

TP4 PHASED (Revised 14.11.07)

TR No:

Date of Phased Retirement		
Date	Month	Year
<input type="text"/>	<input type="text"/>	<input type="text"/>

For Teachers' Pensions Branch Use	
	Initials & Date
Screen 10 noted	<input type="text"/>
AO check	<input type="text"/>

APPLICATION FOR PHASED RETIREMENT BENEFITS

NOTE: This form should be given to the applicant at least **4 MONTHS** before the proposed date of phased retirement.

To be completed by the applicant

- You must complete Parts 1-13 of this form and send it to your employer who should complete part 14 or, where appropriate, should arrange for the remaining parts to be completed by your employing authority.
- If you have any difficulty completing this form you should contact your employer or Teachers' Pensions Branch.
- Please complete in **black ink** using **CAPITAL** letters.
- Please forward your original birth certificate to Teachers' Pensions Branch with this form.

PART 1 – PERSONAL DETAILS

1. Surname <input type="text"/>	2. Forename(s) <i>(in full)</i> <input type="text"/>
3. Maiden Name <i>(if applicable)</i> <input type="text"/>	4. Date of Birth <input type="text"/>
5. Title <i>(tick correct box)</i> Dr <input type="checkbox"/> Mr <input type="checkbox"/> Mrs <input type="checkbox"/> Miss <input type="checkbox"/> If other please indicate <input type="text"/>	6. National Insurance Number <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>
7. Your Present Address <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> Post Code <input type="text"/>	8. Name and Address of Employer* <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> Post Code <input type="text"/>
9. Your Home Telephone Number <input type="text"/>	10. Employer's Contact Name and Telephone No Name <input type="text"/> Telephone No <input type="text"/>
11. Your Mobile Number <input type="text"/>	
12. Your E-Mail Address <i>(Optional)</i> <input type="text"/>	

PART 2 – MARITAL STATUS / PROPORTION OF BENEFITS TO BE TAKEN

11. Marital status? *(tick the appropriate box)*

Married Single Widowed Divorced Judicially Separated

Civil Partner Partnership Dissolved/Revoked

If you are single and still in pensionable service, you may wish to nominate a financially dependent close relative to receive benefits in the event of your death. This has to be done while you are still in service.

12. If you are married or have registered a civil partnership please state -

Date of your marriage/civil partnership

Name of spouse/partner

Date of birth of spouse/partner

If you are single, widowed, divorced, separated or your civil partnership has been dissolved/revoked please state the name and address of your next-of-kin.

Name

Address

 Post Code

13. If you are divorced or your partnership has dissolved, has an order been made by a court against part of your pension and/or lump sum?

Yes No If yes, is this order for earmarking
or pension sharing

14. **PROPORTION OF BENEFITS TO BE TAKEN**

You can claim up to a maximum of 75% of your benefits, please state the percentage you wish to claim now:-

%

PART 3 – ADDITIONAL VOLUNTARY CONTRIBUTIONS (AVCs)

These are: -

- (a) Additional Voluntary Contributions with the Prudential
- (b) Free Standing Additional Voluntary Contributions with companies other than the Prudential.

14. Are you contributing towards an AVC or FSAVC scheme?

If Yes complete the details below and you should notify the company that you are taking receipt of your benefits from the Northern Ireland Teachers' Pensions Scheme.

If No go to Part 4.

Name of AVC or FSAVC Provider

Address of AVC or FSAVC Provider

Post Code

Policy Number

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PART 4 – MEMBERS WITH PAST ADDED YEARS / WITHDRAWN CONTRIBUTIONS

19. Are you currently purchasing Past Added Years?

Yes No

If, yes is it your intention to:

Accept the service paid for up to date of retirement or

Pay the outstanding contributions by means of a cheque payment prior to receiving payment of your benefits from the Northern Ireland Teachers' Pensions Scheme

20. If this is your first phased retirement, do you wish to repay your teachers' pensions contributions withdrawn before 1 June 1973.

Yes No

If yes, please complete form 'Reinstating Previously Withdrawn Contributions' which you can download from the DE website or obtain directly from Teachers' Pensions Branch.

Do you have pensionable service in another Teachers' Scheme of the United Kingdom, Isle of Man or Channel Islands? If No go to part 8

Yes No

If "YES", do you wish to have it transferred into the Northern Ireland Teachers' Pensions Scheme?

Yes No

Details of employment:

From (Dates:

 to

Name of Scheme:

Reference Number, if any:

Address of Scheme:

PART 7 – OTHER PENSION ENTITLEMENT

Do you have pension rights in –

another occupational pension scheme? Yes No

a private pension scheme? Yes No

If Yes to either question please provide details on separate sheet.

PART 8 – MEMBERS WITH ADDITIONAL PENSION

Have you purchased Additional Pension for personal benefits or personal and adult dependant benefits:

Yes No

If yes, which benefits did you purchase? Personal or Personal & Dependant

PART 9 – COMMUTATION TO LUMP SUM

Do you wish to commute part of your pension to a lump sum? Yes No

(NB: An election to commute part of your pension to a lump sum is irrevocable after benefits are put into payment)

If yes, please indicate from which pension(s) you wish to commute and how much:

	Max Allowed	OR	Specific Amount
Normal Retirement Pension	<input type="checkbox"/>	<input type="checkbox"/>	£ _____
Additional Pension	<input type="checkbox"/>	<input type="checkbox"/>	£ _____

PART 10 - LIFETIME ALLOWANCE

Will the total of your pension (before commutation) from the Northern Ireland Teachers' Pension Scheme and any other pensions currently in payment at retirement exceed £50,000 per annum?

Yes No

PART 11 – RECYCLING OF PENSION COMMENCEMENT LUMP SUM

If you are intending to use some or all of your lump sum to fund additional pensions savings with any other pension providers, special tax rules apply. This is known as “recycling”. If you are in breach of the recycling rules, you will have to pay an unauthorised payment tax charge of 40% of the retirement lump sum.

Please complete the following declaration:

I confirm that I do not intend to use any part of my lump sum to make contributions to the NITPS or any other pension arrangement. I will advise the Scheme within 30 days if this changes.

Signature..... Date:.....

If you do not confirm that you will not be using any part of your lump sum to contribute to this or any other pension scheme, we will not pay a lump sum.

PART 12 – CHECKLIST FOR APPLICANT

- Have you answered all the questions?
- Have you enclosed your own Birth Certificate?
- Have you checked the Bank Account Number?
- Have you checked the Building Society Roll Number?
- This form must be countersigned by your employer and employing authority.
- Have you signed and dated the declaration?

PART 13 – DECLARATION

1. I apply for the phased retirement benefits due to me from the Northern Ireland Teachers' Pension Scheme.
2. I have reduced the salary from my pensionable teaching employment by at least 25%.
3. I will advise Teachers' Pensions Branch of any salary increase within 12 months that results in a reduction of less than 25% of the previously higher salary rate
4. I understand that any overpayment of superannuation benefits, regardless of how it arises, shall be repayable.
5. I agree to inform Teachers' Pensions Branch of any change to my retirement date or to any other details I have provided on this form
6. I understand that if my existing benefits and benefits from the Teachers' Pension Scheme at retirement exceed the Lifetime Allowance at retirement, and I have no transitional protection certificate, the Lifetime Allowance charge will be paid and my benefits reduced.
7. I agree to inform Teachers' Pensions Branch if I increase my employment in teaching anywhere within the UK within the next 12 months
8. I confirm that I do not intend to use any part of my lump sum to make contributions to the NITPS or any other pension arrangement.
9. All the information provided on this form is, to the best of my knowledge, true and complete.

Signature:

Dated:

NATIONAL FRAUD INITIATIVE – PENSION/PAYROLL DATA

The Department of Education is under a duty to protect the Public funds that it administers and to this end may use the information held with your Payroll record/Pension benefits for the prevention and detection of fraud.

It may also share this information with other bodies administering Public funds solely for these purposes.

PLEASE PASS THIS FORM TO YOUR EMPLOYER FOR COMPLETION OF PART 14

PART 14 – CERTIFICATE TO BE COMPLETED BY THE EMPLOYER

Please note phased retirement benefits will not be paid until this section is completed and certified by the employing authority

15. Please give details of higher paid post

PREVIOUS HIGHER SALARY	£
LAST DATE THIS WAS OR WILL BE PAID	

16. Please give details of the new lower paid post

NEW LOWER SALARY	£
START DATE	
WORKING PATTERN	
NATURE OF DUTIES	

- + I certify that there has been a reduction in the member's contributable salary of 25% or more as compared with the contributable salary for the 6 months prior to the end of the member's previous employment.
- + I certify that this reduced new salary rate will not exceed 75% of the previous salary for a period of 12 months from the date of the salary reduction, ignoring standard pay increases.

Signed Name of officer in Capital Letters

Position

Date

Telephone number (include STD code) Extension

OFFICIAL STAMP

PLEASE SUBMIT THIS APPLICATION TO :

**Department of Education
Teachers' Pensions Branch
Waterside House
75 Duke Street
LONDONDERRY
BT47 6FP**

PART 16 – CERTIFICATE OF THE EMPLOYING AUTHORITY

(to be completed where the employer is not also the Employing Authority)

I note the phased retirement of this employee.

The Employing Authority has consented to the phased retirement and to the terms agreed by the employer and the employee.*

To the best of my knowledge all the information provided on this form is true and complete.

Signed:

Dated:

Position:

Employing Authority Stamp

Name of Employing Authority:

When completed and countersigned this form should be sent to: Teachers' Pensions Branch
Waterside House
75 Duke Street
LONDONDERRY
BT47 6FP

at least **3 months** before the intended date of retirement.

Telephone: (028) 7131 9000

Fax: (028) 7131 9190

****Delete where not applicable***

NOTES FOR GUIDANCE ON COMPLETION OF PHASED RETIREMENT FORM

1. To apply for phased retirement you must be aged 55 or over and your contributable salary must be reduced by at least 25% for a minimum of 12 months. The reduction may be due to either a reduction in the hours you work or in your responsibilities. Benefits are payable from the day after the reduction in your salary.

2. For members who are in multiple employments the reduction may be achieved by giving up one of your employments or reducing them all. Each employer is required to complete Part 14 of the application form.

3. You may choose how much of your benefits you wish to take calculated up to the date of the reduction in your salary. 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. You can take 2 phased retirements before final retirement but in each case your salary must be reduced by at least 25% and you must retain at least 25% of your benefits in the scheme.

Please note that if your phased retirement benefits are drawn before normal pension age, the benefits taken will be actuarially reduced.

4. As part of the application process, Teachers' Pensions Branch (TPB) must verify that a member's age is correct as given on the application form. You must include your birth certificate with your application. Please be aware that your application will not be processed until your date of birth has been verified. You may wish to provide this documentation to your employer before submitting the application form.

5. To qualify for retirement benefits under the Teachers' Superannuation Regulations (NI) you will need 2 years pensionable employment completed after 6 April 1988 or 5 years of pensionable employment at any time on or after 1 April 1972 (you need 10 years service if you left pensionable employment before 1 April 1972).

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

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

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

7. If you were a member of the scheme before 1 April 2007 you can convert, 'commute', 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 that can be paid is as follows:

$$\frac{(\text{Pension} \times 20) + (\text{lump sum} \times 20/12)}{4.6667}$$

If you joined the scheme on or after 1 April 2007 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 resulting figure represents 25% of the fund value and is the maximum lump sum you may take. To determine the additional lump sum you may have you must deduct your actual lump sum from this figure. For each £1 of pension commuted there will be £12 of lump sum paid.

8. If you are intending to use 30% or more of

your lump sum to increase your pension benefits, this could result in HMRC subjecting the whole of your lump sum to an unauthorized payment tax charge of 40% and a further 15% surcharge if the value of unauthorised payments exceeds 25% of your rights in the scheme. This recycling rule will not affect you if your lump sum does not exceed 1% of the Lifetime Allowance, which is explained in note 17.

9. **The average salary** is the salary used to calculate your benefits when you retire. The way it is calculated depends on when you retire.

If you were in service before 1 April 2007 and retire before 31 March 2009 the best of the following calculations will be used:

- 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; or
- The salaries for the last ten calendar years are increased using the Retail Prices Index (RPI). The average of the best consecutive three years' re-valued salaries in those ten calendar years is used; or
- The pensionable salary received in the last 12 months before the date of retirement.

If you retire after 31 March 2009 the better of the following calculations will be used:

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

10. **Salary restriction** - The salary used to calculate your retirement benefits may be restricted if your salary is increased more than 10% plus the standard increase during any financial year in your last 3 years of pensionable employment before retirement

and your last year's salary is used as the average salary and your employer is not prepared to meet the cost of the difference in benefits. If your employer pays the additional contributions, you will receive benefits calculated on the unrestricted salary. (NB: An election to commute part of your pension to a lump sum is irrevocable after benefits are put into payment)

11. 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 has been covered by an election, any additional service bought under the PAY or CAY arrangements and any transferred in service.

12 If you have teaching service in Scotland or England & Wales it may be possible to transfer this into the NITPS to be included in the calculation of your pension benefits.

13 If you are already paying for Past Added Years or additional family benefits (and payments will not be completed by retirement) you will be given the option of 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. Tax relief will only be granted on any payment received while you are in pensionable employment. Payment made by you retrospectively will not attract tax relief.

14. If you have purchased additional pension it will be actuarially reduced if this is before your normal pension age.

15. Modification is a reduction of £1.70 for each year of service prior to 31 March 1980 because of National Insurance provisions. This modified pension rate comes into effect when the state pension becomes payable.

16. If you have an earmarking or pension sharing order or agreement, made by a court, against part of your pension entitlement, your retirement benefits will be reduced accordingly.

17. **Lifetime Allowance** - The Finance Act 2004 introduced a single tax regime that

applies to all UK tax privileged pensions from 6 April 2006. This new regime introduced a "Lifetime Allowance", which is the total allowable value of benefits (both pension and lump sum) from all registered pension schemes. This excludes pensions payable from the state. The Lifetime Allowance (LTA) will be set at the following levels for the coming tax years:

2006/2007 £1,500,000
2007/2008 £1,600,000
2008/2009 £1,650,000
2009/2010 £1,750,000
2010/2011 £1,800,000

To assess whether you are affected the following formula should be applied to your benefits:

$$\frac{(\text{Annual Pension} \times 20) + \text{Lump Sum}}{\text{Lifetime Allowance}} \times 100 = \text{LTA}\%$$

If the percentage exceeds 100% you will be liable for the LTA charge unless you have a transitional protection certificate. If your benefits from all registered pension schemes currently in payment and your teacher's pension which is coming into payment is less than £50,000 per annum, please tick the 'No' box. If your benefits in payment and about to come into payment on the same date as your teacher's pension exceed £50,000 per annum, please tick the 'Yes' box. A further form will then be forwarded to you to complete. If an LTA charge is due, then NITPS will account for this by reducing your benefits.

18. For further information about the Northern Ireland Teachers' Pension Scheme you can visit the Department of Education website (www.deni.gov.uk).

19. Please ensure that you have completed all relevant parts of the form before signing the declaration. Without your signature and the date, the application is invalid and we cannot proceed with your claim.

20. Generally, you will be notified about your benefits before they are due to come into payment. Please try to avoid enquiring about the progress of your award, as this can cause delays in processing.

21. Benefits will be paid into your bank or building society account. It is extremely important that you ensure that the details are correct. For building society accounts you should quote the sort code (6 digits); account number (maximum of 8 digits) and roll number where applicable. If you are in any doubt, contact your branch for clarification. Please be advised that notifying us of changes to your banking details may result in late payment of benefits.

22. Data Protection Act 1998.

The Department of Education will use any information you provide in connection with the Northern Ireland Teachers' Pension Scheme 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 fulfill its duty to protect public funds, the Department of Education 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.

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

Contact us at:

**Teachers' Pensions Branch
Waterside House
75 Duke Street
Londonderry
BT47 6FP**

**Telephone: (028) 71319000
Fax: (028) 71319190
Web: www.deni.gov.uk**

