
SCOTTISH STATUTORY INSTRUMENTS

2014 No. 292

**The Teachers' Pension Scheme
(Scotland) (No. 2) Regulations 2014**

PART 4

Pension accounts

CHAPTER 7

Pensioner members' accounts

SECTION 5

Interpretation

Meaning of “full retirement earned pension”

66.—(1) The amount of full retirement earned pension is the sum of—

- (a) the amount of accrued earned pension calculated under regulation 44(3); and
- (b) the leaver index adjustment for that amount.

(2) In calculating the amount of full retirement earned pension, the leaver index adjustment is not applied to the amount of accrued earned pension if a transfer value payment is made or a cash transfer sum is paid in respect of the member's rights to that accrued pension before the end of the last active financial year.

Meaning of “full retirement additional pension”

67.—(1) The amount of full retirement additional pension is the sum of—

- (a) the amount of accrued additional pension calculated under regulation 44(4); and
- (b) the leaver PIA index adjustment for that amount.

(2) In calculating the amount of full retirement additional pension, the leaver PIA index adjustment is not applied to the amount of accrued additional pension if a transfer value payment is made or a cash transfer sum is paid in respect of the member's rights to that accrued pension before the end of the last active financial year.

Meaning of “phased retirement earned pension”

68. The amount of phased retirement earned pension is the sum of—

- (a) the amount of accrued earned pension calculated under regulation 45(2); and
- (b) the leaver index adjustment for that amount.

Meaning of “phased retirement additional pension”

69. The amount of phased retirement additional pension is the sum of—
- (a) the amount of accrued additional pension calculated under regulation 45(3); and
 - (b) the leaver PIA index adjustment for that amount.

Meaning of “standard reduction”

70.—(1) The standard reduction is 3% and applies in relation to a maximum of 3 years from age 65 to normal pension age.

(2) The standard reduction is applied when calculating the annual rate of pension payable to a member (P) who—

- (a) was an active member immediately before the entitlement day for a phased retirement pension, premature retirement pension or early retirement pension; and
- (b) on the entitlement day for that pension—
 - (i) has reached normal minimum pension age; but
 - (ii) has not reached normal pension age.

(3) If a retirement pension becomes payable to P on or after the date on which P reaches 65, the standard reduction applies in relation to a proportion, determined by the scheme manager, of the time left until P reaches normal pension age.

Meaning of “actuarial adjustment”

71. In these Regulations, “actuarial adjustment” means the actuarial adjustment that is applied when calculating the annual rate of pension payable—

- (a) to a member who, on the entitlement day for a pension other than an age retirement pension or an ill-health pension, has not reached normal pension age; or
- (b) to an active member who becomes a pensioner member after reaching normal pension age.

Meaning of “commutation amount”

72. In these Regulations, “commutation amount”, in relation to any pension, means the amount of pension exchanged for a lump sum under regulation 162, 165 or 168.