
STATUTORY INSTRUMENTS

1992 No. 280

The Teachers' Superannuation (Scotland) Regulations 1993

PART C

TEACHERS' CONTRIBUTIONS

Salary on which contributions are payable

C1.—(1) Subject to paragraphs (2) to (13), a teacher's contributable salary shall, for the purpose of these Regulations, be the aggregate of the amounts payable by his employer in respect of his pensionable employment—

- (a) whether by way of salary or in kind; and
- (b) in satisfaction of any statutory liability arising out of sickness leave or maternity leave.

(2) The following payments or allowances shall be excluded from being treated as part of the teacher's contributable salary:—

- (a) payments in respect of overtime, special services or extra duties;
- (b) any emoluments receivable from or out of an educational endowment or bequest;
- (c) any additional allowance paid to a teacher serving outside the British Islands under arrangements approved by the Secretary of State for the interchange of teachers;
- (d) payments by way of travelling or expense allowances;
- (e) any sums chargeable to tax under section 148 of the Taxes Act.

(3) The Secretary of State may make a direction, in such cases as he thinks appropriate, disapplying any exclusion under paragraph (2) from the salary of a teacher.

(4) In determining the contributable salary to which a teacher is entitled for the purposes of abatement of annual pension under regulation E15, the following payments to him shall be disregarded:—

- (a) any payments in respect of employment in connection with education which, while employed in pensionable employment or comparable British service, the teacher undertook in addition to such service and which he continues after ceasing such service, not exceeding, when expressed as an annual rate, the average annual rate of such payments for the last 3 years of employment in pensionable employment or comparable British service;
- (b) any payments in respect of employment in connection with education outside the British Islands, being employment in which, in the opinion of the Secretary of State, it is expedient to facilitate the employment of teachers from Scotland; and
- (c) any fees in respect of employment for the purposes of the Scottish Certificate of Education or the General Certificate of Secondary Education.

(5) Subject to paragraphs (6) and (7), in relation to a teacher who enters pensionable employment on or after 1st June 1989, where his salary, calculated in terms of paragraph (1), exceeds the permitted

maximum in terms of section 590C of the Taxes Act(1), the excess over that amount shall not be treated as contributable salary for the purpose of these Regulations.

(6) Paragraph (5) shall not apply to a teacher who was in pensionable employment before 1st June 1989 and who resumes pensionable employment following—

- (a) an absence on maternity leave in respect of which she enjoyed a right to return to work as specified in regulation C10(4)(a);
- (b) a period of secondment or additional period of absence necessarily attributable to that secondment; or
- (c) in any other case, a break in teaching employment not exceeding one year.

(7) Paragraph (5) shall not apply to a teacher who was in comparable British service before 1st June 1989 who enters pensionable employment, provided there has not been a period of more than one year between cessation of employment in comparable British service and entering pensionable employment.

(8) A teacher who continues in full-time pensionable employment but whose contributable salary is reduced, otherwise than by reason of sickness leave or maternity leave, may elect that it is to be treated as having continued at the rate applicable immediately before the reduction “the notional rate”).

(9) An election for the purposes of paragraph (8)—

- (a) must be made by giving written notice to the Secretary of State within 6 months after the reduction;
- (b) has effect from the first day of the month following that in which the notice was received; and
- (c) subject to paragraph (11), continues to have effect until a relevant event occurs.

(10) The relevant events are—

- (a) the actual rate exceeding the notional rate;
- (b) the teacher entering part-time pensionable employment; and
- (c) unless the teacher elects to pay additional contributions under regulation C8, his ceasing to be in pensionable employment.

(11) An election made for the purposes of paragraph (8) may be cancelled by giving written notice to the Secretary of State at any time.

(12) Notice of cancellation—

- (a) has effect from the first day of the month following that in which it was received; and
- (b) is irrevocable.

(13) If while an election made for the purposes of paragraph (8) has effect there is any further reduction during a period of sick leave or maternity leave, the notional rate is, during that period, to be treated as having been reduced in the same proportion as the actual rate.

Ordinary contributions

C2.—(1) Subject to paragraph (2), a teacher who is in pensionable employment is to pay contributions of 6 per cent of contributable salary for the time being.

(2) No contributions are to be paid by a teacher in respect of any reckonable service beyond a total of 45 years.

(1) Section 590C was inserted by the Finance Act 1989 (c. 26), Schedule 6, paragraph 4.

Additional contributions to purchase past added years

- C3.**—(1) This regulation applies to a teacher who—
- (a) except where paragraph (5) applies, is in pensionable employment; and
 - (b) first became employed in pensionable employment, or has been credited with reckonable service on the receipt of a transfer value in respect of comparable British service that began, before he attained the age of 55; and
 - (c) has not become entitled to payment of retiring allowances under regulation E5(1)(a) to (d).
- (2) Subject to paragraphs (3) to (12), a teacher to whom this regulation applies may elect to pay additional contributions in accordance with—
- (a) Part I of Schedule 4 (“Method A ”);
 - (b) Part II of Schedule 4 (“Method B ”);
 - (c) Part III of Schedule 4 (“Method C ”); or
 - (d) where paragraph (5) applies, Part IV of Schedule 4 (“Method D ”),
- in order to become entitled to count an additional period (“the past period ”) as reckonable service.
- (3) Except where paragraph (5) applies, or the teacher’s pensionable employment is part-time, payment may be made by Method A, B or C.
- (4) Where the teacher’s pensionable employment is part-time, payment may only be made by Method B.
- (5) This paragraph applies where—
- (a) the election is a further election made by a teacher whose last pensionable employment was full-time; and
 - (b) the previous election was one made after 30th October 1983 to make payment by Method A and the notice of it contained a statement of the kind mentioned in paragraph (12)(d)(ii); and
 - (c) the teacher has not elected under paragraph 4 of Schedule 4 to shorten the period during which additional contributions were to be paid so that it ends before his 69th birthday; and
 - (d) when notice of the further election is given the teacher has applied for payment of retiring allowances but has not been paid a retirement lump sum.
- (6) The past period must not exceed the maximum calculated in accordance with Schedule 3, and—
- (a) must have begun after the teacher attained the age of 20;
 - (b) must have ended—
 - (i) before the teacher attained the age of 60;
 - (ii) before the date of the election; and
 - (iii) if the teacher has become entitled to payment of retiring allowances by virtue of regulation E5(1)(f) (redundancy, etc.), before the relevant termination of employment;
 - (c) must be one during which the teacher was not in full-time pensionable employment, unless—
 - (i) contributions in respect of the period have been repaid after 31st May 1973; or
 - (ii) the right to count reckonable service in respect of it has been extinguished by payment of a transfer value;
 - (d) if payment is to be made by Method A, must satisfy paragraph 2 of Schedule 4;

- (e) if payment is to be made by Method B and the election is a further election, must have begun after the date of the previous election;
 - (f) if payment is to be made by Method C, must–
 - (i) satisfy paragraph 13 of Schedule 4; and
 - (ii) if the election is a further election, have begun after the date of the previous election;
 - (g) unless–
 - (i) payment is to be made by Method B and notice of the election is given no earlier than the date of applying for payment of retiring allowances; or
 - (ii) payment is to be made by Method D,
 - must be a period of not less than 30 days; and
 - (h) if payment is to be made by Method D, must have ended before the date of the previous election.
- (7) If the teacher is already entitled to count any reckonable service in respect of the past period, that period is for the purposes of payment under this regulation and those of regulation D1 (reckonable service) reduced by the length of that service.
- (8) The period during which additional contributions are to be paid (“the contribution period”) must–
- (a) where payment is to be made by Method A, satisfy paragraph 2 of Schedule 4; and
 - (b) where payment is to be made by Method C, satisfy paragraph 13 of Schedule 4.
- (9) Subject to paragraphs (10) and (11), an election under this regulation may be made at any time.
- (10) A further election to make payment by Method B or C, other than an election by a teacher in part-time pensionable employment to make payment by Method B, must be made within 6 months after the start of the teacher’s latest pensionable employment.
- (11) A teacher may not simultaneously make different elections under this regulation, except that an election to make payment by Method A or C may be made at the same time as an election to make payment by Method B in respect of a different past period.
- (12) An election under this regulation must be made by giving written notice to the Secretary of State, which–
- (a) is to specify the past period;
 - (b) is to specify the method by which payment is to be made;
 - (c) where payment is to be made by Method A or C, is to specify the length of the contribution period; and
 - (d) where payment is to be made by Method A–
 - (i) is to contain a declaration that the teacher has no reason to believe that his health may prevent him from continuing in pensionable employment until payment has been completed, and
 - (ii) where the contribution period is such that payment cannot be completed until the teacher has attained the age of 69 and he wishes to reserve the right to make a further election to make payment by Method D, is to contain a statement to that effect.
- (13) Subject to paragraph 4 of Schedule 4 (shortening of contribution period where payment to be made by Method A), an election becomes irrevocable one month after the date on which the Secretary of State notifies the teacher in writing that it has been accepted.
- (14) Where payment is to be made by Method A and–
- (a) within 12 months after the date of the election the teacher becomes incapacitated; and

- (b) the declaration required by paragraph (12)(d)(i) was not made in good faith, the election is to be treated as not having been made and any additional contributions paid are to be refunded.

(15) In this regulation “further election ” means an election made after 30th October 1983 which was not the teacher’s first election, and “previous election ” means the last election before the one being made.

Additional contributions to purchase past added years in the case of a deceased teacher

C4.—(1) This regulation applies in the case of a teacher—

- (a) who dies;
- (b) who, had he on the date of death instead ceased to hold his employment, would—
 - (i) have become entitled under regulation E5 to payment of retiring allowances; and
 - (ii) on applying for them have become entitled under regulation C3 to elect to pay additional contributions by Method D; and
- (c) in respect of whom another person (“the pensioner ”) is entitled under regulation E25 to a long-term pension.

(2) Where this regulation applies the pensioner, or in the case of a child a person acting on the pensioner’s behalf, may by giving written notice to the Secretary of State within 3 months after the death make any election which, on the hypothesis stated in paragraph (1)(b), the deceased teacher could have made under regulation C3.

(3) Subject to paragraph (4), an election under this regulation has effect as if it had been made under regulation C3 by the deceased teacher.

(4) The additional contributions—

- (a) are to be calculated under paragraph 16(1) of Schedule 4 even if the deceased teacher had attained the age of 60, and
- (b) except to the extent that they are, with the consent of any person entitled to it, met out of a terminal sum, are payable by the pensioner.

Additional contributions to purchase past added years under earlier provisions

C5.—(1) Part I of Schedule 5 has effect where immediately before the date on which these Regulations come into force additional contributions remained to be paid by virtue of regulations 22 to 25 of the 1977 Regulations (elections made before 31st October 1983).

(2) Part II of Schedule 5 has effect where immediately before the date on which these Regulations come into force additional contributions remained to be paid by virtue of regulation 26 of the 1977 Regulations (payments commenced before 1973).

Reduction of past added years on account of war service

C6.—(1) This regulation applies where—

- (a) an election has been made under regulation C3 or C4; and
- (b) the teacher by or in respect of whom it was made subsequently becomes entitled to count as reckonable service, by virtue of regulation D5 or D6, a period related to war service; and
- (c) apart from this regulation some of his reckonable service (“the excess period ”) consequently would, or would if he continued in pensionable employment until his 60th birthday, be left out of account, by reason of regulation E30(2) (limit on effective service), for the purpose of calculating benefits.

(2) Where this regulation applies the period in respect of which the election mentioned in paragraph (1)(a) was made is to be treated as reduced by the excess period.

(3) Where the additional contributions already paid exceed those required for the reduced period, the excess is to be refunded.

Additional contributions in respect of war service

C7.—(1) This regulation applies to a teacher who became entitled by virtue of regulations 49(2)(a) and 68 of the 1977 Regulations to count as reckonable service a period related to war service (“the war service period”).

(2) Subject to paragraph (6), there is to be paid by or in respect of a teacher to whom this regulation applies, by way of deduction from the appropriate terminal sum, an additional contribution of A + B, where—

A is 3.75 per cent of the salary notionally received during the teacher’s war service, and

B is interest on A at 3.5 per cent per annum, compounded with yearly rests, from 1st July 1950 to the relevant date.

(3) The salary notionally received during the teacher’s war service is £200 per annum in the case of a man and £175 per annum in the case of a woman.

(4) The relevant date is—

(a) if a transfer value has become payable in respect of the teacher by virtue of regulation F1, the date on which he became subject to the receiving scheme; and

(b) in any other case, the date on which the terminal sum is paid.

(5) If the additional contribution exceeds the terminal sum, the excess is to be paid in such manner as may be agreed.

(6) If—

(a) the counting of the war service period does not increase the retirement benefits payable; and

(b) no election is made under paragraph (8),
no additional contribution is payable under paragraph (2).

(7) This paragraph applies where the whole of the teacher’s other reckonable service would, in the event of his death, count in the calculation under regulation E26 of a spouse’s or nominated beneficiary’s pension (“the family pension”).

(8) Where paragraph (7) applies the teacher may elect that there is to be paid, by way of a further deduction from the appropriate terminal sum, an additional contribution in respect of war service.

(9) The amount of the additional contribution is the actuarial cost of the increase in the family pension that would result from the war service period’s counting under regulation E26(4)(c).

(10) An election under paragraph (8) must be made by giving written notice to the Secretary of State before the appropriate terminal sum is paid.

(11) If a teacher who could have made an election under paragraph (8) dies without having made it, the election may be made by the nominated beneficiary or surviving spouse before the appropriate terminal sum has been paid.

Additional contributions to purchase current added years

C8.—(1) Subject to paragraphs (11) to (13), this regulation applies to a teacher who—

(a) before attaining the age of 60 has ceased to be in pensionable employment, otherwise than by virtue of an election under regulation B6 (opting out); and

- (b) was not then incapacitated; and
- (c) did not then become entitled to payment of retiring allowances; and
- (d) has not become a member of another occupational pension scheme.

(2) Subject to paragraphs (3), (4) and (10), a teacher to whom this regulation applies may elect to pay additional contributions in order to become entitled to count as reckonable service a period (“the period”) beginning on the day after the cessation of the pensionable employment, or where paragraph (4)(a) applies on the day after the last day of the earlier period.

(3) The period—

- (a) must end before the teacher’s 60th birthday; and
- (b) must not in any case exceed the maximum calculated in accordance with Schedule 3; and
- (c) if the teacher has become employed—
 - (i) as a teacher in any school outside the British Islands in which, in the opinion of the Secretary of State, it is expedient to facilitate the employment of teachers from Scotland; or
 - (ii) in an educational service outside the British Islands in employment which to a substantial extent involves the control or supervision of teachers in such schools, must not exceed 6 years; and
- (d) in any case to which paragraph (c) does not apply, must not exceed 3 years.

(4) If the teacher has paid additional contributions under this regulation for an earlier period and—

- (a) has not since the end of that period been in pensionable employment; or
 - (b) has since been in pensionable employment but for less than 12 months,
- the earlier period is to be deducted from the maximum allowed by paragraph (3).

(5) If before the end of the period the teacher—

- (a) becomes entitled to payment of retiring allowances; or
- (b) becomes a member of another occupational pension scheme; or
- (c) dies,

the period is to be treated as having ended on the day on which the relevant event occurred; and if before the end of the period the teacher fails to pay an additional contribution, or a late payment is not accepted under paragraph (9), it is to be treated as having ended on the day up to which contributions have been paid.

(6) An additional contribution is payable for each financial year and is a percentage of the notional salary for so much of the period as falls within that year.

(7) The notional salary is what the teacher’s pensionable salary would have been if pensionable employment had not ceased and the teacher had continued to be employed in the same post and on the same terms; and the percentage is (A+B), where A is the percentage specified under regulation G4(3) (employee’s contributions) and B is any percentage specified under regulation G4(7) and (8) (employer’s contributions).

(8) The contribution for a financial year is to be paid directly to the Secretary of State—

- (a) where the period has not ended during the financial year, within 3 weeks after the end of the financial year; and
- (b) in any other case, within 6 weeks after the end of the period or the date of a written notification by the Secretary of State that payment is due, whichever is the later.

(9) A late payment of a contribution may for special reasons be accepted by the Secretary of State; but if it is accepted the teacher is to pay interest on the amount of the contribution at 4 per cent per annum, compounded with yearly rests, from the due date of payment to the date of payment.

(10) An election under this regulation must be made by giving written notice to the Secretary of State, which must specify the period and must be given—

- (a) if paragraph (3)(c) applies, within 6 months; and
- (b) in any other case, within 3 months,

after the cessation of the teacher's pensionable employment or, if later, the end of a previous period for which he has paid additional contributions under this regulation.

(11) For the purposes only of this regulation a teacher remains in pensionable employment while absent from duty during and in consequence of a trade dispute.

(12) Paragraph (11) applies—

- (a) even if the teacher was not participating in or financing or otherwise directly interested in the trade dispute; and
- (b) even if the teacher's employer was not a party to the trade dispute.

(13) In this regulation "trade dispute" has the meaning given by section 29 of the Trade Union and Labour Relations Act 1974(2).

Additional contributions for family benefits

C9.—(1) Parts I and III of Schedule 6 have effect for enabling men and unmarried women to pay additional contributions ("family benefit contributions") in order to secure, or to increase, family benefits in respect of reckonable service before 1st April 1972.

(2) Parts II and III of Schedule 6 have effect for enabling married women to pay family benefit contributions in respect of reckonable service before 6th April 1988.

Return of contributions

C10.—(1) Subject to paragraph (3), this regulation applies where a teacher has ceased to be in pensionable employment and—

- (a) if he ceased to be in pensionable employment by virtue of an election under regulation B6, he had not completed one or more periods of the kinds described in Part I of Schedule 8 amounting to 2 years or more; and
- (b) in any other case, he is not qualified for retiring allowances; and
- (c) no transfer value under regulation F1 has since been paid or become payable in respect of the teacher; and
- (d) he did not within the relevant period re-enter pensionable employment; and
- (e) the relevant period is not a period, or part of a period, for which the teacher has elected to pay additional contributions under regulation C8 (current added years).

(2) The relevant period is—

- (a) if he has ceased to be ordinarily resident within the area comprising the British Islands and the Republic of Ireland, the period of one month; and
- (b) in any other case, the period of 3 months, beginning when the teacher ceased to be in pensionable employment.

(2) 1974 c. 52; section 29 was amended by the Trade Union and Labour Relations (Amendment) Act 1976 (c. 7), section 1(d), the Criminal Law Act 1977 (c. 45), Schedule 13, and the Employment Act 1982 (c. 46), section 18.

(3) This regulation shall not apply if part of the teacher's reckonable service is attributable to a transfer value paid in respect of him to the Secretary of State by the trustees or managers of a personal pension scheme, notwithstanding that the teacher has less than 2 years' service.

(4) For the purposes of paragraph (1) a woman who ceased to be in pensionable employment wholly or partly because of pregnancy or confinement is to be treated—

- (a) as having remained in such employment while she enjoyed the right to return to work conferred by sections 45 and 47 of the Employment Protection (Consolidation) Act 1978(3); and
- (b) if she has exercised that right, as not having ceased to be in pensionable employment.

(5) Where this regulation applies the person is entitled to have returned the balance of his contributions, calculated in accordance with regulation C11.

(6) The entitlement takes effect at the end of the relevant period, or on the teacher's 70th birthday if earlier.

Calculation for the purposes of regulation C10

C11.—(1) The balance of contributions is to be calculated as at the date of the calculation, or the teacher's 70th birthday if earlier ("the calculation date").

(2) The balance is $(A-B)-C$, where—

A is the total of the amounts specified in paragraph (3),

B is the total of the deductions specified in paragraph (4); and

C is the amount of the tax chargeable on $(A-B)$ under section 598 of the Taxes Act.

(3) The amounts are those of—

- (a) all contributions paid, under regulations C2, C3, C5, C8 and C9, except—
 - (i) any treated for the purposes of regulation G2 as employer's contributions; and
 - (ii) any paid in respect of a period of employment for which an incapacity gratuity under regulation E17 has been received; and
- (b) contributions paid in respect of any comparable British service in respect of which the teacher is entitled to count reckonable service by virtue of the receipt of a transfer value; and
- (c) if the teacher was entitled to count any reckonable service by virtue of the receipt of a transfer value in respect of an employment that was not comparable British service, either—
 - (i) any payment by way of repayment of contributions, and interest, that he would otherwise have been entitled to receive under the rules of the superannuation scheme to which he was subject in the employment; or
 - (ii) if that scheme made no provision for the repayment of contributions, the contributions he paid under it in respect of the employment; and
- (d) interest to the calculation date, at 3 per cent per annum, compounded with yearly rests—
 - (i) on the contributions mentioned in sub-paragraphs (a) and (b), from the first day of the financial year following that in which they were paid; and
 - (ii) where sub-paragraph (c) applies, from the first day of the financial year following that in which the transfer value was paid.

(4) The deductions are—

(3) 1978 c. 44; section 45 was amended by the Social Security Act 1989 (c. 24), Schedule 5, paragraph 15; section 47 was amended by the Employment Act 1980 (c. 42), section 11(3).

- (a) the amount of any previous repayment of contributions;
- (b) if the Secretary of State has made a payment in lieu of contributions or the person is entitled to equivalent pension benefits, half the amount of the payment in lieu of contributions that was, or as the case may be would otherwise have been, made; and
- (c) if the Secretary of State has paid a contributions equivalent premium, the amount recoverable by him under section 47 of the Pensions Act⁽⁴⁾.

Return of certain contributions paid for family benefits

C12.—(1) This paragraph applies where a member who has made no election under paragraph 3 of Schedule 6 (election to pay additional contributions)—

- (a) becomes entitled under regulation C10 to the return of the balance of his contributions; or
- (b) becomes entitled to have a transfer value paid under regulation F1, unless by giving written notice to the Secretary of State he elects that this regulation is not to apply; or
- (c) becomes entitled to payment of retiring allowances, unless on his death family benefits would become payable.

(2) Where paragraph (1) applies the member is entitled to be repaid an amount calculated in accordance with paragraphs (3) to (5).

(3) Where no family benefit would have been payable if the member had died before 1st April 1972, the amount includes the whole of the member's normal contributions and any additional contributions.

(4) Where paragraph (3) does not apply, the amount includes—

- (a) half the normal contributions paid in respect of any period during which family benefits would have been payable in the event of the member's death; and
- (b) the whole of the normal contributions paid in respect of any other period; and
- (c) the whole of any additional contributions.

(5) The remainder of the amount consists of interest at 3 per cent per annum, compounded with yearly rests, from the first day of the financial year following that in which the contributions were paid to—

- (a) the date of the calculation; or
 - (b) the member's 70th birthday; or
 - (c) the date of the member's death,
- whichever is the earliest.

(6) There is to be deducted from the amount the tax chargeable on it under section 598 of the Taxes Act.

(7) Where a member who has made no election under paragraph 3 of Schedule 6 dies and—

- (a) he was entitled under regulation C10 to be repaid the balance of his contributions; or
- (b) a death gratuity is payable under regulation E19 and no family benefit other than a children's pension is payable,

the member's personal representatives are entitled to be paid an amount calculated in accordance with paragraphs (3) to (5) but with the interest component calculated to the date of the member's death.

(4) Section 47 was amended by the Social Security (Miscellaneous Provisions) Act 1977 (c. 5), section 22(14) and by the Social Security Act 1985 (c. 53), Schedule 5, paragraphs 29 and 30.

Repayment of returned contributions

- C13.**—(1) A teacher to whom contributions were returned before 1st June 1973—
- (a) who is in pensionable employment; or
 - (b) who is in comparable British service and in respect of whom no transfer value has been paid since the end of his last pensionable employment,
- may at any time, by giving written notice to the Secretary of State, elect to repay the contributions, with interest, to him.
- (2) Interest is payable at the rate of 3.5 per cent per annum from the date on which the contributions were returned to the date on which their repayment is completed, and—
- (a) where the repayment is made by a single payment, is payable on the full amount of the contributions and is compounded with yearly rests; and
 - (b) where the repayment is made by instalments, is payable on the balance for the time being outstanding and is compounded with yearly rests on 31st March.
- (3) While a teacher is in pensionable employment, payments under this regulation shall be made in instalments of equal amounts and are, subject to paragraph (4), payable—
- (a) at equal intervals, of not more than 6 months; and
 - (b) for a whole number of years not exceeding 5 and ending before his 60th birthday.
- (4) The annual amount of instalments paid under paragraph (3) is not to exceed (A–B), where—
- A is 9 per cent of the annual rate of the teacher’s contributable salary at the date on which notice of the election is received, and
- B is the excess over 6 per cent of that rate of any amounts to be deducted under regulation C14.
- (5) If a teacher has commenced to pay instalments in accordance with this regulation and before they have all been repaid—
- (a) he becomes entitled to payment of retiring allowances; or
 - (b) a death gratuity becomes payable in respect of him,
- the balance outstanding, less any interest previously calculated but which relates to a future period of repayment, is to be deducted from the appropriate terminal sum and the repayment of contributions is to be treated as having been completed.
- (6) If, in a case not falling within paragraph (5), a teacher who has commenced to pay instalments in accordance with this regulation ceases to be employed in pensionable employment before completing payment, he shall make a single payment of the balance outstanding, less any interest previously calculated but which relates to a future period of repayment.

Deduction, payment and recovery of contributions

C14. –

- (1) The employer of a teacher in pensionable employment is to deduct from the teacher’s salary each month—
- (a) the contributions payable under regulation C2(1) (ordinary contributions);
 - (b) any additional contributions payable in accordance with Parts I or III of Schedule 4 as a result of an election under regulation C3 (additional contributions for past added years);
 - (c) any additional contributions payable by virtue of regulation C5 (earlier provisions) or C9 (family benefits); and
 - (d) any instalments payable under regulation C14(3) (interest payments),

and any amount not so deducted in any month is to be deducted from the employee's salary no later than 30th April next following the end of the financial year in which it ought to have been deducted.

(2) If and so far as deductions are not made under paragraph (1), any sum remaining due is to be paid by the employee to the Secretary of State on receipt of a written demand specifying the sum.

(3) If the sum is not paid within 6 weeks after the date of the demand, interest is payable on it at 4 per cent per annum, compounded with yearly rests, from the expiry of the 6 weeks to the date of payment.

(4) Without prejudice to any other means of recovery, any sum due to the Secretary of State under paragraph (2) or (3) may be recovered by deducting it from any benefits payable under Part E.

(5) Amounts due from a person under this Part which are not deductible under paragraph (1) are to be paid by the person to the Secretary of State.

(6) If any amount to which paragraph (5) applies, except one due under regulation C8 or C13, is not paid within 6 months after the end of the period to which it relates, but remains payable, interest is payable on it at 4 per cent per annum, compounded with yearly rests, from the expiry of the 6 months to the date of payment.