

ADVICE TO INDEPENDENT SCHOOLS

Your TPS options

We have supported many independent schools over the last year or so in relation to their options around the pension provision they offer their teaching staff. Much of this work was triggered by the very significant increase in contribution rates payable by schools to Teachers' Pension Scheme (TPS) from 1 September 2019. Covid-19 will raise further challenges for schools in terms of affordability.



TPS is a very valuable benefit for teachers and is an excellent recruitment and retention tool, but there are risks. It is very important to understand the position from all sides to ensure a sustainable position is reached.

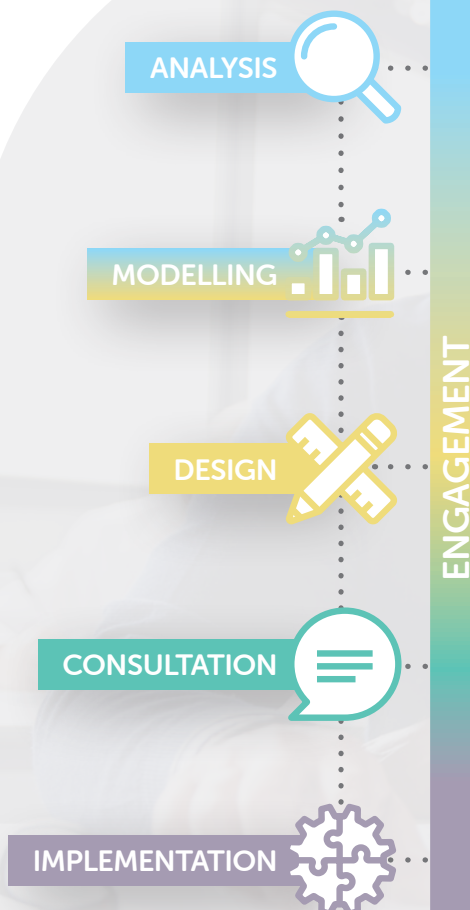
Our experience has allowed us to design a modular approach to the support that can be provided to schools. These take schools all the way from first thinking about pensions, through consultations and education with staff and ultimately (if there are any changes) to help implement the agreed arrangement. We appreciate the need to have fee certainty and are happy to work to agree fixed fees for the modules that might be required.

Every school is different and there is no fixed way to approach this issue. We are entirely independent and have no ties with any provider or product.

This coupled with our expertise across all areas of pensions and wider benefits allows us to ensure the approach chosen can be tailored to ensure it meets the objectives of the school and its staff.




This process is unlikely to be a straightforward journey, and there will often be a degree of overlap between the different stages. For example the design tasks may require further analysis to be undertaken in respect of cost and benefit projections, and feedback from the consultation may lead to the design being revisited. We factor these considerations into our approach, allowing us to provide bespoke support in a joined up and efficient manner.

Some of the areas we can support schools include:



Our modular approach to services for schools is set out below. This is fully flexible and accommodates both the level of support needed and the stage in the process you've already reached. We do not believe one size fits all, and even our 'Core' approach will consider a school's specific needs.

	CORE	DETAILED (as "core" plus)	ADDITIONAL (as "detailed" plus)
 Discussion phase	<p>Initial meeting to understand the school's position and refine their objectives</p>	<p>Presentation of risks and benefits of TPS and main alternative options</p> <p>Comparison of options against school objectives</p>	<p>Detailed analysis of current and future TPS costs for school</p> <p>Detailed projections of school costs for alternative options</p> <p>Discussion regarding support staff pensions and opportunities to align</p>
 Education and engagement phase	N/A	<p>Pensions "education sessions" to teaching staff</p> <p>Collating teacher feedback on pension arrangements</p>	<p>Focus group discussions with teachers to improve feedback on pension arrangements</p>
 Design phase	<p>Report covering alternative structures and, if appropriate, a recommendation for DC provider (from a core group of providers)</p> <p>Discussion on options for connected risk benefits including lump sum death in service and income protection (based on offerings from core providers or existing insurers)</p> <p>Meeting to discuss report and help define proposal and consider options, such as salary sacrifice</p>	<p>High level illustrations of the impact of the proposal on sample members</p> <p>Assistance with preparing a business case for any proposed change</p> <p>Attendance at Board meeting to refine proposal</p>	<p>Whole of market review of alternative providers</p> <p>Further support on ancillary benefits, such as actuarial advice on contribution and benefit levels or risk benefit broking</p>
 Consultation phase	<p>Review of documentation prepared by school or other advisers</p>	<p>Preparation of bespoke announcements to teaching staff covering consultation and elected representatives</p> <p>Provision of "FAQ" document</p> <p>Member presentation to all teaching staff</p> <p>Supporting material to allow members to consider impact given their own circumstances</p>	<p>1-2-1 non-advice sessions with teaching staff</p> <p>Technology solutions to allow individual projections / comparisons to be provided</p> <p>Attendance at working group meetings with elected representatives</p>

	CORE	DETAILED (as "core" plus)	ADDITIONAL (as "detailed" plus)
 Implementation phase	N/A	Support to HR and payroll teams on implementation of alternative arrangement	Provision of member communications such as summary booklet Governance review of arrangements (say + 1 year from implementation)
 Project management	Basic support start to finish Outline project plan of key milestone dates	Detailed project plan covering key tasks and milestones Regular project calls and meetings	Week by week project plan setting out key actions and dates for each action Liaison with all advisers for key actions and timescales
 Wider benefit considerations	N/A	N/A	Review and implementation of changes to support staff pensions Support to senior individuals subject to tax matters, such as Headmaster Consideration of wider benefits options including flexible benefit structures, voucher schemes and total reward statements

Please contact your Barnett Waddingham consultant if you would like to discuss any of the above topics in more detail. Alternatively contact us via the following:

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