business case presented, and importantly, the costs of the potential retirement. Requests are only likely to be agreed where there is a sound business case to support the application which can justify any costs.

TPAT will only permit premature retirement on efficiency grounds in truly exceptional circumstances and where the capital cost payment has been authorised by the Chief Executive Officer and TPAT Board of Trustees on the basis of a recommendation approved by TPAT HR, where it is clearly in the interest of TPAT both financially and operationally, and that it is agreed that it will improve the efficiency of the service.

2.5 Phased Retirement - Teachers

For Phased Retirement, entitlement arises where the basic conditions are met, including:

- agreement with the employer regarding the change to hours or role;
- the member being between the normal minimum pension age (currently 55) and before 75;
- the member being qualified for retirement benefits;
- a minimum reduction of 20% of the member's contributable salary compared with the salary prior to taking phased retirement;
- a minimum of 25% of the value of benefits being retained in the scheme; and
- either Condition 1 or Condition 2 being satisfied.

Phased Retirement conditions (Condition 1)

For members remaining in 'pensionable employment' or 'excluded employment' under the 2010 Final Salary scheme or 'eligible employment' under the 2015 Career Average scheme (ie any 'pensionable service' or 'opted out service'), the payable date is the date from which there is a relevant reduction in salary of 20%. The earnings post reduction are compared with the salary earned in the 12 months prior to the reduction in salary. An application for Phased Retirement must be received within 3 months of starting eligible employment at the reduced salary rate.

Phased Retirement conditions (Condition 2)

For members who take up or return to employment covered by the Teachers' Pension Scheme or take up other employment in the educational sector (except in an administrative role), the payable date is from the first day the member secures new employment in the new post or a role in education outside of employment covered by the Teachers' Pensions Regulations. Here, the out-of-service member must have a relevant reduction in salary of 20% compared with the salary earned in the previous post in the 12 months' prior to leaving service. A member has up to 6 months from the beginning of a break in employment to find further employment covered by the Teachers' Pension Scheme or an educational role (excluding that in an administrative capacity) at this reduced rate. An application for Phased Retirement must be received within 3 months of taking up the new employment.

Phased Retirement is currently available from age 55 where you can combine your pension with more flexible working schemes. You have the option to access your pension benefits from age 55, without having to give up work completely. The minimum pension age of 55 is set by the Government who have stated that they intend to raise it to 57 in 2028, and then keep it ten years below the State Pension age. Phased Retirement allows you to decide how much you wish to take of the benefits you have accrued - up to a maximum of 75% of your total benefits. You can take Phased Retirement without having a break in employment, but only if your pensionable salary reduces by at least 20% of the average salary you received in the previous 12 months. The reduction in salary has to be for a minimum of months, but we take any cost of living rises into account when checking. You can still apply for Phased Retirement if you've left employment, as long as you return to pensionable employment within six months of leaving and your new pensionable salary is at least 20% less than your previous salary. Again the reduction needs to be maintained for at least 12 months after you start your new employment. In both cases you must complete your election to take Phased Retirement within three months from the date your salary reduction starts.

This can happen if you could take a post with less responsibility or you could work reduced hours. You should be aware that:

- Your application for Phased Retirement must be made within three months of starting employment in a reduced capacity;
- You'll need to agree this scheme with your employer as they'll be required to provide confirmation of your salary reduction on your application form;
- The maximum pension you're allowed to take is 75% of the total value of your pension.

Please note this applies with further Phased Retirement applications; it's still 75% of the total value, which includes the value of the pension you've already received. So, a second or third Phased Retirement doesn't mean you can take 75% of the remaining "pot". If you take 75% at your first Phased Retirement, you'll only be able to take 75% of the new accrual (new pension built-up while still working during your Phased Retirement) as part of any second or third Phased Retirement. In the career average scheme you can exercise this option three times before final retirement but no more than twice before age 60 (under the final salary scheme only two Phased Retirements were permitted). If you have benefits in more than one scheme you can choose to take different proportions of each of your final salary and career average benefits.

2.6 Ill Health Retirement – Teachers

Ill-health Retirement can be taken if you become too ill to work during your teaching career. This can be taken before your Normal Pension Age (NPA) without the usual reduction applied to an early retirement pension. You can find out more about Ill-health Retirement in the Teachers' Pensions dedicated guide.

If you're ill, you may have to stop working before your Normal Pension Age. Before you apply for Ill-health Retirement you and your employer should arrange for occupational health support to look at ways to help you remain in or return to work. This might include reducing your working hours or taking on a role of lesser responsibility. Ill-health Retirement should be a last resort. There are some issues you need to consider before completing an application for Ill-health Retirement. It's up to you to provide any medical evidence to support your application. You or your employer will have to pay any fees associated with providing that evidence. If your medical condition is severe enough to warrant consideration of Ill-health Retirement, it will generally be expected that you'll have had the benefit of a specialist opinion during your illness. Your evidence will be considered by the Scheme's Medical Advisors, who'll make a recommendation based on their consideration about whether your application can be accepted or not. If there's insufficient evidence to allow the Medical Adviser to make a fully considered recommendation, your application for Ill-health retirement will not be accepted. They'll not seek further medical evidence to support your application. It's your responsibility to ensure that any evidence you provide is current and comprehensive.

Where you have already left service when you become ill and if you're no longer teaching you can download the two application forms you need. These are the:

- Ill-health Retirement form; and

- Medical information form.

You should then return both forms to Teachers' Pensions along with the detailed medical evidence supporting your application. If you left pensionable teaching within 12 months of submitting your application, the medical sections of your form still must be completed by your ex-employer. If you're not in pensionable employment, you'll have to pay for any costs incurred in providing medical evidence yourself.

If you are diagnosed with a terminal illness and if you've a life expectancy of less than a year, you can choose to take a lump sum payment instead of an Ill-health pension. You must ask for this when you apply for Ill-health benefits, because a pension can't be converted to a lump sum once it has come into payment. The lump sum payment will be approximately five times the pension you would be due. If you're below the age of 75 only the amount over your Lifetime Allowance, if any, will be subject to tax; if you're 75 or older it will be taxed as income. If you apply for, and receive, such a lump sum payment you no longer have a right to a pension. Should you make a recovery a pension will not be paid to you.

If you've a life expectancy of less than a year but haven't been in service long enough to qualify for Ill-health benefits (two years) you may receive a short service Ill-health grant, on the proviso that you have at least one year of pensionable employment.

2.7 Re-employment after Retirement

If a person returns to pensionable service or remains in eligible employment after opting out, the Age Retirement, Age ASAR and Premature Retirement pensions from the 2010 Final Salary arrangement will be subject to 'abatement'. Abatement does not apply to a pension from the 2015 Career Average arrangement, but where a member has pensions from both the 2010 Final Salary and 2015 Career Average arrangements, the Career Average pension will be used to assess whether a member's total pension and new salary exceeds their Salary of Reference. Where it does the Final Salary pension will be stopped or abated, but the Career Average pension will remain in payment.

Abatement is where a person's post retirement earnings in employment covered by the Teachers' Pension Scheme and the gross amount of pension paid in the tax year exceeds the member's index-linked 'salary of reference' in the relevant tax year. Depending on the person's level of expected re-employment earnings, the pension will either cease at the beginning of the tax year or at a point in the tax year when the indexed-linked salary of reference is exceeded. Abatement is assessed by means of Certificate of Re-employment or, for those where the employer is using MDC (Monthly Data Collection), by an automated process. Please note, however, that there will be instances where a Certificate of Re-employment is still required, even where MDC is being used. For example, where the member is in irregular part-time employment. Teachers' Pensions will inform the member and request that a Certificate of Re-employment is provided.

Abatement is not applied to Phased Retirement, but will apply to the final portion of benefits if they are taken after the NPA for those Final Salary arrangement benefits

There is no abatement applicable to Early Retirement (Actuarially Adjusted Benefits) in the 2010 Final Salary or 2015 Career Average arrangements.

2.8 Points to consider before opting out or taking up a new contract / new employment

A person should think carefully about opting out of all employments on or after NPA or taking up a new contract/new employment after a break of at least one day, thereby becoming entitled to benefits in the 2010 Final Salary scheme. Future benefits will accrue in the 2015 Career Average arrangement. It is recommended that a person seeks independent financial advice before undertaking these actions.

Matters to consider include:

- If the member has a new contract with an existing establishment after a break of at least one day, employment law should be considered regarding redundancy and employment rights. An employer may have a policy on breaks in employment and may require a break of more than a day (eg at least 7 days or 28 days, where the person is remaining with the same employer (these considerations

would not apply where a member does not join a completely new employer with a break of at least one day, or a member who opts-out of all existing employments on or after attaining NPA);

- Whether to opt back into the Teachers' Pension Scheme in respect of all, or if in multiple employment, some of the employments;
- A potential gap in service where the individual will not be covered for the 'Inservice' death grant;
- For transition members, the impact of the link to final salary in respect of their previous service in the 2010 Final Salary scheme and whether a reduction in salary in the future may impact on the best final average salary used to calculate their 2010 Final Salary pension benefits – will their 'best' salaries fall out of the best 3 consecutive years in the last 10 years calculation?
- For members with transition protection in the 2010 Final Salary arrangement, what the future benefits might be in respect of future accrual in the 2015 Career Average arrangement compared with retaining membership of the Final Salary arrangement; and
- For transition members who have moved into the 2015 Career Average arrangement, what the future pension benefits will be if they retain the salary link in the 2010 Final Salary scheme, where adjusted salaries earned in the 2015 Career Average arrangement are used to determine the best final average salary for 2010 Final Salary pension benefits.

2.9 Additional Service after Retirement (ASAR)

2.9.1 Age ASAR under the 2010 Final Salary Arrangement

To become entitled to an award of ASAR on or after NPA in the Final Salary Arrangement, a person in pensionable service who has qualified for further post-retirement benefits by completing one year of additional service can become entitled to ASAR benefits on leaving all teaching employment covered by the Teachers' Pensions Regulations. It is not possible to become entitled to Age ASAR Retirement benefits in the 2010 Final Salary arrangement by opting out on or after NPA.

2.9.2 Age ASAR under the 2015 Career Average Arrangement

To become entitled to ASAR on or after NPA in the Career Average arrangement, a person needs to have qualified for further retirement benefits ('requalified') by completing one years' further service. As well as becoming entitled to Age ASAR benefits on leaving all teaching employment, a member of the 2015 Career Average arrangement is able to opt out of pensionable service in order to become entitled to Age ASAR. This differs from the position in respect of the 2010 Final Salary arrangement, where a member must leave all eligible service in order to become entitled to benefits, ie it is not possible to opt out of the 2010 Final Salary arrangement and become entitled to Age ASAR benefits.

2.9.3 Early Retirement ASAR in Career Average and Final Salary

In both the 2010 Final Salary and 2015 Career Average arrangements, a member who has qualified for benefits with at least one years' re-employed service must leave all eligible employment in order to become entitled to Early Retirement ASAR.

2.9.4 ASAR where a transition member has pensionable service under the 2010 Final Salary and the 2015 Career Average Arrangements

Transition members are those with rights to benefits in both the 2010 Final Salary and 2015 Career Average arrangements. The same conditions stated earlier for Early ASAR and Age ASAR Retirement apply with regard to entitlement to ASAR benefits for 2010 Final Salary and 2015 Career Average members. The relevant payable dates will again depend on whether the person was or wasn't in pensionable / eligible employment when the application is made.

2.9.5 Late ASAR where a transition member with Final Salary and Career Average pension rights take their benefits after their NPA in the 2015 Career Average Arrangement


Where a transition member with ASAR rights in both the 2010 Final Salary and the 2015 Average Salary arrangements takes ASAR benefits after reaching their NPA in the 2015 Career Average arrangement, they will be able to opt out of the Career Average arrangement in order to become entitled to benefits from both arrangements. Similarly, entitlement to benefits will also arise on leaving all employment. There is no late retirement factor applicable in respect of Age ASAR.


Help and Support

For further information about planning retirement, scheme changes, resources and online forms, please visit the Teachers' Pensions Member Hub at [Member Hub | Teachers' Pensions \(teacherspensions.co.uk\)](https://www.teacherspensions.co.uk).

Member Helpline Contact Options:

 message securely via 'My Pension Online'

 0345 6066166

 'chat with us' icon on the right hand side of the TP website

 message on WhatsApp on 07545 932848