

Ill Health Payments

The amount payable for each ill health application will reduce from £200 to £150 with effect from 1 January 2005. For any applications that are signed and dated on 31 December 2004 or earlier but are not received until January 2005, £200 will still be paid.

Date of Birth Verification

Under the Data Protection Act we are required to ensure that all information we hold is accurate. In many cases we hold a date of birth that has not been verified as neither TP nor the employer have seen the birth certificate.

It would be extremely helpful if employers, could where possible, check the birth certificate, and notify us that the date of birth has been verified. This could be done on receipt of an appointment statement. The employer could change date of birth entry from unverified to verified, and return a copy to us to up date our records.

Inland Revenue Address

On the retirement of a teacher, please ask them to pass tax form P45 to the following office and **not to TP:**

**H M Inspector of Taxes
South Wales Area
Ty Glas
Llanishen
Cardiff
CF14 5XS**

If a teacher is changing jobs but not retiring they should pass form P45 to their new employer.

Contact Centre

Concerns have been raised about callers talking to a different operator each time contact is made. It is important to understand that every operator has access to all relevant systems for scheme member information. This includes being able to view complete members' files that hold all communications that have been made and received, enabling them to have access to up to date information.

It may be of interest for you to know that approximately 95% of all calls can be completed by the Contact Centre. It is only in cases where there are an unusual set of circumstances, or if a calculation is required, that your call will be referred to an expert in one of the "back office" teams.

You can be assured that all staff will deal with your enquiry comprehensively and professionally.

Where our service does not meet these standards, please inform one of the following contacts so that we can address the matter whilst it is current:

Claire Richardson (Contact Centre Manager) 01325 745045
Elaine Ward (Senior Contact Centre Operator) 01325 745145

New Arrangements for Contribution Collection and Reconciliation

The way in which teacher's pensions contributions are accounted for and reconciled will change from the beginning of the financial year 2005/06 onwards.

HM Treasury is bringing forward the deadline by which all Government Departments must produce their accounts, including those for the Teachers' Pension Scheme. A significant part of these accounts is concerned with the contributions TP collect from employers for the financial year in question. Previously the accounts had to be signed off in the Autumn; from 2005/06 this is being brought forward to July, so that the accounts can be considered before the Summer recess of Parliament.

What this will mean in practice is that the DfES will introduce new measures for providing assurance that the contributions collected are correct and are being remitted on time. We envisage that any changes will, however, result in a lessened and more streamlined administrative burden on employers, making the remittance of contributions and the end of year reconciliation easier and more straightforward.

The main changes will involve TP carrying out checks on contributions as they are received. We will contact those employers whose variance of monthly contributions received is greater than 5% from what is expected. We will also contact employers whose contributions do not match the 13.5% for employers and 6% for employees, specified in the regulations. These checks will be supported by a revised paying-in slip, which all employers will need to complete. In March 2006, TP will send each employer a certificate setting out the contributions received. The employer will need to certify that the contributions are correct, enter the details for the twelfth payment and submit the certificate along with the twelfth payment. The certificate will need to be signed by the Director of Finance or equivalent in an LEA, and Chair of Governors or equivalent within other employers. Any under or overpayment of contributions would be corrected at this stage. An audited version of this certificate would still need to be submitted by the end of September.

TP will be writing to individual employers in advance of the 05/06 Financial Year to explain the new arrangements in more detail.

EMPLOYER RELATIONSHIP MANAGERS

As part of our commitment to provide a first class service to our customers two new roles have been developed in Teachers' Pensions, that of Employer Relationship Managers.

We are pleased to say that we have been appointed in these roles.

One of our tasks is to take over as Editors of TP News. Our main objectives include:

- Building and establishing relationships with employer representatives from all education sectors
- Understanding issues and concerns about TP administration
- Working closely with employers and TP staff to make improvements
- Making you aware of the services TP can offer employers

We hope that you see this as a positive way forward and we look forward to working with each of you in the future. During the new year we would like to meet as many employers as possible, please contact us to arrange a visit.

Our contact details are as follows:



Judith Gordon Telephone 07766-397592
Email judith.gordon@capita.co.uk



Chris McMaster Telephone 07795-827085
Email chris.mcmaster@capita.co.uk

Out of school hours learning activities (OSLA) payments.

These payments have to be grossed up on the annual return, so that when the salary notified is used for average salary calculation purposes, the whole of the original payment (s) is added into the average salary.

For example: A teacher at 1.4.03 is on Upper Pay Spine Point 1 = £28668

Moves at 1.9.03 onto Upper Pay Spine Point 2 = £29730

Earns in April and May £350 (OSLA) for after school revision classes

When this is recorded on the annual return the £350 must be grossed up to £835

i.e. $\frac{£350 \times 365}{153}$

Annual Return entries therefore have to be shown as follows:

1.4.03 – 31.8.03 £29503
1.9.03 – 31.3.04 £29730

Useful information you will find inside the Winter 2004 edition of TP News

- Employer Relationship Managers
- Out of school hours learning activities payments
- Scheme modernisation
- 2005 Seminars
- Earnings Cap
- Inland Revenue address
- Date of birth verification
- Contact Centre
- Reduction of ill health application fees
- New arrangements for contribution collection and reconciliation

Scheme Modernisation

The consultation period has now ended, key dates for the future are:

- December 2004 – 26 February 2005 – analyse responses and review options
- Late Spring 2005 – analysis of consultation results published
- From Summer 2005 – consultation on regulatory framework

Retirement Salaries

The teachers' Pensions Regulations have for many years contained provision to protect the TPS from excessive salary increases close to retirement. The current regulation was introduced with the Teachers' Pensions Regulations 1997 following a lengthy consultation process with various bodies including representatives of employers' associations and teachers' unions.

Under regulation E31(11), any increase in the rate of salary which is more than 10% above the standard increase in salaries for a given year, will not be used in the calculation of retirement benefits unless the employer pays an additional contribution to the scheme equivalent to the actuarial value of the increased benefits. This provision applies equally to increases in each financial year within the 3 year period from which the average salary is determined, which exceed the standard increase by more than 10%.

Example			
Salary			
1.9.02	to 31.3.03	£32112	£28893(UPS2)+£1593(M1)+£1626(SEN1)
1.4.03	to 31.8.03	£33042	£29730(UPS2)+£1638(M1)+£1674(SEN1)
1.9.03	to 31.3.04	£39237	£29730(UPS2)+£7833(M4)+£1674(SEN1)

The standard increase at 1.4.03 was 2.9%. The salary in 03-04 is £32112 + 12.9% = £36254. Therefore the salary rate for 1.9.03 to 31.3.04 is restricted to £36254, unless the employer pays the additional contribution to the scheme equivalent to the actuarial value of the increased benefits.

IMPORTANT

This scheme provision must not be interpreted as restricting the salary paid to any individual. There is no implication that members are not entitled to such increases in salary, nor do the Teachers' Pensions Regulations preclude any individual from having the increase count in full in the calculation of benefits. It is a matter for the employer to decide whether to pay the additional contribution. The purpose of these arrangements is purely to ensure that the scheme is properly funded for the high increases in benefits resulting from high increases in salary.

Note: TP will only calculate salary restrictions and the additional contribution on receipt of a formal application for retirement benefits. Annual benefits statements and all other estimates issued do not take into account any possible salary restriction.

Monthly Contributions – Paying-In Slips via E-Mail

We are looking in the near future to provide a service where employers can e-mail details of their monthly contributions direct to Teachers' Pensions. This will be on a similar format to the normal paper paying-in slips that are currently in use.

We encourage employers to use this facility to enable Teachers' Pensions to update their records in a more effective and efficient way.

Further details will be issued in March direct to employers.

TP Literature - latest version

DESCRIPTION	REFERENCE NUMBER	DATE LAST AMENDED
A guide to Teachers' Pension Scheme	Your Pension	Jan-04
Request for premature retirement statement	TR1	Jul-03
Request for teachers record print	TR3	Jan-05
Notification of a teachers appointment	TR6	Sep-04
Teachers first appointment on leaving training college	TR6 TC Exit	Nov-04
Leaver return	TR8	Dec-04
Stationery requisition	TR13	Aug-02
Application for teacher's age retirement benefits	Form 14A	Jan-05
Application for Actuarially Reduced Retirement Benefits	Form 14ARB	Feb-04
Application for Retirement Benefit for Elected further Employment	Form 14EFE	Feb-04
Application for teacher's age retirement benefits out of service	Form 14OS	Dec-04
Application for premature retirement benefits	Form 14PR	Mar-04
Application for ill-health retirement benefits or a short service incapacity grant	Form 18 + Notes	Jul-04
Application for ill-health benefits	Form 20	Oct-04
Application for death benefits	Bereavement Pack	Nov-04
Election for further employment after retirement to be treated as pensionable	Form EFE	Jun-04
Teachers' Pension Scheme – General Information	Leaflet 15	Dec-03
Returning to work after age, premature or actuarially reduced retirement benefits + election form	Leaflet 192	Jun-04
Planning for retirement	Leaflet 193	Jan-04
Age, premature and actuarially reduced retirement benefits	Leaflet 194	Sep-04
Ill-health retirement benefits	Leaflet 198	Oct-03
Allocation of pension	Leaflet 207	Jan-04
Repayment of previously withdrawn contributions + election form	Leaflet 240	Nov-04
Buying past added years (PAY) + election form	Leaflet 374	Dec-04
Transferring Pension Benefits to the Teachers' Scheme	Transfer-in-Pack 449	Jul-04
Benefits payable to members Beneficiaries	Leaflet 450	Dec-04
Payment of combined contributions during an absence from pensionable employment + election form	Leaflet 721	Jul-04
Increasing your pension benefits	Leaflet 725	Mar-03
Leaving Pensionable Employment	Leaflet 735	Oct-03
Pension for widows, widowers, children and other dependants + election forms	Leaflet 861 + 873	Nov-04
Transfer to a post with less responsibility protection of accrued rights	Leaflet 910	Mar-04
Transfer to a post of less responsibility at a lower rate of salary	Form 912	Oct-03
Election to opt out of the Teachers' Pension Scheme	Form 263	Sep-04
Application for repayment of teachers pensions contributions	Form 151	Feb-04
Election for membership of the Teachers' Pensions Scheme	Form 261	Jun-04
Election to pay contributions on a former higher salary + election form	Leaflet TR22	Jul-04
Notification of change of name	CD35	Sep-04
Nomination of death grant	DG1	Sep-04
Pension Credit Member's Nomination for Death Grant	Form DG1(PoD)	Oct-03
Pension Credit Member's Revocation of Nomination for Death Grant	Form DG2(PoD)	Oct-03
Pensions on Divorce Leaflet October 2004	POD Pack	Oct-04
Pensions Increase Leaflet	PIPI	Dec-01

Earnings Cap

This is an Inland Revenue provision and came into force from 1 June 1989, and only affects teachers who joined the Teachers Pension Scheme after 31 May 1989.

It sets a ceiling on the amount of salary on which contributions may be paid and consequently on any benefits which may become payable.

The Earnings Cap does not affect a teacher who was in pensionable employment in Scotland and Northern Ireland before 1 June 1989 and who enters Reckonable Service with TP within one year of leaving this Comparable British Service (CBS).

Similarly any secondment or break in service of less than one year, or maternity leave where the teacher has a right to work under the Employment Rights Act 1996, will not be affected by the Earnings Cap.

The rates usually change annually and are listed below:

FINANCIAL YEAR		
1989/90	£60,000	
1990/91	£64,000	
1991/92	£71,400	
1992/93	£75,000	
1993/94	£75,000	(The rate did not increase this year)
1994/95	£76,800	
1995/96	£78,600	
1996/97	£82,200	
1997/98	£84,000	
1998/99	£87,600	
1999/00	£90,600	
2000/01	£91,800	
2001/02	£95,400	
2002/03	£97,200	
2003/04	£99,000	
2004/05	£102,000	This rate is effective from 6 April 2004

Seminar dates and locations 2005

Employer Seminars provide an overview of the Teachers' Pension Scheme and the responsibilities of the employer under the scheme.

The 2004 seminars have been very well received and attended. The 2005 dates and venues are shown below:

LOCATION	DATE(S)	HOTEL
York	Feb 15 th	The Royal York Hotel
Wrexham	Mar 15 th	Bryn Howell Hotel Llangolan
Manchester	Mar 16 th	Midland Hotel
Northampton	Apr 12 th	Northampton Moat House
Birmingham	Apr 13 th	Copthorne Hotel Paradise Circus
London	May 10 th – 12 th	Radisson Vanderbilt Cromwell Road
Swansea	Jun 14 th	Holiday Inn
Bristol	Jun 15 th	Corus Hotel
Exeter	Sep 13 th	Royal Clarence Hotel
Southampton	Sep 14 th	Hilton Hotel Bracken Place
Peterborough	Oct 11 th	Moat House Hotel
Leeds	Oct 12 th	Queens Hotel City Square
Liverpool	Nov 9 th	Suites Hotel Ribblers Lane Knowsley
London	Dec 6 th – 8 th	Radisson Vanderbilt Cromwell Road

The cost per delegate is £211.36 plus VAT. The price includes morning and afternoon refreshments plus lunch. If you wish to book a place on the seminar or require further information please contact Teachers' Pensions on 01325 745108 or email graham.patrick@capita.co.uk or allan.downing@capita.co.uk