

Guide to retirement options from the British Transport Police Force Superannuation Fund

This guide may be useful to you if you are in the British Transport Police Force Superannuation Fund ('the Fund') and are thinking of retiring. It covers the different types of retirement and the options that may be available to you, including:

- Types of retirement
 - Normal retirement
 - Early retirement
 - Late retirement
 - Ill-health retirement
 - Serious ill-health retirement
- Taking your benefits while working
- How a Protected Pension Age affects how you can take your pension
- I'm paying into the 1970 Section
 - A lump sum
 - Flexible pension
 - Extra pension for your dependants
- Options at retirement
 - I'm a 1970 Section member
 - I'm a 2007 Section member
 - I'm a CARE Section member
 - Additional Voluntary Contributions (AVCs)
- Important notes
 - Where to go for advice
 - Pension scams

Types of retirement

When you come to take your pension benefits, you are not restricted to doing this at your Normal Retirement Age (NRA). You could choose to take them earlier or possibly later if you would like.

Whenever you retire, you will receive a 4-weekly pension, based on your length of service and pensionable salary. The pension is payable for life, and you may be able to take a lump sum too.

Normal retirement

Your NRA is the age at which you can start taking your benefits without them being reduced or increased. NRA varies depending on what category of member you are:

Member category	Normal Retirement Age (NRA)
1970	55, or when you reach 30 years' membership if this is earlier and you have a Protected Pension Age of 50 (see below)
2007	55 for active members, 65 for preserved members
CARE	60 for active members, 65 for preserved members

Early retirement

You may be able to claim your benefits before you reach your NRA. This is known as early retirement.

If you choose to retire early, your benefits will be reduced if you're under your NRA. The amount of reduction depends on the early retirement factors (ERFs), that will be applied. You can find the ERFs for your section in your Member Guide. It shows the ERFs at different ages in full years. If you take your pension benefits on a date other than your birthday, the ERFs will reflect your age in years and months.

There are restrictions if you are planning to take your benefits and continue working (see the "Taking your benefits early while working" section below)

The earliest age you can retire is currently age 55, unless you have a Protected Pension Age (PPA) of 50. PPA 50 have those members who were active members of the Fund on 5 April 2006. See more in the section on 'How a Protected Pension Age affects when you can take your pension' below.

Late retirement

You do not have to take your benefits at your Normal Retirement Age.

As an active member you can continue to build your pension and will keep all the other benefits of being an active member until you leave, up to a maximum age of 75.

The Fund has different Maximum Pension Ages and maximum membership for the different categories of membership. You can see what these are and what your options are when you reach them here [Your Maximum Pension Age and maximum membership](#).

If you are a preserved member - that is if you have left the Fund or if you have opted-out of membership of the Fund - your benefits are automatically payable at:

Age 55 for 1970 category members

Age 65 for 2007 category members

If you are a CARE member, you can choose to take your pension after age 65, but before age 75. If you do this, late retirement uplift factors will apply. The late retirement factors will cover the period from your NRA (or the date you cease being an active member, if later) until when you eventually take your benefits.

Ill health retirement

If you have to leave the Fund due to ill health, you may be able to claim your Fund pension early – with no reductions for early payment, and a potential enhancement to your pension.

You are eligible if:

have at least 5 years' Fund membership
you are under your NRA, and
you leave BTP because of ill health

A medical expert chosen by the Trustee will provide a report on your condition and your ability to work in your current role or any other suitable roles outside of BTP. The Fund's Management Committee will then consider your application. More questions and answers about this can be found in the [guide for members applying for incapacity benefits](#)

Serious ill health retirement

If you have a life expectancy of less than one year, you may be able to take all your pension as a one-off lump sum. This will not affect any pensions payable to your dependents after your death.

Taking your benefits while working

It is possible to take your Fund benefits without leaving employment with the BTP. If you would like to do this, you will need BTP's consent and you must be at least age 55, even if you have a Protected Pension Age of 50. This is explained further in the section below.

How a Protected Pension Age affects when you can take your pension

If you were an active member of the 1970 Section of the Fund on 5 April 2006, you may have a Protected Pension Age (PPA) which gives you the right to apply for your benefits from age 50.

If you are a member of the Fund and do not have a PPA of 50, your earliest retirement age is 55.

If you have a PPA and wish to apply for your Fund benefits before age 55, you must also apply for benefits from any other periods of membership you may have in the Fund.

If you leave work and claim your pension benefits before age 55 and then start working again, you must leave a gap of at least one month if you return to BTP. If your new role is not materially different in nature to your previous role, then you must leave a gap of at least six months.

For more information about the PPA and the conditions that need to be met please see our [Protected Pension Age Read As You Need guide](#).

Options at retirement

I'm a 1970 Section member

As a member of the 1970 Section of the Fund you have the options below when you come to claim to your pension.

A lump sum

As a 1970 member, your membership automatically provides a lump sum along with your Fund pension.

However you can choose to either:

Take more lump sum and less pension

You can give up some of your annual pension to provide extra tax free cash.

Giving up £1 of annual pension would provide an extra £13 lump sum. You are usually able to take up to 25% of the value of your benefits (but no more than £268,275) as a tax-free cash lump sum.

OR

Take less lump sum and more pension

You can use some of your lump sum to buy extra annual pension. Giving up £13 of lump sum buys £1 of annual pension. However, if you are saving more towards your pension with BRASS, you must take a lump sum at least equal to the value of your BRASS fund.

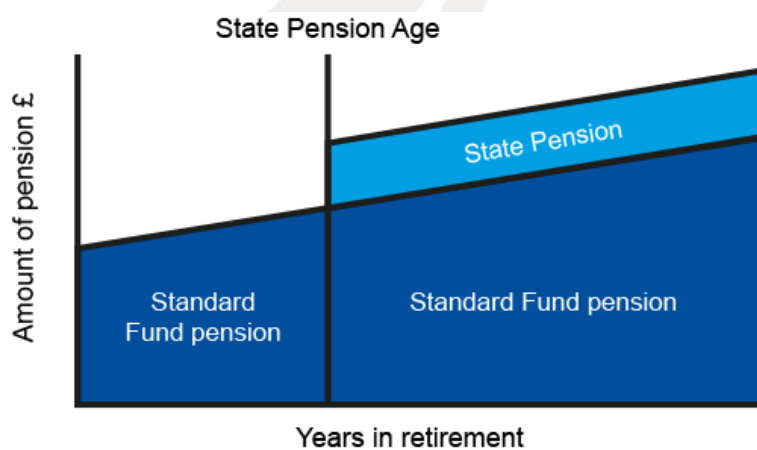
You do not have to choose the minimum or maximum lump sums– you can take a pension and lump sum anywhere in between.

Flexible pension

If you take your Fund benefits before you reach your State Pension Age you may choose the flexible pension option. If you do, you can choose whether to have a lower starting pension that increases when you reach your State Pension Age, or a higher starting pension that reduces when you reach your State Pension Age.

No flexible pension option

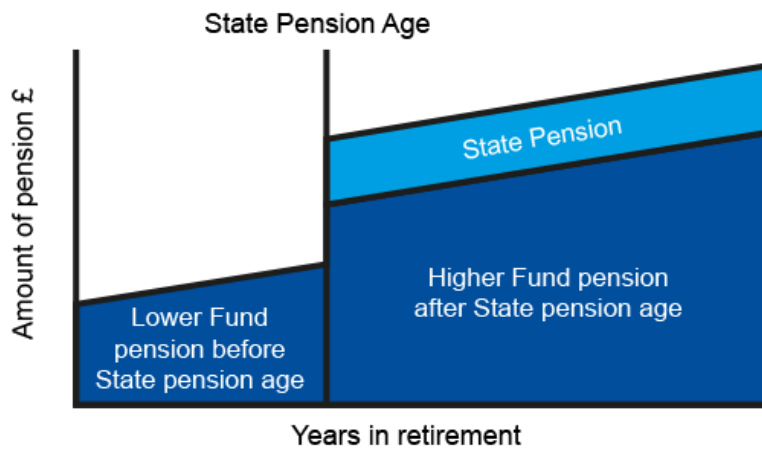
If you do not choose a flexible pension option, your Fund pension starts at its standard level and increases in line with inflation throughout your retirement as shown below:



Assumes Fund pension and State pension increase in line with inflation

Flexible pension option A

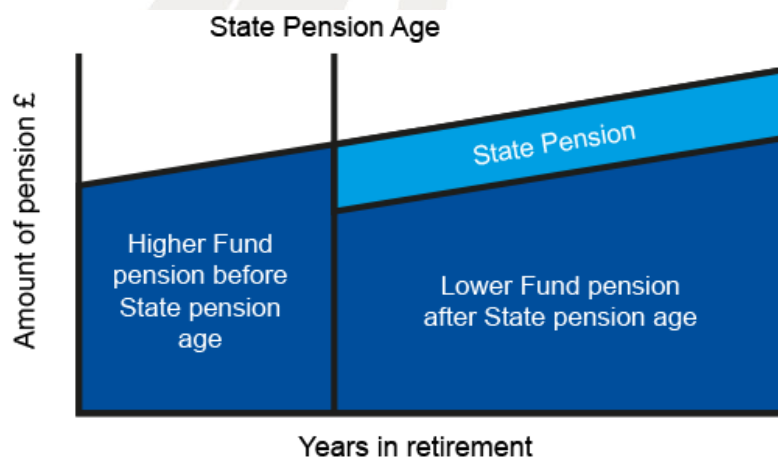
Flexible pension option A provides a lower Fund pension when you retire, then a higher Fund pension when you reach State Pension Age. This may be appropriate if you plan to take up another job when you take your benefits from the Fund.



Assumes Fund pension and State pension increase in line with inflation

Flexible pension option B

Flexible pension option B provides a higher Fund pension when you retire, then a lower Fund pension when you reach State Pension Age. This aims to smooth or level out your income throughout your retirement as shown in the diagram.



Assumes Fund pension and State pension increase in line with inflation

Extra pension for a named dependant

A pension will be paid to your eligible dependants who qualify when you die, but you can also choose to give up part of your pension to increase the amount of pension your named dependant would receive on your death.

The dependant's pension is increased by 15%, from 50% of your basic pension (i.e. before you exercised any options) to 65%. How much your pension is reduced by depends on the age and sex of you and your dependant. These payments will continue until your dependant dies. However if your dependant dies before you, you cannot name a second dependant and your pension will not be increased.

I'm a 2007 Section member

As a 2007 Section member, your membership automatically provides a lump sum as well as a pension. However you can choose to use some of your lump sum to buy extra annual pension.

The cost of buying extra pension depends on your age and sex. You can request an estimate of your benefits which will show you the maximum additional pension under this option and what effect it would have on your lump sum. You do not have to choose the minimum or maximum – you can take a pension and lump sum anywhere in between.

I'm a CARE Section member

As a member of the CARE Section of the Fund you do not earn a lump sum as well as a pension, but you can choose to give up some of your pension to provide a lump sum if you wish.

How much lump sum is provided by giving up £1 of pension depends on your age and sex.

You can request an estimate of your benefits which will show you the maximum additional lump sum under this option and what effect it would have on your pension.

You do not have to choose the minimum or maximum – you can take a pension and lump sum anywhere in between.

Additional Voluntary Contributions (AVCs)

BRASS

If you're a 1970 section member, you may have saved extra towards your Fund pension with the BRASS AVC arrangement. If this is the case, your BRASS pot will be combined with your Fund benefits when you retire. It will also be included with your benefit amounts whenever you request an estimate.

AVC Extra

If you're a member of the 2007 or CARE section, or if you are a 1970 section member and you have reached the BRASS contribution limit, you may have paid into AVC Extra. When you come to claim your pension, your AVC Extra pot will not be combined with your Fund benefits. Instead you need to decide what you want to do with your AVC Extra pot. You can find information [in the Read As You Need Guide on AVC Extra](#).

Important notes

It's important that you understand the different options available to you when you're ready to claim your Fund pension and benefits, and can choose the best ones for your needs.

More information about BRASS and AVC Extra can be found in the respective Read as You Need guides:

- [A guide for members of BRASS](#)
- [A guide for members of AVC Extra](#)

Before making any decisions about your future, we recommend you seek independent guidance and advice.

You can find information about how to choose an Independent Financial Adviser (IFA) at [MoneyHelper.co.uk](https://www.moneyhelper.co.uk)

You can also find IFAs in your local area at [unbiased.co.uk](https://www.unbiased.co.uk)

Where to go for advice

We strongly recommend that you take independent financial advice, from a suitably qualified adviser who is registered with the FCA, before making a decision about how and when to take your benefits.

A financial adviser can offer advice on the most appropriate retirement options for your circumstances.

Liverpool Victoria (LV) has been carefully chosen to give Fund members access to financial advice. You can contact Liverpool Victoria on: 0800 0234187.

MoneyHelper

MoneyHelper from the Money and Pensions Service (MaPS) brings together the support and services of three government-backed financial guidance providers: Money Advice Service, The Pensions Advisory Service and Pension Wise.

It offers free support on a wide range of financial matters, online and over the phone. This covers a variety of pension topics, including:

- Auto enrolment
- Building your retirement pot
- Pension problems
- Pension basics
- State Pension
- Taking your pension
- Tax and pensions
- Pensions and retirement

For more information visit [moneyhelper.org.uk/en/pensions-and-retirement](https://www.moneyhelper.org.uk/en/pensions-and-retirement)

Pension scams

If you are claiming or transferring your benefits then you should be aware of scams.

In particular, beware of people contacting you out of the blue wanting to discuss your pension, or adverts claiming to offer 'free pension reviews', a 'one-off investment opportunity' or a 'legal loophole'. Once you have invested or transferred your benefits to one of these organisations, it is often too late to do anything about it.

You could lose your entire pension savings and be asked to pay a large tax bill as well.

For further information about pension scams, visit [thepensionsregulator.gov.uk/pension-scams](https://www.thepensionsregulator.gov.uk/pension-scams)

All firms offering financial products or advice should be registered with the Financial Conduct Authority (FCA). If you are unsure about a firm that has contacted you, use the FCA's online register to check if the firm is registered at [fca.org.uk/register](https://www.fca.org.uk/register) or call 0800 111 6768 (or +44 207 066 1000 from abroad).

Disclaimer

The information provided in this leaflet is intended for general information and illustrative purposes. It does not constitute investment or any other advice, and it is not intended to be a substitute for information and statements provided by Railpen Limited (Railpen). It should not be relied on to make investment or other decisions. Railpen gives no warranty and accepts no responsibility for the accuracy of any information provided, or for your reliance on that information. Your benefits will be worked out in accordance with and subject to the governing trust deed and rules.

Although every effort has been made to ensure that the information given in this leaflet is accurate, none of the information given can give you legal rights to benefits that differ from those provided in the pension trust and rules.

Helpline: **0800 012 1117**
Website address: **www.btpensions.co.uk**
Last reviewed: **November 2024**

We recommend that you get independent financial advice before making any important decisions about your pensions arrangements.