
STATUTORY INSTRUMENTS

1988 No. 1652

The Teachers' Superannuation (Consolidation) Regulations 1988

PART G

FINANCE

Teachers' superannuation account

G1. Subject to the transitional provisions in Part I of Schedule 13, an account substantially in the form set out in Part II of Schedule 13 is to be prepared by the Secretary of State for every financial year.

Receipts, etc., to be credited

G2.—(1) Employees' and employers' contributions received during the financial year are to be credited to the account.

(2) Employees' contributions comprise—

- (a) all contributions payable under regulations C2(1), C3, C4, C5, C7 and C9,
- (b) so much of the contributions payable by services education officers under regulation C2(2) as falls within regulation C2(2)(a),
- (c) so much of any additional contributions payable under regulation C8 as would have been payable under regulation C2(1) if pensionable employments had continued, and
- (d) all amounts payable under regulations C14 and C15 (return of repaid contributions).

(3) Employers' contributions comprise—

- (a) the contributions payable under regulation G5,
- (b) so much of the contributions payable by services education officers under regulation C2(2) as falls within regulation C2(2)(b), and
- (c) so much of any additional contributions payable under regulation C8 as would have been payable under regulation G5 if pensionable employments had continued.

(4) There are also to be credited to the account—

- (a) the closing balance in the account for the preceding financial year,
- (b) all transfer values under regulation F5 and additional transfer values under regulation D6 (war service) received during the financial year,
- (c) all contributions equivalent premiums refunded, or recovered under section 47 of the Pensions Act(1), during the financial year,
- (d) any interest and other payments under these Regulations received during the financial year, and
- (e) the notional interest for the financial year described in Part III of Schedule 13.

(1) 1975 c. 60; section 47 was amended by the Social Security Act 1985 (c. 53), Schedule 5, paragraphs 29 and 30.

Payments to be debited

- G3.** There are to be debited to the account all sums paid during the financial year by way of—
- (a) benefits under Part E, so far as not attributable to service before 1st June 1922,
 - (b) payments under paragraph 12 of Schedule 10 (equivalent pension benefits),
 - (c) repayment of contributions (including interest) under regulations C10 and C12,
 - (d) transfer values under regulation F1 and additional transfer values under regulation F2 (war service), and
 - (e) contributions equivalent premiums.

Actuarial inquiries

G4.—(1) The Government Actuary is to make an actuarial inquiry at the end of the financial year ending with 31st March 1991 and at the end of every fifth subsequent financial year.

(2) A report on the inquiry is to be made to the Secretary of State and is to be laid by him before each House of Parliament.

(3) The report is to specify the percentage of the contributable salaries of persons entering pensionable employment on the first day of the next financial year at which contributions should be paid, during the period beginning on 1st April next following the date of the report and ending with 31st March next following the date of the next report (“the relevant period”), so as to defray the cost of the payments of the kinds described in regulation G3(a) to (e) that are likely to be made in respect of them.

(4) The report is to state the amount by which, at the end of the financial year, the amount of the scheme assets exceeded or fell short of that of the scheme liabilities.

(5) The scheme assets are—

- (a) the employees' contributions receivable after the end of the financial year in respect of persons who at the end of that year were or had been in pensionable employment,
- (b) the employers' contributions in respect of such persons receivable after the end of the financial year, except any such supplementary contributions as are mentioned in paragraph (7),
- (c) payments that would fall to be credited under regulation G2(4)(d) and (e) to the accounts for subsequent financial years, and
- (d) the actuarial value at the end of the financial year of the notional and assumed investments described in paragraph 5 of Schedule 13.

(6) The scheme liabilities are the payments to be made under these Regulations after the end of the financial year in respect of persons who at the end of that year were or had been in pensionable employment, except payments attributable to service before 1st June 1922.

(7) If the report states that the amount of the scheme liabilities exceeded that of the scheme assets, it is to specify a rate at which, during the relevant period, supplementary contributions should be paid by employers of persons in pensionable employment so as to remove the deficiency within the period of 40 years beginning at the same time as the relevant period.

(8) The rate is to be expressed as a percentage of the contributable salaries from time to time of persons in pensionable employment; the percentage must either be or be a multiple of 0.25.

(9) In this regulation “employees' contributions” and “employers' contributions” are to be construed in accordance with regulation G2(2) and (3).

Employers' contributions

G5.—(1) Subject to paragraph (3), the employer of a person in pensionable employment, other than a services education officer, is during every relevant period to pay contributions of the required percentage of his contributable salary for the time being.

(2) The required percentage is $(A-6)+B$, where—

A is the percentage specified for the relevant period under regulation G4(3), and

B is any percentage specified for the relevant period under regulation G4(7) and (8).

(3) No contributions are to be paid in respect of anyone to whom regulation E30(2)(a) (restriction of reckonable service to 45 years) has become applicable.

(4) For the purposes of this regulation—

(a) a local education authority is deemed to be the employer of every person employed in or in connection with a school maintained by it, and

(b) “relevant period” is to be construed in accordance with regulation G4(3).

Payment by employers to Secretary of State

G6.—(1) The employer of a person in pensionable employment is to pay to the Secretary of State, within 14 days after the end of each month—

(a) all amounts due from the person that are deductible from his salary under regulation C16(1), and

(b) the contributions payable under regulation G5,

in respect of his contributable salary for that month.

(2) For the purposes of paragraph (1)—

(a) all salaries are to be treated as being payable monthly in arrear, and

(b) any arrears payable by reason of a retrospective increase in contributable salary are to be treated as having become payable in the month in which they were paid.

(3) If the full amount of any payment required by paragraph (1) is not received by the Secretary of State within 14 days after the end of the month interest is payable by the employer on the amount outstanding at 12 per cent per annum, compounded with monthly rests, from the 15th day to the date of payment; but the Secretary of State may in any particular case waive the payment of interest.