
STATUTORY INSTRUMENTS

1997 No. 3001

The Teachers' Pensions Regulations 1997

PART C

TEACHERS' CONTRIBUTIONS

Salary on which contributions are payable

C1.—(1) Subject to paragraphs (3) to (5) and (8) to (11) and regulation C2, the contributable salary of a person to whom the 1991 Act applies is the total of—

- (a) the amounts payable by his employer under any order under section 2 of the 1991 Act for the time being in force or under any document referred to in such an order,
- (b) the amounts payable by his employer in respect of his pensionable employment in satisfaction of any contractual liability arising out of sickness or maternity,
- (c) the amounts payable by his employer in respect of his pensionable employment in satisfaction of any statutory liability arising out of sickness or maternity, and
- (d) if the employer has satisfied the Secretary of State that it is expedient for residential accommodation to be provided free in connection with the employment, the money value as an allowance in kind of—
 - (i) the accommodation provided, and
 - (ii) any heat, lighting or water provided free or council tax paid in connection with it.

(2) Subject to paragraphs (3) to (11) and regulation C2, the contributable salary of a person to whom paragraph (1) does not apply is the total of—

- (a) all the salary, wages, fees and other payments paid to him for his own use in respect of his pensionable employment,
- (b) the amounts mentioned in paragraph 1(c), and
- (c) the money value mentioned in paragraph 1(d).

(3) If the money value of any accommodation as mentioned in paragraph (1)(d)(i) provided free exceeds one sixth of the aggregate of the amounts mentioned in paragraph (1)(a) to (c), or, as the case may be, paragraph (2)(a) and (b), the excess is not part of the person's contributable salary.

(4) A person's contributable salary does not include—

- (a) any allowance in kind not falling within paragraph (1)(d) or (2)(c),
- (b) any payment by way of bonus,
- (c) any payment in respect of overtime, or
- (d) any payment by way of travelling or expense allowance.

(5) For the purposes of paragraph (4) above—

- (a) a payment by way of bonus shall not include any payment calculated by reference to the performance of the person in question or the performance of the institution where he is employed,

- (b) a payment by way of bonus shall not include any payment made to the person in question where such a payment is made as part of a pay settlement which applies to all persons, or to all persons of a particular class or description, employed at the institution,
 - (c) if at any time a payment is made to a person which is not part of his contributable salary, then any subsequent payment of the same nature is a payment by way of bonus (whether or not it is described as such), and
 - (d) if at any time a payment is made to a person which is part of his contributable salary, then any subsequent payment of the same nature is not a payment by way of bonus (whether or not it is described as such).
- (6) The contributable salary of a person employed as mentioned in paragraph 14 of Schedule 2 (teacher in European Schools) does not include any amount not payable by, or money value not attributable to, the Secretary of State.
- (7) The contributable salary of a person employed as mentioned in paragraph 22 of Schedule 2 (services education officer) is the amount that would for the time being be payable by way of salary under an order under section 2 of the 1991 Act for the time being in force or under any document referred to in such an order, to a teacher of the same age and with the same qualifications and experience employed in a school outside the London area (within the meaning of any such document).
- (8) Subject to paragraphs (9) and (10), in the case of a person entering pensionable employment after 31 May 1989 with no right to count any period before 1 June 1989 as reckonable service, in any tax year in which the contributable salary calculated in accordance with paragraphs (1) to (7) and regulation C2 exceeds the permitted maximum in terms of section 590C of the Taxes Act(1), the excess does not form part of his contributable salary.
- (9) Paragraph (8) shall not apply to a person who was in pensionable employment before 1 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 under sections 79 to 85 of the Employment Rights Act 1996(2),
 - (b) a period of secondment or additional period of absence necessarily attributable to that secondment, and
 - (c) in any other case, a break in teaching employment not exceeding one year.
- (10) Paragraph (8) shall not apply to a person who was in comparable British service before 1st June 1989 and 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.
- (11) For the purpose of paragraph (10) “comparable British service” does not include service which is pensionable under a superannuation scheme for teachers in public employment in the Channel Islands and the Isle of Man.

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

(2) 1996 c. 18.