

# Award Winning Pensions for your Support Staff

## The Independent Schools' Pension Scheme

### Winner of Small Scheme of the Year at the Professional Pensions Scheme of the Year Awards 2008

#### A Winning Formula!

The Independent Schools' Pension Scheme (ISPS) was voted 'Small Scheme of the Year' at the Professional Pensions Scheme Awards in October 2008.

ISPS is a defined benefit pension scheme for support staff at independent schools which aims to provide similar benefits to the Teachers' Pension Scheme, at a comparable cost.

It was developed in consultation with the Independent Schools' Bursars Association and is open to any school, not-for-profit organisation or charity affiliated to the Independent Schools' Council.

Currently, over 50 Independent schools participate with nearly 2,800 scheme members – an 11.0% increase over the past year.



#### Winning Qualities

The Scheme is managed by The Pensions Trust which uses its expertise and size to improve service standards and control management costs.

- 99% of cases are completed within ten working days.
- The management cost per member has reduced for seven years in succession.
- New benefit options to suit all budgets were introduced in 2006.

Scheme management is overseen by the ISPS Pensions Committee whose members are elected by and from the employers and members in the Scheme.

## What benefits does the Scheme offer?

There are three different 'defined benefit' options:

- **'Final Salary 60ths'** – similar to the new Teachers' Pension Scheme. Members receive a pension of 1/60th of their final earnings for each year of pensionable service.
- **'Final Salary 80ths'** – similar to the Final Salary 60ths option but with members receiving a slightly lower pension of 1/80th of their final earnings for each year of pensionable service.
- **'CARE 80ths'** – 'CARE' stands for Career Average Revalued Earnings. Members earn a benefit of 1/80th of each year's pensionable earnings. Each year's benefit is increased in line with price inflation until retirement.

In each of the ISPS benefit options, members may choose to give up part of their pension in exchange for a cash sum which is normally tax free.

Each option also includes a range of benefits such as provision for dependants in the event of a member's death and enhanced pensions if ill-health forces early retirement.

## What support do employers get?

First of all, there's the comfort that comes from knowing that administration costs are fixed, no matter how many member enquiries there are. The Trust administers your members' benefits, deals with your members' queries direct, issues communications and arranges for scheme accounts to be prepared and audited. In addition, every employer has access to two dedicated Account Managers who know the Scheme and sales consultants will visit your school to promote and explain the Scheme to your staff.



## And what about the members?

Employees have access to a range of communications material in print and electronic formats, with alternatives for members with special requirements. ISPS has a dedicated Administration Team at The Pensions Trust, always on hand to help with enquiries.

## What does it cost?

At the moment, the standard costs for new employers are:

- **'Final Salary 60ths'** – 20.4% of members' pensionable earnings\*
- **'Final Salary 80ths'** – 15.0% of members' pensionable earnings\*
- **'CARE 80ths'** – member contribution is age related, employers pay 10.0%

\*In the final salary options, employers decide what members should pay as a percentage of their pensionable earnings, up to a limit of 50% of the total contribution rate.

These are 'introductory rates' as new employers are currently not required to contribute to the Scheme's deficit for a period of up to six years after joining.

The Scheme offers a comprehensive package of services as standard, with the costs being deducted from the pension fund. Apart from monthly contributions, employers will not have additional costs to pay unless they commission special services which fall outside the standard service package.

If you would like further information on ISPS or you would like to arrange for one of our consultants to visit your offices, please contact our New Business Team on **0845 123 6660** or alternatively email us via **contact@thepensionstrust.org.uk**

Established in 1996  
in consultation with

**I.S.B.A**  
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ASSOCIATION

**Call now on**  
**0845 123 6660**



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**The Pensions Trust**