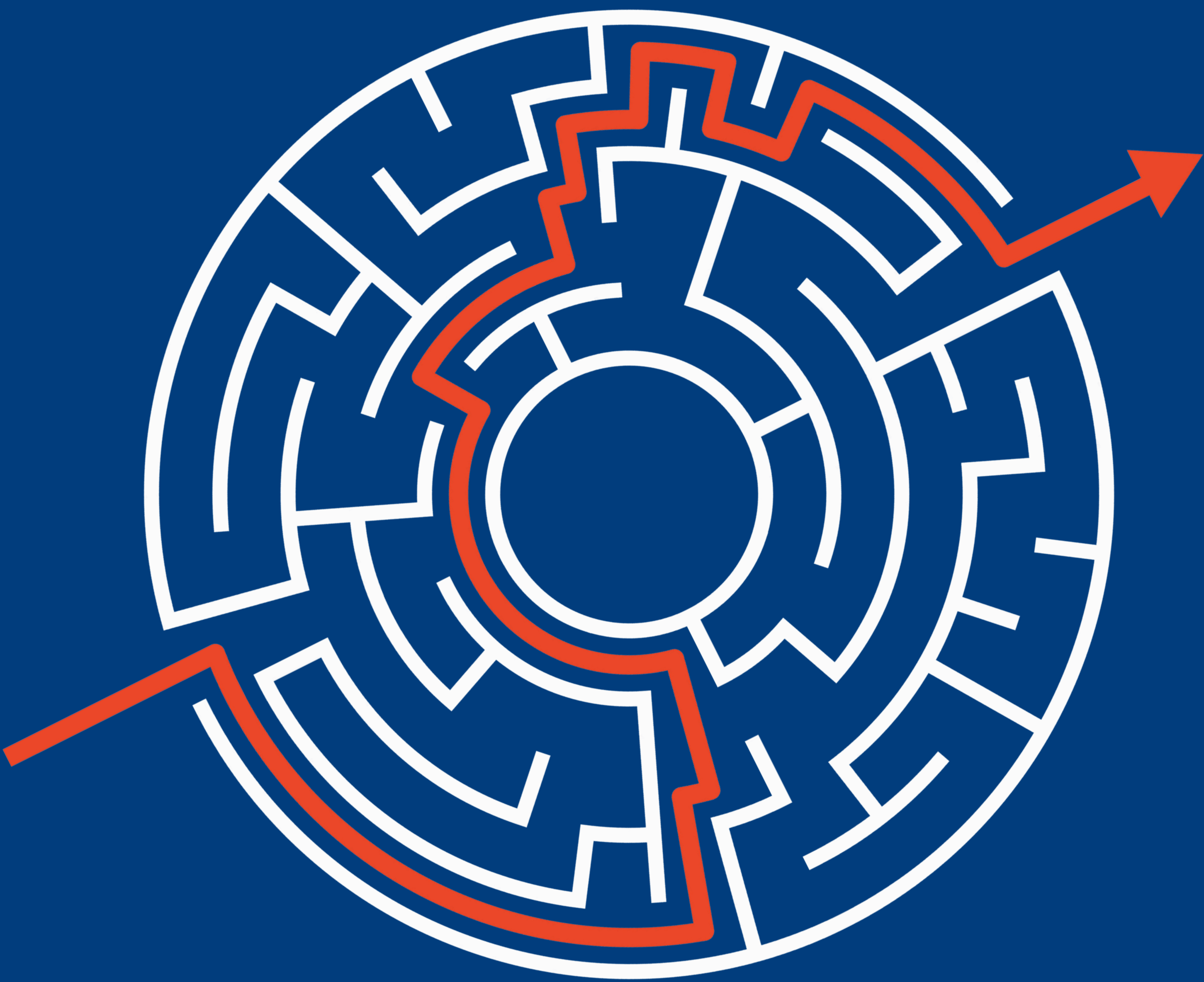
Moving On:
The ASCL Guide to Retirement



June 2024

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Foreword

Welcome to Moving On: The ASCL Guide to Retirement

The purpose of this booklet is to provide some information and offer advice from the Associates Committee for those preparing for retirement.

We are grateful to former ASCL Associates Committee members Robert Godber and John Horn (who sadly passed away in spring 2024), who coordinated the shared perceptions of colleagues on the Associates Committee. Also, our thanks to Jacques Szemalikowski, ASCL Conditions of Pay and Conditions Specialist: Pensions, for his work in supporting members and updating this document.

We hope you will find the content helpful and would like to wish you, when it comes, a long and happy retirement.

Moving On: The ASCL Guide to Retirement: June 2024

This booklet is reviewed regularly and revised as appropriate. It contains information which we believe will prove useful to its audience but be sure to speak to an independent financial adviser about your personal circumstances.

1
Timing Your Decision

A decision about when to retire will be influenced by many factors.

Pension

This is complicated by changes made to Public Sector Pensions following the 2012 Hutton Review. Subsequent to its phased implementation over 2015-2022, the way in which the Reformed Scheme was implemented was deemed discriminatory on age grounds. Consequently, as well as everybody contemplating retirement having at least two parts to their pension, this illegality had to be remedied. This is called the Transition Remedy and covers the period 1 April 2015 to 31 March 2022 for those in the Teachers' Pension Scheme (TPS). For colleagues in the Local Government Pension Scheme, (LGPS), the remedy applies from April 2014 and is somewhat simpler.

Anyone who was in the TPS on 31 December 2006 will have a normal pension age (NPA) of 60 for the first part of their pension covering accrual up to 31 March 2022. Those who **first** joined from 1 January 2007 (or rejoined with more than a five-year break), will have a tranche of pension with an NPA of 65.

Although the legacy schemes closed to all further accrual on 31 March 2022, all legacy scheme accrual is fully protected, inflation-linked and is still linked to members' real final average salary in the usual way.

From 1 April 2022, all accrual is the reformed scheme, which is based on your actual salary over the year and called a Career Average Revaluated Earnings (CARE) Scheme. This has an NPA of 67, being linked to the state pension age.

Members considering retirement will clearly be able to see how both the reformed CARE scheme and legacy final salary schemes make up their total pension by going onto My Pension Online (MPO) on the TPS website and scrutinising their Annual Benefit Statement (ABS).

The remedy for transitional protection in the TPS will apply if you were a member of the TPS on 31 March 2012, and still a member at any time during the transition remedy period of 1 April 2015-21 March 2022. For those in scope (whether working, planning to retire, or already retired), you will be offered a one-off binary choice covering service in the remedy period April 2015 to April 2022. This will be at the time at which you take your benefits. The choice will, for April 2015 to April 2022, be whether you still want those seven years to be in your legacy scheme as currently presented, or would you rather have those years accrued in the reformed CARE scheme. You will receive financial illustrations for both and may wish to consider independent financial advice. Do not assume the "old" legacy scheme is better; it may not be. It all depends on your salary pattern and, importantly, how old you are. However, please note that if you are under your first NPA (60/65) you must take all parts together, whereas if you are at your first NPA you may choose to defer the part(s) with an older NPA.

If you are a colleague in the LGPS, your pension may also have several parts to it. There are also two legacy schemes (pre-2008 and pre-2014), both with a NPA of 65, and a reformed CARE scheme from 1 April 2014 (NPA 67). For the transition remedy, those in scope will have been in the LGPS on 31 March 2012, and still in on 1 April 2014. The remedy is different, with an underpin being extended to all in scope for the LGPS Remedy Period (1 April 2014 to 31 March 2022), guaranteeing no detriment for that period due to transition

Many more ASCL members now take their pension before their NPA. Pensions can currently be taken with actuarial adjustment (ARB) from the Normal Minimum Pension Age (NMPA) of 55. This NMPA is likely to rise to 57 in 2028. The reduction is approximately 3-4% for each year before NPA. ARBs vary slightly between the different parts of the schemes, but up-to-date tables are available on the Government Actuary Website as well as the useful ready reckoners on the TPS/LGPS websites. This applies to both pension annuity and tax-free pension commencement lump sum.

If you are considering early retirement, do not be put off by a minor reduction in your pension; look at what you will get, not what you will lose. The issue is quality of life. In addition, you will be getting your pension and lump sum early and you will only start making an accounting loss from your pension after a number of years of retirement. (Equally, do not be put off working longer if you love your job!).

Pensions can be awarded by an employer from the NMPA, known as Premature Retirement (PRC), but this is negligibly rare as it is costly to them. Ill-health retirements can be awarded at any age, in which case you will have sought ASCL advice. If you are an LGPS member whose job is made redundant, and you are over NMPA, you are further entitled to an unreduced pension. Again, ASCL advice is crucial.

Once you take your benefits you can go back to work but you must be out of employment on the day that you take your benefits. However, you must be careful regarding rules on abatement, about how much you can earn if you go back to pensionable employment in education (even if you are then not paying contributions). The day that you stop work and the day your benefits are payable do not have to be consecutive; indeed, below NPA it is not uncommon to take a break and do other work for a while. Broadly speaking though, your legacy scheme pension plus your salary cannot exceed your salary of reference – usually your final salary. Abatement does not apply to any post-retirement work that is not pensionable under your scheme, for example consultancy, or Ofsted. Moreover, abatement does not apply if you take your pension before your first NPA.

Pensions are index linked and consequently inflation proof. If you delay taking your benefits, the indexation of your pension starts from your last day of service.

Stepping down to a lesser-paid post, even up to seven years before you wish to take your benefits, will not necessarily result in a significantly smaller pension.

Under these circumstances, the legacy (final salary) part of your pension, now valid until April 2022 if you are in scope, will be calculated using the average of the best-inflated, consecutive 1,095 days' salary in the last ten for TPS and thirteen for LGPS. Obviously, your reformed scheme CARE pension accrual will be reduced accordingly as it is based on your actual earnings. This is a way of easing your work demands before retirement without adversely affecting your pension. However, if you plan to do this, please seek advice.

'Phased Retirement' also permits you to step down, either by going part-time or in responsibility level of post, and take some of your pension early, taking the balance later with further service added.

Your pension will be based on the number of years in contributory service, up to prescribed limits, your age relative to NPA, and your salary. If accessing your benefits before NPA, you can use the calculators on the Teachers' Pensions website to check the actuarial reduction on your pension.

Personal considerations

Responsibilities (including dependants, family members' health) will affect the timing of your decision. So will your financial situation. Remaining in post for a while longer may bring further pay rises, yet you may find that you are able to retire sooner and still sustain the standard and style of living you want.

Quality of life is another consideration. After meeting the intense demands of school, college, trust or business leadership, possibly for many years, the attraction of increased leisure time or a mixed portfolio of activities may become irresistible at some point. Sometimes it is possible, and may be desirable, to step down to less demanding work without immediately accessing your pension.

It is difficult to do justice to a demanding job without good health and any significant personal health issues may need to be the overriding consideration in any decision. Most of us would set great store by an enjoyable and lengthy retirement. There are clear criteria for the granting of ill-health retirement. Members whose ability to continue work is threatened by ill-health should contact the **ASCL Hotline** for advice.

The professional context may influence any of the above. For a variety of reasons, a governing body may want a postholder to remain a while longer, while in other cases people find retirement thrust upon them.

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Retirement Process: What to do

Once you make the decision to retire, there are several steps you will need to take. The most important is to make sure your service record is complete. Many members find they have missing service, particularly around maternity leave or when changing employment. Some may be legitimate, reflecting industrial action, a career break or a secondment. Often however, mistakes are found. It is essential to resolve such matters before starting the retirement process. The further back any gaps in your employment history, the harder they are to fix. Only your employer at the time can fix these, so the further back you go, the harder it is to sort out. If at all possible, give your governors ample notice of your intentions, so that they can plan the appointment of your successor within a reasonable time frame. Remember that the appointment of quality senior leaders is not easy these days and time for two attempts is appreciated. Ultimately, though, this is not a deal-breaker; it's about you.

If you want your benefits payable before NPA, your employer could insist on six months' notice from the date that you sign the application form, but usually normal resignation notice is sufficient.

About six months before your retirement date, you should make an application for retirement benefits to TPS/LGPS, using the correct online form depending on your age and situation. In the case of TPS, you will be contacted thereafter about your one-off, no-detriment choice covering the transition period as applicable.

Applications for retirement on grounds of ill health should be made through the employer before the anticipated end of paid sick leave or within six months thereafter. Once normal pension benefits have been taken, no application for ill-health enhancements can normally be made. You are strongly advised to seek ASCL support when making an ill-health retirement application.

You should clarify your position with regard to your state retirement pension. Retirement ages are rising in terms of the State Pension, Check on the gov.uk website for your state pension forecast.

When you have reached state pensionable age, the Department of Work and Pensions (DWP) should send you a claim form three months before your retirement date. If you are below state pension age, you will find it useful to obtain a state pension forecast by checking on Government Gateway (you will need to register), applying online at **www.thepensionservice.gov.uk** using a BR19 form from the Post Office, or by telephoning the Pension Forecasting Office. You will get a statement of your qualifying contributions and a forecast of the state retirement pension you are likely to receive.

From April 2016, with the introduction of the single tier state pension, you will need 35 years NI contributions to qualify for a full state pension. You will have been contracted out of the Second Higher Tier state pension up to April 2016, and eligible only for the Basic State Pension. This kept your contributions down. However, service from April 2016 counts towards the higher rate, and most colleagues will find themselves now approaching this. You may defer taking your state pension, which, when it is eventually put into payment, would add 0.5% to your state pension for each five weeks of deferment.

TP/LGPS will arrange for any automatic lump sum to be paid directly into your bank account on the first working day after your retirement. Your pension payments will be made monthly in arrears. It may take two or three more months for income tax adjustments to be made. You should have a clear idea of your net income after about three months.

Pension increases are usually announced in January, based on the previous September's consumer prices index (CPI), and paid from the following April. It may take a little longer before you can see exact net increases. The increase you receive will be based on the proportion of months in the previous financial year during which you have been retired.

Your monthly pension payslips and P60s can be viewed through your TTPS/LGPS portal. Many useful publications are available from the TP/ LGPS websites especially Retirement Arrangements and Planning.

It is possible to commute (convert), some of your annual pension into more tax-free lump sums. You may need the advice of a financial adviser to decide whether or not to do this. The **ASCL Pay and Conditions Specialist: Pensions** can provide a list of factors to take into account. You must commit at the time of application for your pension.

Using the lump sum to buy additional pension, or 'tail-swallowing', is not usually recommended as, at this late stage, it is relatively expensive and you may not have enough higher rate tax to set against all of your payment. Pension payments without tax relief do not give such a good return. It is more tax efficient to use savings to buy pension in a full tax year of high earnings, although the growth in your annual pension is limited to HMRC's Annual Allowance (currently £60,000 pa). There may be more productive and flexible uses of the money available. If you make a large pension contribution within the three years before retirement or using the lump sum, you must be careful of HM Revenue and Customs' rules on recycling (you cannot, in general, use proceeds which have already benefitted from tax relief to purchase more pension).

Those who have bought Additional Pension do not have to take that pension at the same time as their main pension if they are under NPA. They can wait for NPA when it will be worth more.

You must take Past Added Years at the same time as your main pension. If you have not completed your contributions, you will either have to make up the deficit with a lump sum or accept reduced additional reckonable service. Added years can no longer be purchased. Additional pension has to be purchased in units of £250 per annum extra pension up to a maximum of approximately £7,000, varying slightly between schemes.

Linked Additional Voluntary Contributions (AVCs) are normally taken at the same time as TPS/LGPS benefits but they can currently be taken at any time between the ages of 55 and 75.

Normally independent financial advisers (IFAs) advise that you take 25% of your AVC fund as a tax-free pension commencement lump sum and you could buy an annuity with the rest. There are many types of annuity and you may want an IFA to advise you. An IFA will obtain quotes from other insurance companies. Annuities bought from the two linked AVC schemes are backed by the government. Companies providing FSAVCs will have their own rules but, again, you may buy your annuity from any insurance company that you wish. However, with the introduction of freedom and flexibilities introduced in the pension industry in April 2015 the buying of annuities is no longer compulsory. If you have an AVC they should have already informed you of the new products they have introduced and also the flexibilities in how you can access your AVC. If they haven't, then contact them for their latest guide. The government service, Pension Wise, will also provide you with a free (generic) financial consultation on your private/AVC pension. (**Pension Wise: free pension guidance | MoneyHelper**).

…and points to remember after

If you are, or become, unmarried during the first five years of your retirement, make sure that you inform TPS/LGPS whom you wish to receive your supplementary death grant. This is paid automatically only to a spouse or civil partner. If you have officially nominated others, such as children, unregistered partner or other relatives, they will be able to receive the death grant immediately without having to wait for probate. There is no inheritance tax to pay. If there are no nominations, the grant has to be paid into your estate. The nomination form is available from the TPS/LGPS website or can be completed directly through your pension portal. It is also worth noting that Family/Dependent Benefits are assessed differently to the Death Grant nomination. If you are married or in a civil partnership, it is straightforward. Likewise, children up to the age of 17, or 23 in full-time education. However, if not, the burden of proof is on the surviving partner to demonstrate dependency. This must be clearly established via documentation (e.g joint mortgage/ bank account/ wills). Whilst marriage/civil partnership mitigates against this, there is an associated risk of dissolution/divorce that can result in a Pension Sharing Order. Consequently, ASCL raises awareness of this but cannot advise a course of action.

There are minor modifications to your pension which occur when you reach state pension retirement age.

- You will find that it will be reduced by a very small amount for each year of service between June 1948 and 31 March 1980. Your National Insurance contributions were lower during this time.
- If you contributed between 3 April 1961 and 5 April 1975 (the period of the state Graduated Pension Scheme), your pension will be reduced by the same amount as the extra state pension you will now receive as a result of that scheme.

Your income tax code will be changed by the Inland Revenue in accordance with successive budgets. Your tax office will move to Cardiff.

You may notice in communications you receive from TPS/LGPS that the last letter of your National Insurance number had been left off. This is because the last letter is no longer used by the Inland Revenue and is not necessary for identification purposes.

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Budgeting

For those contemplating retirement, it is a valuable exercise to draw up a simple list of current expenditure against expected income.

Remember that you will keep a much higher proportion of your income, since there will no longer be deductions for National Insurance and superannuation contributions. Your average rate of income tax could also fall significantly as probably you will pay little or no higher rate tax.

Prior to retirement it is advisable to review your investment portfolio, particularly considering levels of risk, and with the investment of your lump sum in mind. An independent financial adviser (IFA) can help you with this.

Ask three IFAs from reputable companies to provide you with a written report based on your investor profile. Quilter Financial Advisers (0800 085 85 90 and have your membership number to hand) is currently introduced as ASCL's Premier Partner for independent financial advice and will provide a free introductory consultation. Alternatively, visit their **page** on the ASCL member benefits portal.

Lists of other firms can be found in the yellow pages or from IFA Promotion (**www.unbiased.co.uk**) which will give local names and contact details. You may have to pay for an initial assessment by another adviser but the fee is usually small compared with what you could lose after poor advice. Banks and building societies will also provide a free consultation but they are not independent and the products they recommend may be limited to their own or a narrow range of firms' products. Even so, their view on asset allocation might still be useful.

Place your business with the IFA with whom you feel most comfortable and confident. Review with them on at least an annual basis.

You should be aware that IFAs earn their living when you invest in the products they recommend. When obtaining the services of an IFA, ensure that you are clear about the basis of their remuneration: fees or commission. Whilst recommendations from reputable IFAs will be made in good faith and not just for their own benefit, they do not have a crystal ball.

It is unlikely that you will be poor in retirement, and you will want to do the things you never seemed to have time for previously, but bear in mind that maintenance costs will rise as you get older. Decorators, gardeners, and others may be needed to do the things you might previously have done for yourself!

Investments

Be very clear with your IFA about the level of risk - your Risk Profile - that you can accept, and your potential need for the accessibility of income and capital as well as its growth. The spread of your investments across different types of products will be affected by this. Remember also to plan for the needs of those who may survive you.

The best investment portfolios contain a range of products covering a wide spectrum of risk and potential reward, but in retirement your adviser may recommend a tilt towards the cautious end of the market. The allocation of wealth to different asset classes can be very important to maintaining value.

It is normally best to aim for diversity and to avoid putting too many eggs in one basket. You might want not only to protect the capital value but also to produce income in addition to your pension. There is a bewildering array of products on the market and this is why an IFA is helpful. An adviser can classify types of products according to your risk profile, management structure, exposure to market fluctuation and long, medium or short-term investment benefit. IFAs have access to information on the comparative recent performance of fund managers in comparable sectors.

You may want a changing relationship between long and short-term investment as you grow older. The newly retired often look for capital enhancement but later in life that is less important.

Those who want to guarantee an income for life can purchase an annuity, but rates reflect the fact that we are now all living longer. As you get older you can get a higher rate for your money, but you receive it for a shorter time.

One consideration in investment decisions may be tax efficiency. Pensions are almost the only type of investment where tax relief is given at the time of contribution. Perhaps a cash ISA is the best-known product where returns are not taxed. The current annual investment limit is £20,000 per year in a mixture of cash and investment ISAs.

Those who invest directly in the equity markets or through the purchase of unit trusts, OEICs (open ended investment companies), investment trusts or ETFs (exchange traded funds) should note that there is an annual capital gains allowance whereby the first part of the capital gains on assets sold in a tax year is also free of tax.

Premium Bond winnings are tax free but check the average interest rate.

There are fashions in investment as in most other things and when an investment becomes too popular it is usually a good time to avoid it! A recent favourite has been buying property to rent. It has advantages as a really long-term investment, say 20 or 30 years, but is not always suitable for retired people. It is seldom trouble free and so not conducive to peace of mind. Not all tenants are good ones! Interest rates may rise and agents will take 10% or more for managing the property and repairs. In the case of flats, maintenance charges continue even if the flat is empty.

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Life After Retirement

Employment rules

Some people choose to stop work before normal retirement age without taking a pension immediately. If an actuarially reduced pension is not taken immediately, you must give TPS/LGPS at least six weeks after you stop work to allow for processing. Your benefits can be payable on any date; it is not necessary to wait until NPA. Pension benefits are preserved from the last day of employment and, to protect the value, attract index-linked increases from that date until the benefits are put into payment. Full indexation is up to five years. It is not possible to add to your pension when you are not in that pensionable employment.

Those who have taken an actuarially reduced benefit (ARB) or phased retirement can engage in any employment without it affecting their pension. However, if you have taken age retirement or been given premature retirement you will need to be cautious if you return to employment due to the abatement rules outlined earlier. Your pension will be abated once income from both your pension and employment add up to the salary on which your pension was calculated (salary of reference) or its index-linked equivalent.

If you return to work even for a short period, you will be automatically enrolled in the TPS/LGPS, or your employer's pension scheme, unless you opt out. If you do not work for at least 365 days, continuous or discontinuous, you cannot get an extra pension and will not get all of your contributions returned.

Those who retire on the grounds of ill-health are subject to considerable restrictions on re-employment in both TPS/LGPS.

What sort of retirement?

Different people will look upon retirement in different ways depending on their personality, their age on retirement, their financial situation or their lifestyle ambitions: Below are several stereotypical scenarios: Where do you fit?

- Total disengagement: cruise the Med, fly the world, garden and meet friends for lunch or down the pub. A life of leisure pursuits, theatre, movies concerts, gigs and culture. Some people can handle this sudden contrast with an earlier life, even relish it, others cannot.
- Third-age careers: fill every waking hour, to rest is to rust. A need to keep working, paid or unpaid, possibly self-employed, connected with education or determinedly otherwise. Anxiety not to lose the valuable skills acquired in post.
- Self-development: all the things one never had time for, cultural, linguistic, spiritual, intellectual and sporting pursuits – with a vengeance; usually a keenness to join organisations.
- Community service: putting something back. The laudable desire to serve the community in a voluntary capacity, for which one had little time when in post. Organisations with which one had some connection will welcome greater involvement: church, mosques, synagogues, action group, political parties, sports clubs, the bench, Age Concern and the local council may all benefit.
- The balanced portfolio: probably where most of us see ourselves.

Charles Handy recommends that retired executives build up a portfolio of activities, some paid, some unpaid, that suit their new lifestyle and don't restrict them in the many pleasurable options that have become available. In practice, most retired people will want to read, travel, access cultural pursuits, serve others, use their skills, follow their interests and keep healthy.

Your paid portfolio could usefully consist of educational consultancies, school improvement partner work, work for various agencies dealing in performance management, and even Ofsted. It could of course be wholly unrelated to education: businesses in minibus hire, catering and activity holidays are unusual examples of the wide range of businesses run by former school and college leaders!

ASCL members have some 'shelf life' after retirement that lends itself to educational activities, paid or unpaid. These might include: tutoring, exam marking, supply teaching, local authority improvement services, charities' educational work, CPD delivery, school governorship, the British Council, museums and libraries.

The voluntary sector is rich with opportunities: charities need fundraisers, speakers, trustees and shop workers; religious organisation, VSO, youth workers and office holders. Civic societies, environmental groups, political pressure groups, and the National Trust, among others, need articulate and resourceful volunteers. Care for the elderly, via Age Concern or other support networks, depends heavily on volunteer help and most hospitals and hospices have a volunteer support team. If you think the magistrates' bench appeals, move quickly, as the recruitment process goes at its own pace, and by 70 you are out of time!

The important thing is to think about all this in advance and decide how you want to tackle it. Whatever kind of retirement you want, it will need some assertiveness on your part. Don't sit and wait for the phone to ring. Nor is it wise to rush into everything and fill the diary for the year to avoid a sense of emptiness: this is the next significant phase of your life and deserves a pause for thought.

Some useful reflections include:

- You have a great many transferable skills, honed in school management, which you could put to wider uses.
- You will have a natural wish to feel useful and to release the energy you deployed in your employment.
- You have an unprecedented opportunity to become involved in fields of activity previously unexplored.
- You are in control of your lifestyle for the first time in years and can make choices and indulge your interests and passions as never before.

But...

- You will no longer have the services of a PA or other support staff.
- You are no longer a mover and shaker and your views and actions will be less influential.
- You will live in relative anonymity after years of exposure, some of it in the media.
- You have been used to a huge number of interactions with other people every day, if not every hour, without any specific effort. That will no longer be automatic.

Remember that your retirement will have some impact on your spouse / partner, who may or may not be in employment but will have a range of activities and interests, some of them separate from your own. Reflect together on what you will do together or separately, how you jointly manage your time, how you will respect each other's space, both physically and emotionally. How much time do you plan to give to family support, your social life, travel, voluntary work or memberships? A cliché maybe, but it is nonetheless true that your domestic roles will change. Your diaries in retirement will be full, but make sure they chime!

Running your own business

If you do want or need to 'set up on your own' and become self-employed, the following points may be helpful. The Citizens Advice Bureau can be a useful support.

- Seek advice from banks, notify the tax office and Department of Work and Pensions and where applicable register for VAT.
- Set up a business account separate from your personal account.
- Pay close attention to the presentation of bids and contracts and leave margins to cover the unexpected. Ensure that you have the financial resources to cover a disaster.
- Obtain the services of an accountant: it will save money and anxiety.
- The Inland Revenue will require details of your gross income. You may claim against reasonable expenses (such as use of a room in your home, telephone, lighting, heating, gas, wear and tear), against capital expenditure (such as filing cabinets, computer, fax machine, desk etc) and depreciation on equipment.
- Check on your business rates liability and capital gains liability if you use a room in your house. Capital gains tax could be incurred if, on the sale of your house, a proportion of the profits were related to that part of the house used for business.

If you are under state pension age you must pay National Insurance contributions (NICs). Class 2 (self-employed) NICs are set annually and you may also have to pay Class 4 (self-employed) NICs depending on your profits. Payment could be made quarterly by direct debit.

5
Important Issues in Retirement

Some of the major issues that crop up in retirement are (not in any sequential order!):

- keeping fit and well
- deciding where to live
- making a will

Keeping fit and well

As we get older, we have to work at this and expensive moisturiser won't do it all. Effective senior managers have usually developed strategies to sustain personal wellbeing, but in case you have not, could we suggest that you think about these things:

- Take regular exercise in the form that suits you best – from personal trainers to golf, from swimming, cycling, dancing to a brisk walk. Cardiovascular work and posture training are useful preservatives.
- Adopt a prudent diet regime. For many ASCL members, lunch is a discovery made only in retirement.

Travel opportunities, notably out of the main season, are legion and free bus/tube passes a boon. Senior citizen railcards can soon pay for the initial outlay. Airlines and transport companies offer cheap tickets and hotels offer attractive deals out of season. This is an area where your expenses may increase but there are now countless websites for perusal by tourists, and late deals can be remarkable.

Assess the level of private medical insurance you may want and can afford. If you favour private medical insurance in principle, you may nevertheless find charges very high in view of your age and medical history. In some circumstances, however, you may wish to pay for private treatment (for example, a cataract or a consultation about a heart condition) out of capital.

In particular, the transition to retirement can be so traumatic as to affect one's health. Some retired members have said: "No one prepared me psychologically for what I feel." There may be issues lurking beneath the surface and it might be useful to make contact before retirement with someone you know who has recently retired. Local authorities don't usually do anything to help you prepare mentally but the ASCL Associates' network can be helpful.

Where to live

A partner still working may decide this question for the moment, but when both retire, discussions about relocating may surface. This depends on personality or circumstances, but it should be well thought through and not done on impulse. Things to consider are:

- The ease with which you are likely to be accepted into a new community.
- Access to services: public transport, shops, doctor, pub, chemist; to leisure facilities: golf club, swimming pool, gym, library, theatre, cinemas and concert/gig venues. A rustic idyll at 60 may be a prison at 85.
- Location of family and friends; consider whether you want to put too many miles between them and you.
- There is a superficial attraction in a coastal spot, but too many find loneliness in a winter sunset across the bay, and it can be very busy in season.
- How well a surviving partner would cope, if the worst should happen, in one place or another.
- The kind of property you want to trade into. A main residence, plus a holiday home, may suit many people, and can be a good investment.
- You are a known quantity and a valuable asset where you are now. Are you keen to stick with the familiar or are you excited by something new and untried? Some forms of status are not portable.

This decision is often bound up with your relationship with the school from which you have retired. Most of us would like to remain in contact and keep in touch with its development. Some resolve never to go near, others are too often on the premises; living near or far may decide the issue for you!

Making a will

Making or updating a will is something which is all too often neglected, simply because it is an indelicate matter. In reality, a will is nothing more than a way of ensuring your wishes are carried out after your death. If you fail to make a will, or to review your will arrangements from time to time, your estate may be distributed inappropriately and, worse still, your beneficiaries may end up having to pay a large amount of inheritance tax on your estate. Sensible planning could reduce the tax liability to zero.

It is strongly recommended that you consult a good solicitor who should be able to offer advice on such matters as setting up a discretionary trust for inheritance tax planning and a protective will property trust (an IFA will help too). There are firms which specialise in this work. You may also wish to consider making an advance directive (living will) which offers a way for individuals to keep personal autonomy at the end of life, and to maintain some degree of choice and control.

Major charitable bodies produce packs for those thinking about a legacy. These often contain useful material on making a will but in no way replace the advice offered by a good solicitor or specialist firm.

Over the years, some members have been kind enough to leave sums of money in their wills to ASCL's own Benevolent Fund (ABF). For further information about ABF, please see page 14.

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ASCL Associate Membership

Retirement need not mean the end of your involvement with ASCL. You are strongly encouraged to become an **Associate member** and benefit from the following services. Transfer forms are available from on the ASCL website **here**.

Associate members receive a range of discounted benefits akin to what you are used to, **Leader magazine**, **Associates News**, which contains material of particular interest to retired educators and encourages the exchange of views and experiences between retired members. Articles are always eagerly sought. Please send your contributions **associatesnews@ascl.org.uk**

The ASCL website, open to all Associates, also has a members' area, accessible via the **members' area** that includes information, copies of newsletter and useful links.

The Associates' Committee, elected by Associate members, looks after the interests of retired members and keeps its services under review. Colleagues who feel they have a contribution to make should feel free to write to the chair c/o ASCL headquarters or email **associates@ascl.org.uk** The Committee organises regular reunions to which all associate members are invited.

Retired members should consider obtaining legal cover for other situations that might arise after retirement, for example the provision of a reference or testimonial for a former member of staff.

ASCL runs pension and pre-retirement seminars to help members prepare for retirement and for members already retired. These have major input from ASCL's Pay and Conditions Specialist: Pensions and Quilter Financial Advice, independent financial advisers. Associates can also seek advice from ASCL's pensions specialist.

ASCL is represented on the Teachers' Superannuation Working Party and Public Service Pensioners' Council. As public service pensioners we are part of a pressure group whose influence is likely to grow.

ASCL Associates Voluntary Service

The **ASCL Associates Voluntary Service (AAVS)** provides support to retired members or their spouses who may be in need of company or a sympathetic ear. Associates are invited to join the AAVS as volunteers. It is free, unpaid and you may never be asked to do anything. Nonetheless, your help could greatly benefit a member with problems or anxieties, or someone who is lonely or disabled. If you would like to join the AAVS, forms are available **here**.

ASCL Benevolent Fund (ABF)

Help and support when needed.

The **ABF** is an important element in ASCL's comprehensive support for its members. It is a registered charity, administered by independent trustees, all of whom are serving or retired members of the association.

Accident, illness, redundancy or disability can have a shattering impact on an individual's quality of life and on that of an entire family. ABF can help members past and present, and their dependants, when in difficulty of whatever kind, by one-off or recurrent grants.

Every case is considered on its merits and in complete confidence.

If you know someone who might benefit, tell them about ABF.

If you would like to contribute to ABF, please contact **lesley.cooper@ascl.org.uk**

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Points of Contact

Teachers' Pensioners' enquires: 0345 606 6166

Deaf/hard of hearing: 0345 609 9899 **www.teacherspensions.co.uk**

Prudential (AVCs): 0345 073 4000 **www.pru.co.uk**

State Pension Forecast Team - Newcastle-upon-Tyne: 0845 3000 168

Pensions Service: **www.thepensionservice.gov.uk**

Pension Wise: 0800 138 3944 **www.pensionwise.gov.uk**

ASCL Premier Partner, Quilter Financial Advisors 0800 085 8590 **lhgenquiries@quilter.com**
www.quilter.com/ascl/ ASCL free initial consultation

Retired Executives Action Clearing House (REACH) helps place retired business and professional people with organisations in need of their skills. Camelford House, 89 Albert Embankment SE1 7TP
020 7582 6543 **mail@reach-online.org.uk https://reachvolunteering.org.uk**

Department for Business Innovation and Skills has advice booklets regarding small businesses
020 7215 5000 **www.gov.uk/bis**

Market Research Society: 020 7215 1781 **www.mrs.org.uk**

The Citizens Advice Bureau: **www.citizensadvice.org.uk** see local directory for telephone numbers.

Association of School and College Leaders: 0116 299 1122 **membership@ascl.org.uk www.ascl.org.uk**

ASCL Pensions Specialist and the Benevolent Fund can be reached via ASCL headquarters **info@ascl.org.uk**

This booklet has been produced by members of the Associates' Committee in conjunction with ASCL's Pensions Specialist, and ASCL headquarters.

Contact us
Association of School and College Leaders

T: 0116 299 1122
E: info@ascl.org.uk
W: www.ascl.org.uk/associates