
STATUTORY INSTRUMENTS

2014 No. 512

The Teachers' Pension Scheme Regulations 2014

PART 4

Pension accounts

CHAPTER 7

Pensioner members' accounts

SECTION 1

Interpretation

Meaning of “full retirement earned pension”

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

- (a) the amount of accrued earned pension calculated under regulation 46(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 payment is made 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”

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

- (a) the amount of accrued additional pension calculated under regulation 46(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 payment is made 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”

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

- (a) the amount of accrued earned pension calculated under regulation 47(2); and
- (b) the leaver index adjustment for that amount.

Meaning of “phased retirement additional pension”

72. The amount of phased retirement additional pension is the sum of—

- (a) the amount of accrued additional pension calculated under regulation 47(3); and

- (b) the leaver PIA index adjustment for that amount.

Meaning of “standard reduction”

73.—(1) The standard reduction is 3% and applies in relation to a maximum of 3 years between age 65 and a member's 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”

[^{F1}**74.**—(1) In these Regulations, “actuarial adjustment” means the actuarial adjustment that is applied when calculating the annual rate of pension payable to—

- (a) 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) an active member or a deferred member who becomes a pensioner member after reaching normal pension age.

(2) In the case of an actuarial adjustment applied under paragraph (1)(b)—

- (a) the actuarial adjustment only relates to a period of pensionable service of the active member or the deferred member after reaching normal pension age; and
- (b) the actuarial adjustment must only be applied to the accrued earned pension of the active member or the deferred member that accrued before reaching normal pension age.]

Textual Amendments

- F1** [Reg. 74](#) substituted (30.11.2017) by [The Teachers Pensions Schemes \(Miscellaneous Amendments\) Regulations 2017 \(S.I. 2017/1084\)](#), regs. 1, **9**

Meaning of “conversion amount”

75. In these Regulations, “conversion amount”, in relation to any pension converted in part to a lump sum under regulation 168, means the amount of pension converted to a lump sum.

SECTION 2

Establishment of pensioner members' accounts

Pension accounts for active or deferred members who become pensioner members

76.—(1) When an active member becomes entitled to payment of a retirement pension other than a phased retirement pension in respect of any pensionable service—

- (a) the active member's account and any additional pension account must be closed; and
 - (b) a pension account for the pensioner member must be established (“the pensioner member's account”).
- (2) When a deferred member becomes entitled to payment of a retirement pension other than a phased retirement pension in respect of any pensionable service—
- (a) the deferred member's account and any additional pension account must be closed; and
 - (b) a pension account for the pensioner member must be established (“the pensioner member's account”).
- (3) The pensioner member's account must specify—
- (a) the amount of full retirement earned pension payable to the member, and for that amount—
 - (i) the standard reduction (if any);
 - (ii) the actuarial adjustment (if any); and
 - (iii) the conversion amount (if any); and
 - (b) the amount of full retirement additional pension payable to the member, and for that amount—
 - (i) the actuarial adjustment (if any); and
 - (ii) the conversion amount (if any).

Pension accounts for phased retirement members

- 77.—(1) On the entitlement day for a phased retirement pension—
- (a) a pensioner member's account must be established for the member;
 - (b) if the member is an active member, the active member's account must be adjusted by reducing the amount of accrued earned pension specified in that account by the phased retirement proportion;
 - (c) if the member is a deferred member, the deferred member's account must be adjusted by reducing the amount of accrued earned pension specified in that account by the phased retirement proportion;
 - (d) after the adjustment, Chapters 2 and 3 apply in relation to the member as if the amount of accrued earned pension specified in the active member's account or deferred member's account had always been reduced by the phased retirement proportion; and
 - (e) if the member has applied under regulation 94 to receive additional pension with the phased retirement earned pension, the additional pension account must be closed.
- (2) The pensioner member's account must specify—
- (a) the amount of phased retirement earned pension payable to the member, and for that amount—
 - (i) the standard reduction (if any);
 - (ii) the actuarial adjustment (if any); and
 - (iii) the conversion amount (if any); and
 - (b) the amount of phased retirement additional pension payable to the member, and for that amount—
 - (i) the actuarial adjustment (if any); and
 - (ii) the conversion amount (if any).

SECTION 3

Closure of accounts

Ill-health pension ceases to be payable

78. If an ill-health pension ceases to be payable under regulation 114 or 118, the pensioner member's account must be closed.

Phased retirement pension ceases to be payable

79. If a phased retirement pension ceases to be payable under regulation 97, the pensioner member's account must be closed.

Changes to legislation:

There are currently no known outstanding effects for the The Teachers' Pension Scheme Regulations 2014, CHAPTER 7.