

The Teachers' Pensions Scheme from April 2015 – an update

John Brown

DfE TPS Policy and Reform Team

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Department
for Education

Agenda

- **12 months ago**
- **The last 12 months**
- **What the reformed scheme will look like (a recap)**
- **Ongoing reform**
- **Next steps**



12 MONTHS AGO

- **Final year of member contribution rates being developed**
- **Full reformed scheme regulations being drafted**
- **New Fair Deal announced**



THE LAST 12 MONTHS

- **Legislation made in April 2014 giving effect to the reformed TPS**
- **Year 3 member contribution increases successfully delivered**
- **New Fair Deal implemented in April 2014**



THE LAST 12 MONTHS (contd)

- **Valuation completed**
- **Governance arrangements through Pension Board**
- **Member contribution tier structure proposed**
- **Consultation launched on final regulations**



WHAT THE REFORMED SCHEME WILL LOOK LIKE (a recap)

- **Career average pension**
- **Accrual rate of 1/57**
- **Active indexation of Treasury Order +1.6%**
- **Deferred indexation of Treasury Order**



WHAT THE REFORMED SCHEME WILL LOOK LIKE (contd)

- **Lower rate of actuarial adjustment for NPA over 65**
- **New flexibilities for active members**
- **Continuation of club scheme transfers**



ONGOING REFORM

- **Analysis and publication of consultation responses**
- **Amending regulations to be made in autumn**
- **Developing PRC and AVC regulations**



ONGOING REFORM

- **Freedoms and flexibilities for AVC scheme**
- **Continuing dialogue with HM Treasury and other schemes**
- **Continuing recruitment of board members**



Key Points For Employers

- **Employer roles and responsibilities remain largely unchanged**
- **Be aware of changes and prepared to guide and help staff**
- **Need to be aware of data retention and payroll issues**



Sources Of Information/Contact

- **The Teachers' Pensions Website:**
<https://www.teacherspensions.co.uk/>

- **DfE Website:**
<https://www.gov.uk/government/organisations/department-for-education>

