STATUTORY INSTRUMENTS

1979 No. 1206

EDUCATION, ENGLAND AND WALES

The Teachers' Superannuation (Amendment) Regulations 1979

Made - - - -	*26th September* 1979
Laid before Parliament	*8th October* 1979
Coming into Operation	*1st November* 1979

The Secretary of State, in exercise of the powers conferred by sections 9 and 12 of the Superannuation Act 1972(**a**) and Schedule 3 thereto, after consulting with representatives of the local education authorities, teachers and other persons likely to be affected in accordance with section 9(5) of the said Act and with the consent of the Minister for the Civil Service, hereby makes the following Regulations:—

1.—(1) These Regulations may be cited as the Teachers' Superannuation (Amendment) Regulations 1979.

(2) These Regulations shall come into operation on 1st November 1979 and shall have effect as from 1st April 1972.

2. In these Regulations a reference to the principal Regulations is a reference to the Teachers' Superannuation Regulations 1976(**b**).

3. After Regulation 1(1) of the principal Regulations (citation and operation) there shall be added the following provision:—

> "(1A) For the purposes of Part V, these regulations shall have effect as from 1st April 1972 but, for all other purposes, shall have effect as from 1st January 1977.".

4.—(1) At the end of paragraph (3) of Regulation 3 of the principal Regulations (definitions) there shall be added the words "and, in Part V, includes a reference to a return of contributions.".

(2) After paragraph (7) of the said Regulation 3 there shall be added the following provision:—

> "(8) References to the receipt and payment of transfer values are to be construed as including references to transfer values which the Secretary of State is satisfied would have been received from, or paid to, the Minister for the Civil Service, the Secretary of State for Social Services or the Secretary of State for Scotland but for arrangements between the Secretary of State and the other Minister concerned for the avoidance of payments between Ministers.".

(**a**) 1972 c. 11.
(**b**) S.I. 1976/1987. The amending instruments are not relevant to the subject matter of these Regulations.

5. For Regulation 85 of the principal Regulations (teachers' superannuation account) there shall be substituted the Regulation set out in Appendix 1 to these Regulations.

6. In Regulation 86 of the principal Regulations (receipts)—

(*a*) in sub-paragraph (*a*), after the words "regulation 12(2)(*a*)" there shall be inserted the words "(or a previous provision to the like effect)";

(*b*) in sub-paragraph (*b*), after the words "regulation 12(2)(*b*)" there shall be inserted the words "(or a previous provision to the like effect)";

(*c*) in sub-paragraph (*c*), for the words "determined in accordance with Part 3 of Schedule 8 as" there shall be substituted the word "of" and for the words "allowances and gratuities" there shall be substituted the word "benefits", and

(*d*) in sub-paragraph (*d*), for the words following the words "regulation 82(1)" there shall be substituted the words "(or a previous provision to the like effect);".

7. In Regulation 87 of the principal Regulations (payments)—

(*a*) in sub-paragraph (*b*), for the words following the words "regulation 81(1)" there shall be substituted the words "(or a previous provision to the like effect)", and

(*b*) at the end of sub-paragraph (*c*) there shall be added the words "(or a previous provision).".

8. For Regulation 88 of the principal Regulations (interest) there shall be substituted the Regulation set out in Appendix 2 to these Regulations.

9. For Schedule 8 to the principal Regulations (teachers' superannuation account) there shall be substituted the Schedule set out in Appendix 3 to these Regulations.

APPENDIX 1

Regulation Substituted for Regulation 85 of the Principal Regulations

Teachers' superannuation account

85.—(1) Any reference in this Part to an accounting period is a reference to a period of twelve months ending on 31st March.

(2) An account shall be kept by the Secretary of State, in the form specified in Part 1 of Schedule 8 or a form substantially to the like effect, of the receipts and payments under these regulations, or under the previous provisions, for the accounting period ending on 31st March 1973 and every subsequent accounting period.

(3) For the purposes of the said account and of regulation 86(*c*), where any benefits are attributable both to service before, and to service after, the beginning of June 1922 the extent to which they are so attributable shall be determined by the Secretary of State.

APPENDIX 2

REGULATION SUBSTITUTED FOR REGULATION 88 OF THE PRINCIPAL REGULATIONS

Notional interest

88.—(1) In any accounting period ending on or after 31st March 1973 the sum representing interest referred to in regulation 86(*e*) shall, subject to regulations 89 and 90, be determined by reference to the interest which would have accrued for that period from the notional investments mentioned in Part 2 of Schedule 8 ("the notional investments") and shall be the aggregate of the sums equal to—

(*a*) a half of the interest which would have accrued for the accounting period in question from the notional investment referable to the balance of receipts over payments during that period;

(*b*) the interest which would have so accrued from the notional investment referable to that balance during any previous accounting period ending on or after 31st March 1972, and

(*c*) the interest which would have so accrued from the notional investment referable to the accumulated balance of revenue over expenditure as at 31st March 1971.

(2) In determining for the purposes of paragraph (1)(*a*) or (*b*) or of Schedule 8 the balance of receipts over payments during an accounting period—

(*a*) no account shall be taken of the interest which would have accrued for the period in question from the notional investment referable to the balance of receipts over payments during that period, but

(*b*) account shall be taken of the interest which would have so accrued from the notional investments referable to such balance during any previous accounting period ending on or after 31st March 1972 or referable to the accumulated balance mentioned in paragraph (1)(*c*);

and, for the purposes hereof, paragraph (1) shall have effect in relation to the accounting period ending on 31st March 1972 subject to any necessary modifications.

(3) For the purposes of this regulation and of Schedule 8, any reference to receipts, revenue, payments or expenditure is a reference to receipts, revenue, payments or expenditure for the purposes either of these regulations or of a previous provision.

APPENDIX 3

SCHEDULE SUBSTITUTED FOR SCHEDULE 8 TO THE PRINCIPAL REGULATIONS

Regulations 85 and 88

SCHEDULE 8

TEACHERS' SUPERANNUATION ACCOUNT

PART 1

FORM OF ACCOUNT

THE TEACHERS' SUPERANNUATION REGULATIONS 1976

Account of receipts and payments from 1st April 19 to 31st March 19 .

A Receipts	£000's	B Payments	£000's
I. to balance on (end of period of previous account) ...		I. by benefits attributable to service after the beginning of June 1922—	
II. to contributions—		(i) annual allowances ...	
(i) from teachers and other persons eligible		(ii) additional allowances, gratuities in lieu thereof, supplementary death gratuities and short service gratuities	
(ii) from employers ...		(iii) death gratuities ...	
III. to moneys provided by Parliament, equal to the payments under Head II of the payments side of this account		(iv) widows' pensions	
		(v) children's pensions	
		(vi) other beneficiaries' pensions	
IV. to payments on re-entry into employment in reckonable service...		(vii) short-term pensions ...	
		(viii) repayments of contributions	
V. to amounts recovered from repayments of contributions in accordance with section 60(1) of the National Insurance Act 1965 or section 47 of the Social Security Pensions Act 1975... ...		II. by benefits attributable to service before the beginning of June 1922.	
		III. by payments in lieu of graduated contributions or by way of contributions equivalent premiums ...	
VI. to transfer values and other receipts		IV. by transfer values and other payments	
VII. to interest on balance of receipts over payments calculated in accordance with regulation 88		V. balance on 31st March 19	

NOTE: The sums shown under Head III of column A and Head II of column B include amounts spent on benefits payable in respect of poor law service and service as educational organisers.

PART 2

NOTIONAL INVESTMENTS

1.—(1) For the purposes of regulation 88 the notional investments referred to in paragraph (1)(*a*) and (*b*) thereof shall comprise an investment in accordance with sub-paragraph (2) of a sum equal to the balance of receipts over payments during each accounting period in question ("the relevant period").

(2) The sum in question shall be deemed to have been invested at the beginning of the relevant period in a government security selected by the Secretary of State after consulting the Government Actuary, and the price of the security shall be deemed to have been halfway between the highest and lowest prices shown therefor in the Official Daily List of the London Stock Exchange for 1st October in the relevant period or, if closed on that day, for the last preceding day on which it was open.

2.—(1) For the purposes of regulation 88 the notional investments referred to in paragraph (1)(*c*) thereof shall comprise—

(*a*) £249,505,000 of Funding 3½% stock 1999–2004;

(*b*) £1,738,405,000 of Treasury 5½% stock 2008–2012;

(*c*) until 1st October 1971, £28,893,000 invested at 3½% per annum and, on and after that date, that sum invested as provided in paragraph 1(2), and

(*d*) until 1st October 1972, £16,916,000 so invested and, on and after that date, that sum invested as provided in paragraph 1(2).

(2) For the purposes of paragraph 1(2) as applied by sub-paragraph (1)(*c*) and by sub-paragraph (1)(*d*) of this paragraph, references therein to the beginning of the relevant period shall be construed as references, respectively, to 1st October 1971 and 1st October 1972.

Given under the Official Seal of the Secretary of State for Education and Science on 26th September 1979.

(L.S.)

Mark Carlisle,
Secretary of State for Education and Science.

Consent of the Minister for the Civil Service given under her Official Seal on 26th September 1979.

(L.S.)

T. A. A. Hart,
Authorised by the Minister for the Civil Service.

EXPLANATORY NOTE

(This Note is not part of the Regulations.)

These Regulations amend the Teachers' Superannuation Regulations 1976, in particular Regulation 85 and other provisions of Part V relating to the keeping of a teachers' superannuation account. The Regulations are expressed to have effect as from 1st April 1972 (*Regulations* 1(2) *and* 3); retrospection is authorised by section 12(1) of the Superannuation Act 1972 (c. 11).

The existing provisions of Part V referred to above do not achieve their intended purpose. In particular, Regulation 85 purports to relate to the keeping of an account for every accounting period of twelve months ending on 31st March from that ending in 1972. But it provides that the account shall be in respect of receipts and payments under the Regulations of 1976, which only came into operation on 1st January 1977. The principal amendment (*Regulation* 5 *and Appendix* 1) substitutes for Regulation 85 a new Regulation which provides, first, for the keeping of an account for the accounting period ending on 31st March 1973 and every subsequent accounting period and, secondly, for the account to be in respect of receipts and payments under either the Regulations of 1976 or under the previous provisions relating to the superannuation of teachers in England and Wales.

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