



# Retirement

## STSS Members Procedure

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## General Scheme Information

Following the public sector pension reforms implemented on 1 April 2015 there are now two pension schemes for Teachers and associated professionals. These are the Scottish Teachers' Superannuation Scheme (STSS) and the Scottish Teachers' Pension Scheme (STPS) 2015.

Some employees will become members of the new scheme on 1 April 2015 or at a later date, while others will not. This will affect their eligibility for retirement options

*If you are unsure which of the below applies to you, please contact the Scottish Public Pensions Agency (SPPA), which administers both schemes, for advice.*

Full Protection Members	A person who, on 1 April 2012, was an active STSS member* and was within 10 years of their normal pension age (60 for 'existing members, 65 for 'new members').	Remains in STSS
Tapered Protection Members	A person who, on 1 of April 2012, was an active STSS member* and was more than 10 years but less than 13.5 years away from their normal pension age (60 for 'existing members, 65 for 'new members')	Remains in STSS at 1 April 2015 but enters STPS at a later date. (See <a href="http://www.sppa.gov.uk">www.sppa.gov.uk</a> for dates)
Transition Members	All active STSS members who as at 1 April 2012 were more than 13.5 years from their normal pension age.	Moves immediately to the new scheme (STPS) on 1 April 2015
5 year break	In the event of a Protection Member having a break of more than 5 years and rejoining the TPS, or drawing all their final salary benefits and then returning to pensionable service, they will enter the career average arrangements on 1 April 2015, or when they rejoin if that is later. Benefits would then be calculated in line with those for other transitional members.	

\* An 'active scheme member' on 1 April 2012 includes those either:

- In service, i.e. paying contributions and accruing benefits, on 1 April 2012; and
- Out of service on 1 April 2012 but still had accrued benefits in the scheme, and who return to paying contributions and accruing benefits within 5 years of having left service.

## STSS

### Definition of an Existing Member on 1st April 2007

Teachers who are current scheme members on 31 March 2007. Teachers who have been out of pensionable service for more than five years, but who return to teaching by 31st March 2008 will retain a Normal Pension Age of 60 (irrespective of the length of break in service). There will be a minimum period of 30 days reckonable service or 60 days pensionable employment that must be undertaken after a break in service. This is to allow teachers who have a subsequent break in service to return at a later date and retain Normal Pension Age (NPA) 60 in respect of their future service.

### Definition of a New Entrant on 1st April 2007

Teachers who enter the scheme with no previous pensionable service to their credit. Teachers who re-enter pensionable service after 31st March 2008, following a break of service of more than five years will be subject to the provisions that apply to new entrants (benefits already accrued would still be payable at age 60).

Normal Pensionable Age is the greater of the member's State Pension Age and age 65. You can find your State Pension Age at <https://www.yourpension.gov.uk/>. Members who transfer from STSS to STPS may have a different NPA for their STSS and STPA benefits.

## Retirement Options and Qualifying Criteria

Retirement Option	Employer Consent Required	Age	Service Required	Level & Timing of Pension Benefits
Age Retirement	No	Normal Pensionable Age (60/65/SPA)	As below	Immediate access to unreduced pension benefits.
Actuarially Reduced Pension	Yes (Cannot be withheld for more than 6 months)	55-NPA	In pensionable employment on or after 1st July 2002	Immediate access to reduced pension benefits.
Phased Retirement	Yes	55+ (- 75 CARE Scheme)	As below	Immediate access to unreduced pension. (Reduced if taken before NPA)
Premature Retirement	Yes	55 – NPA	As below	Immediate access to unreduced pension.
Ill Health Retirement	SPPA consent	Below NPA	As below	Immediate access to pension. Enhancement may apply.

Please note that for every retirement, whether employer consent is needed or not, the employee must complete an SPPA: (RET) form and send it to Payroll for completion and sending to SPPA. The form is available on the SPPA website at <http://www.sppa.gov.uk/>

Where employer consent is required, the employee must make an application on the appropriate internal form and have this approved prior to submitting the SPPA: (RET) form. Benefits will not be put into payment unless employer consent has been given.

## Qualifying Service

If a retiring employee does not have the required service to qualify for benefits, then pension contributions are reimbursed, benefits are deferred, or it may be possible to transfer pension rights into another scheme. *Please contact the SPPA for advice on the option(s) available.*

## STSS

Members qualify for benefits on retirement if they complete one of the following:

- Two years pensionable employment at any time after 5th April 1988, or
- Two years pensionable employment at any time, if in pensionable employment on 6th April 1988, or
- Five years pensionable employment at any time

Benefits can vary depending on whether the individual is an 'existing member' of the scheme or a 'new entrant'.

In the case of part time staff all benefits will be calculated in the same manner as for full time staff, but pro-rated in accordance with the number of hours worked. E.g. If an employee works half time for a year this counts as one year for qualification for benefits, but six months for calculation of benefits. Benefits are calculated on full time equivalent salary at the date on which the employee leaves/retires.

## STPS

Members qualify for benefits on retirement if they have two years' qualifying service.

Benefits are calculated based on the pensionable pay of the member in each year of membership.

**Please contact the SPPA for details of your qualifying service in STSS or STPA.**

## Retirement Options

### Age Retirement

Retirement at Normal Pensionable Age or over is known as Age Retirement.

Employees may retire and receive immediate access to unreduced benefits at their NPA, provided they have the required qualifying service. If continuing to serve as a teacher after NPA, an employee can remain in the STSS/ STPA until age 75 and may accrue further benefits. Benefits will be paid when the individual eventually retires.

STSS	
Existing Members	New Entrants
NPA is age 60. No actuarial enhancement to benefits for working beyond age 60	NPA is age 65. Actuarial enhancement to benefits for working beyond age 65).
STPA	
NPA is the greater of State Pension Age and age 65. If a member's SPA increases, so does their NPA.	

Members who transfer from STSS to STPS may have a different NPA for their STSS and STPA benefits. Such members will have to retire and leave the scheme in order to access their STSS benefits, and if they have not reached SPA will need to take any STPS 2015 benefits with a reduction for early payment or defer accessing them to a later date.

### Actuarially Reduced Pension

Teachers aged between 55 and NPA can apply to retire early, with immediate access to actuarially reduced benefits, provided they have the required qualifying service. The reduction takes account of the fact that benefits are paid earlier, and therefore potentially for a longer period, than would have been the case had the employee continued in employment. Reductions are based on the member's age and NPA. STPS members with NPA over 65 may arrange with SPPA to make additional contributions to buy out all or part of the reduction applying to years after age 65, but must do so within 6 months of joining the scheme.

STSS members must have been in pensionable employment on or after 1 July 2002.

This is a voluntary form of retirement and the decision to take actuarially reduced benefits is a matter principally for individual applicants.

Applicants will require their head teachers' consent, although such consent cannot be withheld for more than six months.

Please see the [Resource Pack](#) for an Application for Actuarially Reduced Pension and the [Actuarially Reduced Pension Fact Sheet](#).

### **Phased Retirement**

Phased retirement allows employees aged 55 and over to draw up to 75% of their pension benefits while remaining in employment and accruing further benefits. The employee's pensionable salary must reduce by 20% or more for at least 12 months, either due to reducing hours OR moving to a post of lesser responsibility. This option may be exercised twice prior to retirement.

#### **STPS members only may take a 3rd phased retirement if aged over 60.**

Pension benefits will be actuarially reduced by a factor dependent on age at phased retirement date, if employee is below normal pensionable age.

Employer's consent and certification of the reduction in salary are required.

The employer must certify that the post the teacher will take up will result in a reduction of at least 20% in their contributable salary received compared with the average annual rate of their contributable salary for the 6 months prior to the phased retiral date.

Please note that if your salary increases in the 12 months following Phased Retirement such that the condition of 20% salary reduction is no longer met, SPPA will consider your application void and your pension will be suspended. HMRC may apply for an unauthorised payment charge which is equal to 40% of the lump sum you received.

Further information is available from SPPA.

Please see the [Resource Pack](#) for an [Application for Phased Retirement](#), [Phased Retirement Fact Sheet](#) and [Phased Retirement Flowchart](#).

## Premature Retirement

If an employee aged 55 or over leaves pensionable employment on grounds of organisational efficiency, unreduced benefits will be granted. Please see the Resource Pack for an application form.

SPPA advise that Premature Retirement can only be offered to members if they are in pensionable employment when their retirement application is received by SPPA. Therefore, if the member is on nil pay or on a career break, employers cannot offer, nor grant, Premature Retirement.

Please see the [Resource Pack](#) for [Premature Retirement Fact Sheet](#), Application for Premature Retirement and [Premature Retirement Flowchart](#).

## Ill Health Retirement

A teacher who is under Normal Pensionable Age (NPA) and has to retire due to permanent ill health may make an application to the SPPA for ill health retirement benefits. Other avenues, such as redeployment, rehabilitation and other workplace adjustments, must have been explored. The application is initiated by the teacher.

Ill health benefits are paid at two different levels depending on the severity of the illness:

- **Total Incapacity Benefits:** Where the employee is permanently unable to teach and unable to undertake any other gainful employment, an enhancement of half the service they could have completed before NPA may be awarded.
- **Partial Incapacity Benefits:** Where the employee is permanently unable to teach but can do other work, no enhancement will be given.

The procedures in the Council's [Attendance Management Procedure](#) and guidelines should be followed as appropriate.

In cases of serious illness pension benefits may be commuted to a lump sum.

Those who do not have enough service to qualify for ill health benefits may apply for a short service incapacity grant, if they have at least one year of pensionable service.

No benefits are available to a teacher barred for misconduct, or under investigation with a view to barring.

Please see the Resource Pack for [Ill Health Retirement Fact Sheet](#).

## Uptake of Pension Benefits

### Additional Voluntary Contributions

Retiring teachers should discuss options for taking their AVC benefits with their AVC provider prior to retirement.

### Exchanging Pension for Lump Sum

Employees may commute part of their pension to receive a lump sum of up to 25% of their fund value. For each £1 of pension commuted, £12 of lump sum will be paid.

## Re-employment after Retirement

Your pension benefits may be subject to reduction or additional taxation if you return to employment with the Council, or any other employer that offers the same pension scheme, after having left on grounds of Retirement. If you are considering such employment, you should contact SPPA and HM Revenue and Customs for advice.

If you do return to such employment, you must immediately notify the SPPA, even if you do not become an active member.

A break of a day between accessing benefits and re-employment is always required.

## Pre-retirement Course

The Council runs a pre-retirement course which is open to anyone within 5 years of retirement.

If you wish to attend the course please book your place via Aberdeenshire Learning and Development Online (ALDO) at [Pre-retiral \(Face to face\) \(aberdeenshire.gov.uk\)](#), or email [training.courses@aberdeenshire.gov.uk](mailto:training.courses@aberdeenshire.gov.uk).

Please apply at your earliest convenience, or your preferred date may not be available.

Some information is also available on ALDO that can be accessed at [Pre-retiral \(aberdeenshire.gov.uk\)](#). You will need a username and password for ALDO. For new accounts, please contact [training.courses@aberdeenshire.gov.uk](mailto:training.courses@aberdeenshire.gov.uk).

## Further Information

Further details of the benefits provided by the Scottish Teachers' Superannuation Scheme or Scottish Teachers' Pensions Scheme can be found in the scheme guides or by contacting the Scottish Public Pensions Agency who administer the schemes as detailed below:

- By telephone on 01896 893000.
- Via the website at [Teachers | SPPA \(pensions.gov.scot\)](#)

Alternatively, any queries may be addressed in writing to:

Scottish Public Pensions Agency  
Teachers' Scheme  
7 Tweedside Park  
Tweedbank  
Galashiels  
TD1 3TE

**Please note that before taking any decisions regarding retirement it would be prudent and advisable to seek independent financial advice.**

**No financial advice can be given by your employer.**

For further advice and guidance on any of the above please contact [askHR](#).

## Document Revision History

Document Revision History					
Rev No.	Rev Date	Summary of Changes	Reviewing Team	Contributors	Next Review Year
001	01/04/2011	Creation of all Documents			
002	01/06/2012	Minor amendment to Phased Retirement			
003	18/08/2015	Format Update			
004	20/05/2016	Information updated to reflect changes to Pension Scheme and Pensions Discretions			
005	12/08/2024	New Format - Information updated to reflect changes to Pension Scheme and Pension Discretions	HR Operational	M Chapman	2025

Appendix One – The Resource Pack

**Resource Pack**

