

Public Sector Pensions Authority

TC8 Application for Phased Retirement Benefits

Teacher's Superannuation Order 2011

This form is to only be completed by members of the Teacher's Superannuation Order 2011 who are applying to claim **Phased Retirement** pension benefits.

Please ensure you have fully completed this form, have signed and dated it, or it may result in your application being delayed. Please ask your employer to complete Section B of this form.

Before completing this form, you should read the Teacher's Superannuation Order 2011 Member's Guide, available at www.pspa.im, the Phased Retirement Factsheet and the Guidance Notes at the end of this form. If you are unsure how to complete any aspect of this form, please contact us at pensions@pspa.im, or call us on (01624) 685598.

Please complete using black ink and BLOCK CAPITALS.

Section A – To be completed by the Applicant

Part 1 – PSPA or Scheme Reference Number

Please enter your PSPA or scheme reference number

Part 2 – About Yourself

Title <input type="text"/>	Address <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>
Full Name <input type="text"/>	
Former Surname (if applicable) <input type="text"/>	
National Insurance Number <input type="text"/>	Email Address <input type="text"/>

Date of Birth
 / /

Part 3 – Verification of your Identity

Please indicate which you have enclosed:

- A certified true copy or original of my current passport
- A certified true copy or original of my valid driving licence

Part 6 – Members with ongoing past Added Years and Pension Elections

If you are currently paying contributions towards a Past Added Years election and are considering phased retirement, you must tell your employer as the additional contributions must cease. This does not affect requests to purchased additional pension as these can continue when your phased retirement begins.

6.1 Added Years Elections

Are you currently purchasing added years?

YES NO

If **YES**, please tick to show it is your intention to:

Pay the outstanding contributions prior to receiving your benefits

YES

OR

Accept the service purchased up to the date of retirement

YES

6.2 Added Pension Elections

Have you purchased additional pension?

YES NO

If **YES**, tick to show your decision:

Do you wish to continue paying contributions towards your additional pension?

YES NO

Do you wish to claim your additional pension now?

YES NO

If **YES**, do you want to accept the pension based on what you have paid to date?

YES NO

Part 7 – Your Lump Sum Choices

If you joined the scheme prior to 1 January 2007 please complete part 7.1.

If you joined the scheme on or after 1 January 2007 or joined prior to 1 January 2007 but had a “disqualifying break” of more than 5 years that ended after 31 December 2007 please complete part 7.2.

Part 7.1 – Only complete if you have a normal pension age of 60 (NPA60). You will receive an automatic one-off lump sum of 3x your annual pension. You have the option to take an additional lump sum by commuting or ‘giving up’ part of your pension.

Do you wish to commute part of your pension for an additional lump sum?

YES NO

If **YES**, please indicate below how much of your pension you wish to commute, you can specify an annual amount or tick the box to indicate you wish to commute the maximum amount allowed.

Amount per year in £'s

£

Or Maximum Allowed

Part 7.2 – Only complete if you have a normal pension age of 65 (NPA65). You will not receive an automatic one-off lump sum. You do have the option to take a lump sum by commuting or ‘giving up’ part of your pension.

Do you wish to commute part of your pension for a lump sum?

YES NO

If **YES**, please indicate below how much of your pension you wish to commute, you can specify an annual amount or tick the box to indicate you wish to commute the maximum amount allowed.

Amount per year in £'s

£

Or Maximum Allowed

Part 1 – to be completed in all cases

Closing Details of Higher Paid Post

Assignment/Payroll Number

Last date to which higher salary will be paid / /

Full-time annual salary rate: £

If part-time, actual part time salary paid: £

Opening Details of New Lower Paid Post

Assignment/Payroll Number

Full-time/Part-time

Start Date / /

Full-time annual salary rate: £

If part-time, full time equivalent rate: £

% Contracted hours

Part 2 – to be completed in all cases

This certificate must be signed by a responsible officer of the Department of Education, Sport and Culture in respect of all schools and other educational institutions. The certificate must be signed by a responsible officer within that governing body. This cannot be a member of the teaching staff.

Certificate

I certify that (i) there has been or will be a reduction in the member's contributable salary of 20% or more, from the start date specified above, as compared with the average rate of contributable salary for the 6 months prior to the end of the previous employment, and (ii) that this new reduced salary will not exceed 80% of the previous salary for a period of 12 months from the date of the salary reduction, ignoring standard pay increases.

Signature of Authorising Officer	<input type="text"/>
Name of Authorised Officer	<input type="text"/>
Position	<input type="text"/>
Telephone Number	<input type="text"/>
Date	<input type="text"/>
Official Stamp or Full Address	<input type="text"/>

Teachers' Phased Retirement Application Form – Guidance Notes for Applicants

1. Identity Verification Verifying your identity as given on the application form is part of the application process. All documents sent in by post will be returned to you promptly. If you prefer, you can call in to our offices in Douglas and we will take a copy of your driving license or passport.
2. You can take 2 phased retirements before final retirement. You can choose the level of benefits you want to take calculated up to the date of the reduction in your salary. But in each case your salary must be reduced by at least 20% and you must retain at least 25% of your benefits in the scheme.

Your future service will be added to your residual service in future retirement calculations. The percentage input at part 5 (1) of the form should represent the proportion of your total pensionable employment accrued up to the point of phased retirement, that you wish to be used in the calculation of your phased benefit. We'll deduct any service already used in the first phased benefit from this. Please see the examples which follows:

First phased benefit Total pensionable employment accrued up to the date of first phased benefit = 20 years. If you want to take 50% of your benefits, enter 50% in section 3 of the form. Your first phased benefit will then be based on 10 years of pensionable service.

Second phased benefit Total pensionable employment accrued up to the date of second phased benefit = 22 years. If you want to take 75% of your benefits accrued up to this second phased benefit, input 75% at section 3. Your phased benefit will then be based on 6 years 182 days (the calculation is 75% of 22 years = 16 years 182 days, less the 10 years used in the first phased benefit).

This means that the benefits paid at first phased benefit, together with those being paid at second phased benefit, represent 75% of the total benefits accrued at the point of the second phased benefit. Please be aware that if your phased retirement benefits are drawn before your normal pension age, the benefits will be actuarially reduced.

Final Retirement

The service to be used in your final retirement award will therefore be your total pensionable employment accrued up to the date of final retirement less the service used in the calculation of phased benefits.

If your final retirement is an Age or Premature retirement, and you later return to teaching employment, your pension may be subject to 'abatement' during that employment. More information on 'abatement' will be issued at final retirement.

3. To qualify for phased retirement benefits under the Teachers' Pensions Regulations you'll need 2 years of pensionable employment completed after 6 April 1988; or 5 years of pensionable employment at any time.
4. **If you were a member of the scheme before 1 January 2007 your benefits**, consisting of an annual pension and a standard lump sum based on reckonable service and average salary, are calculated as follows:

The annual pension is:

Accrual rate of $1/80\text{th} \times \text{Average Salary} \times \text{Pensionable Service} = \text{pension}$

The standard lump sum is 3 times your pension.

For members who joined after 1 January 2007 pension benefits are calculated as follows:

The annual pension is:

Accrual rate of $1/60\text{th} \times \text{Average Salary} \times \text{Pensionable Service} = \text{pension}$

There is no standard lump sum for post 1 January 2007 joiners.

Pensions are increased automatically in April each year under the Pensions (Increase) Acts, to maintain the link with changes in the cost of living.

5. You can convert part of your pension to receive a lump sum up to 25% of your fund value. The figure you get represents 25% of the fund value and is the maximum lump sum you may take –though you can take a lower lump sum if you wish. For every £1 of pension converted, £12 of lump sum will be paid.
6. The average salary. This is the salary used to calculate your benefits when you retire. The better of the following calculations will be used:
 - » The salaries for the last 10 years are increased to current day values using factors provided by Treasury. The average of the best consecutive re-valued salaries for 3 of those 10 calendar years is used; or
 - » The pensionable salary received in the last 365 days of pensionable service.
7. A maximum of 45 years of reckonable service is allowed in the calculation of pension and lump sum. Reckonable service includes all full-time pensionable service, any part-time service that commenced after 31 December 2006, any part-time service before 1 January 2007 covered by an election, any additional service brought under added years arrangements and any transferred in service.
8. If you're already paying for past added years or additional family benefits (and the payments won't be completed by retirement) you have the option of either accepting the service credit based on the payments made, or paying the remaining contributions. Any other outstanding contributions at retirement will automatically be deducted from your lump sum.
9. If you have purchased additional pension it will be actuarially reduced if this is taken before your normal pension age.
10. If a court makes an earmarking or pension sharing order or agreement against part of your pension entitlement, your retirement benefits will be reduced accordingly.

Where can I find more information? There is a scheme guide and a Phased Retirement Fact Sheet which you should read before completing this application. These documents along with more information on your pension scheme can be found on our website at www.pspa.im. Alternatively, you can telephone the PSPA directly on 685598.