



Members Guide

JTTSF New Members Order

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Introduction

This booklet details the benefits provided by the Jersey Teachers' Superannuation Fund (JTSF) for employees who fall within the provisions contained in *the Teachers' Superannuation (New Members) (Jersey) Order 2007*.

This booklet provides information for guidance purposes only and doesn't constitute legal, financial or investment advice. The booklet may not be relied upon to claim entitlements greater than those provided for under the Scheme's legislation.

This booklet applies to individuals who have joined the Jersey Teachers Superannuation Fund under the New Members' Order 2007.

This booklet is for general use and cannot cover every personal circumstance. In the event of any dispute over your benefits, the appropriate legislation will prevail as this booklet does not confer any contractual or statutory rights and is provided for information purposes only.

The JTSF is a contributory scheme administered by the Government of Jersey and provides pension provision for the majority of teachers who are, or have been, employed in Jersey.

The pension is calculated using your final salary and is an important and valuable benefit available to teachers. On retirement, the JTSF not only provides you with a regular income after you retire, but may also provide a tax free lump sum. It can also give financial protection to your family and dependants on your death.

The JTSF is a statutory Fund subject to legislation contained in the Teachers' Superannuation (Jersey) Law 1979 and orders made pursuant to it. Many of the scheme benefits are subject to qualifying conditions.

If you have any questions about the Scheme, you should contact the Public Employees Pension Team on telephone number: 01534 (4)40227 or by Email using PEPT@gov.je.

Please note: The Public Employees Pension Team (known as the "PEPT" or the "Pensions Team") cannot provide legal, financial or investment advice.

Last updated – December 2024



Glossary

Accepted Schools	An Accepted School is an employer, other than the States Employment Board, who, by agreement with the States Employment Board and the Chief Minister, allows their employees to become members of the pension scheme.
Actuarially Reduced Benefits (ARB)	Benefits taken before Normal Retirement Age (NRA) that may be actuarially reduced according to age.
Club Transfer	This is a transfer of pension rights between schemes which are members of the Public Sector Transfer Club arrangements.
Deferred benefits	Your pension is deferred immediately on leaving employment before being entitled to payment of a benefit from the Scheme. A deferred pension is increased annually by Jersey Retail Prices Index (subject to the Funds ability to pay).
Final Pensionable Pay	Retirement calculations based on the best pensionable pay in the best 365 consecutive days in the last three years prior to retirement or leaving.
Fund	The Jersey Teachers' Superannuation Fund (JTSF).
Normal Retiring Age	New entrants on or after 1st April 2007 have a Normal Retiring Age (NRA) of 65.
Pensionable Service.	This is the service used to calculate your pension. It is based on your last or only period of continuous service whilst a member of the Fund plus any additional pensionable service purchased by additional voluntary contributions (AVCs) and any additional pensionable service agreed by the Employer under Augmentation arrangements.
Qualifying Service	This is the service used to establish whether you meet Fund criteria to be eligible for pension benefits. It is based on your last or only period of continuous service whilst a member of the Fund plus any additional qualifying service transferred from another pension arrangement.



Good reasons for being a member of the JTSF

- ❖ A pension linked to your highest pensionable pay in the best 365 consecutive days within 3 years of retirement or leaving.
- ❖ A choice of retirement age from 60 to 65 (subject to qualifying conditions).
- ❖ Annual reviews of deferred pensions and pensions in payment, with the aim of providing increases in line with the Jersey Retail Prices Index. **This is not guaranteed and is subject to the financial condition of the Fund remaining satisfactory.**
- ❖ Your employer contributes towards the costs of your benefits.
- ❖ The option to exchange (commute) part of your pension at retirement for a tax-free cash sum.
- ❖ If you are retired on grounds of serious ill-health, you could receive an enhanced pension based on your years of pensionable service (subject to qualifying conditions).
- ❖ A cash sum payable if you die in service.
- ❖ When your benefits are calculated all periods of pensionable service before retirement are added together.
- ❖ A pension for your widow/widower/civil partner/dependents/children on your death (subject to qualifying conditions).
- ❖ The option to purchase extra years of pensionable service by paying Additional Voluntary Contributions.
- ❖ The ability to transfer pension from another scheme.
- ❖ If you leave you have the choice of a transfer payment or, depending on the date you joined and your qualifying service, a deferred pension or a refund of contributions.

This summary does not cover all the benefits provided under the Fund.

In the event of any conflict between this booklet and the legislation under which the Fund is run, the terms of the legislation will prevail.



Joining the JTSF

You will become a member under the JTSF New Members Order if you were first employed on or after 1 April 2007.

To become a member of the JTSF, you have to be employed as a teacher in an establishment maintained by the Government of Jersey or in an independent school or further and higher education establishment that has been accepted into the JTSF.

If you are employed as a full time teacher you will automatically become a member of the JTSF. If you are employed as a part time teacher or on supply you will have to make an election to become a member of the JTSF.

If you are a part time or supply teacher and you wish to join the Fund, an election form is available from the JTSF webpages on (www.gov.je/yourpension) or from the Pensions Team. **Please note:** that once you have made an election to become a member of the JTSF that election is irrevocable.

If you opted not to join the JTSF you may only join at the start of a new fixed term contract or if you become permanent. Whilst you do not have to pay contributions from your pensionable pay until you do join, you will also not receive any of the benefits that the JTSF provides.

You will not be covered for the cash sum benefit on death in service, nor will you be building up the qualifying service required for an ill-health retirement pension or for the widow/ widower/ civil partner/ dependent/ children's pension on death in service.

A member of the JTSF who comes under the New Members Order will have a Normal Retiring Age of 65.

Benefits are not guaranteed

Your future benefits in the Scheme are not guaranteed. If, following an actuarial valuation it is identified that there is a deficit in the Fund;-

- the increase to your pension in payment may be reduced or cancelled ;
- the increase to your pension and lump sum in deferment may be reduced or cancelled;
- your employee contribution may be increased.

Your benefits are dependent on the financial position of the pension fund remaining satisfactory. The financial position of the pension fund is determined every 3 years when the Scheme Actuary undertakes an actuarial valuation.



Contributions

How much do I pay?

The rate of contributions that you will pay is 5% of your pensionable pay. Subject to applicable limits, you will receive income tax relief on your contributions.

How much does my employer pay?

Your employer currently pays 10.8% into the Fund.

How do I pay?

Your employer will deduct contributions from your pensionable pay and will pay all contributions directly to the JTSF each month. It is important that you make sure that the correct amounts have been deducted. If you think an error has been made, please contact the Pensions Team immediately.

Can I pay Additional Voluntary Contributions?

You can increase your retirement benefits by paying Additional Voluntary Contributions. You can apply to pay AVCs using the AVC online form available on www.gov.je/yourpension.

Qualifying for benefits

To be entitled to most benefits in the JTSF members are required to have a certain level of qualifying service. Generally, a member needs at least two years' qualifying service to be eligible for a pension.

Transferring from other pension schemes

Before considering transferring any benefits into the Fund we recommend you seek independent financial advice on any proposed transfer, so you understand the implications of transferring from your previous arrangement and what this means for you.

When you become a member of the JTSF, you can request to transfer the cash value of your benefits with a previous employer's pension scheme or personal pension into the Fund. This will be used to buy extra years of Pensionable Service.

To begin the transfer process, you should contact the Pensions Team for information on transferring pension from a previous employer or scheme into the JTSF, or you can go on to the website www.gov.je/yourpension and download an enquiry form to obtain a transfer value. Once you have completed this form you will need to send it to the Pensions Team who will process it for you.



Please note: To be able to take advantage of transferring under the Public Sector Transfer Club rules the Pensions Team must receive in writing, and within 12 months of you becoming eligible to join or re-join JTSF, confirmation that you wish to proceed with your transfer under the Public Sector Transfer Club rules.

If you are not transferring your pension through the Public Sector Transfer Club you can make the request at any time after joining the JTSF.

The Jersey Teachers' Superannuation Fund is a member of the UK Public Sector Transfer Club. This means that if you are transferring benefits from another public sector scheme in the UK, the transferred funds will offer benefits of equivalent value to your service in your previous scheme.

It is also possible to transfer pension benefits outside of the UK Public Sector Transfer Club. In such cases, we would seek the advice of the Fund's actuary as to what additional years and days the transfer payment would purchase. Non-club transfers into JTSF cannot guarantee the same amount of service in the JTSF as under the previous arrangement.

Leaving the Scheme

If you decide to leave teaching, there are four options open to you, depending on your length of service:

1. If you are over 60 and under the NRA of 65 and have 2 years pensionable service, you can **claim your retirement benefits early** subject to a reduction.
2. You can leave your pension benefits in the Fund (i.e. a **deferred** pension). These 'deferred' benefits are increased in line with the Jersey Retail Prices Index. **Note: increases are not guaranteed and are subject to the financial condition of the Fund remaining satisfactory.**
3. If you have been out of pensionable employment for one month and have less than 5 years' service, you can take a **repayment of your contributions**, less relevant deductions. **Please note:** Employers contributions **are not** refundable.
4. You may also be able to **transfer** your pension benefits to another scheme. Transfers from the Channel Islands to Teachers' pension schemes in England, Wales, Scotland and Northern Ireland are treated as 'Club' transfers.

Calculation of benefits

Your benefit will consist of an annual pension and an option to commute up to 30% of your pension in favour of a tax- free lump sum. Your annual pension will be calculated using your final pensionable pay, multiplied by your pensionable service and divided by your accrual rate.



When can I retire?

- ❖ At the Normal Retiring Age of 65
- ❖ Any time up to 5 years before your NRA provided you have at least 2 years' qualifying service (subject to an actuarial reduction).

Final Pensionable Pay

Your final pensionable pay is calculated as your pensionable salary, including any pensionable allowances, over the best 365 consecutive days during the last three years of pensionable service preceding the day on which you cease to be a teacher.

Pensionable Service.

Pensionable service is your length of scheme membership measured in years and days. It can also include extra service credited to you under a transfer from another pension arrangement, and extra years purchased if you pay additional voluntary contributions.

Accrual Rate

The accrual rate is the rate at which your pension builds up for each year of pensionable service. In the New Members Order the accrual rate is 1/80th.

An example of a pension calculation.

A teacher retires at age 65 and at that time they have completed 30 years' Pensionable Service. Their final pensionable pay at retirement is £60,000.

Their pension is calculated as:

$$\frac{\text{Pensionable pay} \times \text{Pensionable Service}}{80} \quad \text{or} \quad \frac{£60,000 \times 30}{80} = £22,500 \text{ per annum}$$

Your retirement options

Retirement (retiring at Normal Retirement Age or later)

Your pension is payable on reaching your Normal Retiring Age. To enable payment of your pension you will have to leave pensionable employment and retire.

If you remain in employment after NRA, you will be paid benefits when you eventually cease pensionable employment.

The maximum amount of pensionable service that you can build up in the Fund is 45 years. This does not include any additional service purchased through AVCs, a Transfer In, etc.



Retiring before reaching your NRA

If you wish to retire before you reach your NRA you have the option to receive your benefits up to 5 years early. If you choose to take your benefits before your NRA your benefits will be reduced by 2.4% each year you retire earlier than your NRA up to a maximum of 12%. This is to take account of the pension being paid earlier and potentially for longer.

How do I apply for retirement benefits?

You should apply four months before the date of your retirement. To apply for your retirement benefits, you should complete the online form [Choose your leaver or retirement options](#) the JTSF website.

OAP Adjustment

The OAP adjustment involves a temporary increase in your JTSF pension until you are eligible to receive your Jersey Social Security pension at which time your JTSF pension will be reduced.

If you would like further information on the OAP Adjustment you will need to contact the Pensions Team in the first instance.

Pension Payments and Taxation

If you retire and remain living in Jersey then your pension will not receive a deduction for tax. Each year you will have to inform Revenue Jersey of your pension income on you tax return. You can if you wish request for tax to be deducted from your pension at source, you need to discuss this with Revenue Jersey.

If you retire and opt to live outside of Jersey then the pension team will have to deduct 20% tax from your pension. If you can pay tax on your pension income in the country that you have moved to then you will need to contact Revenue Jersey to understand how to have your pension paid without deduction of tax.

If you are a pensioner who has moved to live in another country then you will need to inform the pensions team so that they can start to deduct 20% tax from your pension. The pension team reserve the right to reclaim unpaid tax from the date you move out of Jersey.

Ill-Health Benefits

Can I receive my benefits if I become ill?

If you have to leave teaching due to illness or injury you may be able to receive immediate payment of your benefits.

To qualify for ill health benefits you must have at least 2 years' service in the Fund and your employer, on an opinion from an Independent Occupational Health Advisor as appointed by



the States Employment Board, must be satisfied that you are unlikely to be able to perform your current duties due to permanent ill-health or disability of mind or body.

The Ill Health pension will be calculated as if you were normal retirement but you could be awarded additional Pensionable Service to compensate for the fact that ill-health has obliged you to retire early.

Ill health benefits can be paid at any age before you reach your NRA and are not reduced on account of early payment and your benefits could be increased to make up for your early retirement on ground of ill health. If you are to receive an enhancement it will be based on the level of pensionable service you have built up in the fund.

Further information on Ill Health Retirement a leaflet is available on the JTSF website.

Pension increases

Pensions Increase

All pensions in payment and pensions in deferment receive an annual pension increase in January each year based on the December Jersey Retail Prices Index in the previous year. **Any increases awarded are subject to the financial condition of the Fund remaining satisfactory.**

If at a future valuation of JTSF, the Actuary advises that its financial condition is no longer satisfactory, future increases to pensions in payment and deferred pensions may be reduced or cancelled. If the reduction of pension increases does not satisfy the deficit then member contributions may also be increased.

Death in Service Benefits

Survivor Pension

A pension is payable to the surviving widow, widower, registered civil partner (provided the marriage or registration of the civil partnership occurred prior to NRA), dependant. Entitlement to a survivor pension following a death in service is subject to the deceased member having a minimum of 2 years' qualifying service.

Children's Pensions

Subject to a minimum of 2 years qualifying service, a pension will be payable equal to one-half of the survivor pension for each child up to a maximum of two children, where there are more than two children the survivor's pension will be split evenly between each child. The child's pension will be doubled if there is no surviving partner or dependant. A child's pension is payable up to age 16 or, if they remain in fulltime education, up to their 23rd birthday



Death in Service Lump Sum

If you have less than 5 years' Qualifying Service, the Death in Service Lump Sum will be equal to 2/5ths of your annual rate of Salary at the date of death multiplied by your Qualifying Service.

If you have 5 or more years' Qualifying Service, the Death in Service Lump Sum will be twice your annual rate of Salary at the date of death.

If you are not married, or have not registered a civil partnership, a pension may be payable on your death to dependent, i.e. a person who was financially dependent on you for the 'normal necessities of life' prior to your death.

Death after Retirement / Death of Deferred Member

Widow/ widower/ dependents/ civil partner/ children's pensions are paid immediately from the date after death.

Note: A widows/ widowers/ dependents/ civil partner's pension will not be payable if the marriage or registration of the civil partnership took place, or the dependency began, after you reached your normal retirement age.

For Children's Pensions, see Death in Service Benefits, without the requirement for a minimum of 2 years qualifying service.

Small Pensions

From 1 January 2025, if you are under age 60 and the capital value of your deferred benefits is less than £10,000 (note, this is not the value of your actual deferred pension), you may have the option to take your benefits as a one off lump sum.

Deferred benefits made up in part of transferred in benefits cannot be converted into a one off lump sum. The value of your benefits is not the same as how much you would expect to be paid per year when the entitlement to receive a pension falls due. It is what the actuary calculates as being the fair amount to be paid to you today instead of waiting to receive the benefits on retirement.

Members choosing this option are advised that the lump sum is taxed at 20% on payment and that no further liability for pension benefits remains in the Scheme.

If you have any potential survivor beneficiaries (spouse, civil partner and/or children under the age of 23 years), then before you elect to receive the lump sum you are strongly recommended to discuss your intentions with your potential beneficiaries in the event of your death.

The New Members Order allows a member or deferred pensioner who is 60 years of age or over where, from 1 January 2024, the pension benefits are valued at less than £50,000 in total



the option to take all his or her pension entitlement as a one-off lump sum. The lump sum is taxable with 70% taxed at half the standard income tax rate. Members choosing this option are reminded that no further liability for pension benefits remains in JTSF.

The payment of a pension benefits as a one off lump sum will not be payable to members who have made a Transfer In.

Members should be aware that tax rates, allowances and actuarial factors change from time to time and that there are a number of additional conditions which need to be met to establish eligibility under the Order.

Members wanting to convert a small pension to a lump sum are advised to contact the Pensions Team but please be aware that they are unable to give financial advice.

Allocation of pension

Can I allocate a portion of my pension to nominated dependant? Yes, though you will have to make an election at least 6 months before your pension becomes payable. You can nominate one or more individuals who are deemed as being dependant on you to receive a portion of your pension on retirement.

The pension committee must consent to the allocation and the Scheme Actuary will have to perform the calculation to ensure that the allocation is cost neutral to the pension fund.

JTSF complaints procedure

If you are unhappy with the treatment or service you have received from the Public Employees Pension Team (Pensions Team) there is a recognised complaints procedure.

Who can complain?

A complaint can be made by a member, by a parent on behalf of a child or a legal guardian on behalf of a member in accordance with their wishes.

What is the time limit for making the complaint?

Within 3 months of the decision/incident or becoming aware that you have something to complain about.

To whom should I first complain?

Initially, you should contact the Pensions Team concerning your case. They will consider your problem and aim to respond to all complaints within 5 working days (unless further advice is needed).

If you remain unhappy, you may make a formal complaint by writing to the Pensions Team at the address below. You should receive a response within 10 working days of receipt.



Public Employees Pension Team
Treasury & Exchequer
PO Box 353,
Union Street
St Helier,
Jersey,
JE2 3DN

Taking a complaint further?

If you are not satisfied with the handling of your case, you can write to the Secretary of the Management Board at the same address

The Secretary will respond to your complaint within 30 working days. Should this not resolve your case, it may be referred to the Management Board for final arbitration.



Scheme Employers

Administering Authority

States Employment Board (includes all non-fee paying and fee paying schools).

Accepted Schools

- ❖ Beaulieu Convent School
- ❖ De La Salle College
- ❖ FCJ Primary School
- ❖ St George's Preparatory School
- ❖ St Michael's Preparatory School

Contact Details

Who can help me if I have a query or complaint?

If you have any questions or issues about your benefits, or pensions in general, you should contact the Pensions Team through the following means

Public Employees Pension Team
Treasury & Exchequer,
PO Box 353,
Union Street,
St Helier,
Jersey,
JE2 3DN

Telephone: (01534) 440227 - **Email:** pept@gov.je - **Website:** www.gov.je/yourpension

Call or email to book a meeting with a member of the PEPT.

Customer Service

Please supply the following information when you contact us:

- ❖ Teacher's payroll reference number
- ❖ Full name
- ❖ Date of birth

Where there is any difference between the legislation governing the Jersey Teachers' Superannuation Fund and the information in this leaflet the legislation will apply

