

# Teacher's Pensions Cookie Preferences

We use cookies to give the best experience on our site. Some essential cookies are needed to make the site work and we'd also like to set some additional ones to understand how you use the site, when accessed directly or via a third-party site, to help us improve the usability and services available. You can control these by clicking 'Manage Cookies'. Information on the cookies we use can be found on our [privacy page](#).

Manage Cookies

Accept All Cookies



- Lifestyle

Resources

Videos

FAQs

Calculators

Forms

News
- New starter

Working life

Planning retirement

Once retired

Scheme changes

My Account

Forms
Applying for retirement
Family and dependants
Joining or leaving the Scheme
Managing your pension forms
Updates
Factsheets
Member training
Guides
Case studies
Deferred Member Newsletter
Member Newsletter
Pensioner Newsletter
Factors and Guidance
Member A to Z

We're experiencing high levels of contact, we appreciate your patience at this time.

## Updates



### Annual updates

This page contains the latest annual Pensions Increase rise, career average revaluation rates, contribution tier salary bands and other scheme allowances. It also includes the latest standard Annual Allowance and Lifetime Allowance.

### Pensions Increase Rates

Pensions in payment are increased in accordance with the Pensions Increase (PI) that's applied to public service pensions each April. PI is always applied on the first Monday falling on or after 6 April. PI this year will be 6.7%, which will be applied from 8 April 2024.

PI is based on the rate of Consumer Prices Index (CPI) in the year to the preceding September. As the Pensions (Increase) Act 1971 doesn't provide for a decrease in the rate of public service pensions a negative CPI rate will result in a Pensions Increase rate of 0%.

PI is also used, where applicable, for the revaluation of the final average salary used in the calculation of final salary pensions, as well as for the revaluation of additional pension elections and the annual revaluation of career average pension for deferred members.

#### Year Pensions Increase Rate

- 2024/2025 = 6.7%
- 2023/2024 = 10.1%
- 2022/2023 = 3.1%
- 2021/2022 = 0.5%
- 2020/2021 = 1.7%

- 2019/2020 = 2.4%
- 2018/2019 = 3.0%
- 2017/2018 = 1.0%
- 2016/2017 = 0.0%
- 2015/2016 = 1.2%
- 2014/2015 = 2.7%
- 2013/2014 = 2.2%
- 2012/2013 = 5.2%

## Contribution Tiers

As the rate of the Consumer Price Index (CPI) rose by 6.7% in the year to September 2023, the salary bands for contribution rates for members will increase by 6.7% with effect from 1 April 2024.

Annual Salary Rate for the Eligible Employment from 1 April 2023 - 31 March 2024	Annual Salary Rate for the Eligible Employment from 1 April 2024	Member Contribution Rate
Up to £32,135.99	Up to £34,289.99	7.4%
£32,136.00 to £43,259.99	£34,290.00 to £46,158.99	8.6%
£43,260.00 to £51,292.99	£46,159.00 to £54,729.99	9.6%
£51,293.00 to £67,979.99	£54,730.00 to £72,534.99	10.2%
£67,980.00 to £92,697.99	£72,535.00 to £98,908.99	11.3%
£92,698.00 and above	£98,909.00 and above	11.7%

## Career average Revaluation Rates

At the beginning of each Scheme year the career average accrued earned pension is revalued, at a rate depending on whether you're an active or deferred member of the Scheme. Where you've a break from the Scheme, but subsequently return after a single break of not more than five years, your pension will be revalued as active. But where you return after a single break of more than five years the pension benefits accrued before the break will continue to be revalued as deferred, with only new accrual being revalued as active.

April 2024

- Active revaluation rate = 8.3%
- Deferred revaluation rate = 6.7%

April 2023:

- Active revaluation rate = 11.7%
- Deferred revaluation rate = 10.1%

April 2022:

- Active revaluation rate = 4.7%
- Deferred revaluation rate = 3.1%

April 2021:

- Active revaluation rate = 2.1%
- Deferred revaluation rate = 0.5%

April 2020:

- Active revaluation rate = 3.3%
- Deferred revaluation rate = 1.7%

April 2019:

- Active revaluation rate = 4.0%
- Deferred revaluation rate = 2.4%

April 2018:

- Active revaluation rate = 4.6%
- Deferred revaluation rate = 3.0%

April 2017:

- Active revaluation rate = 2.6%
- Deferred revaluation rate = 1.0%

April 2016:

- Active revaluation rate = 1.5%
- Deferred revaluation rate = 0.0%

### Maximum Extra Pension (Pension Flexibilities)

Members of the Teachers' Pension Scheme can increase their pension benefits through flexibilities that allow them to purchase either Additional Pension, Faster Accrual, or through the 'Buy-out' of the standard rate of actuarial reduction (the 'Buy out' must be made within six months of joining the Scheme). The amount of extra pension available is a fixed amount, but is increased each Scheme year in line with Pensions Increase. As rounding is to the nearest £100 a small Pensions Increase may not result in an increase in the maximum extra pension.

For the 2024-2025 Scheme year the Pensions Increase 6.7%, and the maximum extra pension amount will increase to:

- Career average scheme: £8,500

For the 2023-2024 Scheme year the Pensions Increase is 10.1%, and the maximum extra pension amount will increase to:

- Career average scheme: £8,000

From 1 April 2023 all accrual will be in the career average scheme and elections in the final salary scheme will not be available to any members.

For the 2022-2023 scheme year the maximum amounts to:

- Career average scheme: £7,300

For the 2021-2022 and 2020 - 2021 scheme years the maximum amounts were:

- Career average scheme: £7,100
- Final salary scheme: £6,900

For the 2019-2020 scheme year the maximum amounts were:

- Career average scheme: £7,000
- Final salary scheme: £6,800

For the 2018-2019 scheme year the maximum amounts were:

- Career average scheme: £6,800
- Final salary scheme: £6,600

For the 2017-2018 scheme year the maximum amounts were:

- Career average scheme: £6,600
- Final salary scheme: £6,400

For the 2015-2016 and 2016-2017 scheme years the maximum amounts were:

- Career average scheme: £6,500

### Restricted Salary Provision - Final salary

If the pensionable salary in the final three years of pensionable employment was increased by more than £7,597 or 10%, the increase in that salary or salaries will be restricted to the highest of £7,597 or 10%. This figure is reviewed each year in line with factors provided by HM Treasury.

Where this restriction applies, any contributions not used in the calculation of average salary will be refunded if the service itself relates to benefit accrual in the final salary scheme.

Members who transitioned from final salary to career average have what is called Salary Link protection, whereby the salaries earned in career average are used to determine the average salary for final salary benefits. The salary restriction provision still applies when the average salary is determined, but a refund of contributions is not appropriate as members are accruing benefits in the career average scheme.

The fixed amounts for salary restriction, by year, are:

- April 2024 - March 2025: £7,597
- April 2023 - March 2024: £7,120
- April 2022 - March 2023: £6,466

- April 2021 - March 2022: £6,272
- April 2020 - March 2021: £6,241
- April 2019 - March 2020: £6,136
- April 2018 - March 2019: £5,992
- April 2017 - March 2018: £5,818
- April 2015 - March 2017: £5,800

From 1 April 2022 all accrual will be in the career average scheme and elections in the final salary scheme will not be available to any members.

### Child Pension - Maximum Remuneration from Vocational Training

Children remain eligible to receive a child pension if they're under the age of 23, are in full-time vocational training (of not less than two years' duration) and are not paid more than £4,064 per annum.

The amounts, by year, for maximum remuneration from vocational training to remain eligible for a child pension are:

- April 2024 - March 2025: £4,064
- April 2023 - March 2024: £3,809
- April 2022 - March 2023: £3,459
- April 2021 - March 2022: £3,356
- April 2020 - March 2021: £3,339
- April 2019 - March 2020: £3,283
- April 2018 - March 2019: £3,206
- April 2017 - March 2019: £3,113

### Annual Allowance

The standard Annual Allowance is £60,000 for members who don't meet the criteria to be treated as a 'high income individual'.

With effect from 6 April 2023, the standard Annual Allowance of £60,000 is reduced (tapered) for high-income individuals.


You'll be a high-income individual if **both** of the following apply:

- You have a Threshold Income of **more** than £200,000;

AND

- You have an Adjusted Income of **more** than £260,000.

Members whose threshold income is £200,000 or less are exempt from the tapered Annual Allowance regardless of how high their adjusted income is.

 [For more information on how to calculate the adjusted income, please visit the government website.](#)  
(This link opens in a new window)

For those who qualify as high-income individuals, the Annual Allowance is tapered (reduced) by £1 for every £2 of Adjusted Income that's in excess of £260,000. This is subject to a minimum level to which the Annual Allowance can taper of £10,000.

**Further information regarding Annual Allowance can be found in our tax section and Briefing Notes.**

### Lifetime Allowance

The pensions Lifetime Allowance is a limit on the amount of pension benefit that can be drawn from pension schemes - whether lump sums or retirement income - and can be paid without triggering an extra tax charge. The Lifetime Allowance was frozen at its current level of £1,073,100 with effect from 6 April 2020.

However, from 6 April 2023 whilst the LTA remains at £1,073,100, there is no associated tax charge with it and from April 2024 onwards, the LTA is being removed in its entirety.

**For LTA limits for previous tax years please see Briefing note 1.**

### Small Pensions (Trivial Commutation)

If the value of all your pension funds from all sources (excluding State Retirement Pension and any dependents pension you are receiving) is of a 'trivial' size and you are aged 55 or over (or if you've a GMP pension payable from the Scheme, 60 for women and 65 for men), then you can opt to take all of your pension fund as a taxable lump sum ('commuted'), with no need to take an annual income. Your pension funds are regarded as 'trivial' if they amount to the limit provided by HMRC, which can be found online.

**If you'd like to find out the most up to date trivial commutation lump sum amount allowed please visit the government website (This link opens in a new window).**

### Small Lump Sum (aka Small Pots)

From 27 March 2014, if the actuarial value of your pension benefits from a single source is less than £10,000, you can apply to take them as a Small Lump Sum. You don't need to take in to account any other pension rights that you hold, whether they're in payment or are still accruing.

There's no restriction to the number of Small Lump Sums you can take if you're a member of several Occupational Pension Schemes, all with benefits below £10,000. If you have any personal pension plans, the anti-avoidance measures prescribed by HM Treasury allow you to take up to 'three small pots' as a Small Lump Sum.

**Please see Briefing Note 8 in the Pension and Tax section for further details on Small Lump Sums.**

## Normal Pension Age (NPA)

Your Normal Pension Age (or NPA) is the age at which you can claim your pension benefits without them being subject to any actuarial reduction.

If you started teaching before 1 January 2007 and were a member of the Teachers' Pension Scheme, then you'll have some service and benefits with the final salary 80th scheme. The Normal Pension age for benefits with the final salary 80th scheme is age 60.

If you started teaching on or after 1 January 2007 and before 1 April 2015 and were a member of the Teachers' Pension Scheme you'll have some service and benefits with the final salary 60th scheme. The Normal Pension age for benefits with the final salary 60th scheme is age 65.

If you started teaching on or after 1 April 2015 and were a member of the Teachers' Pension Scheme you'll have service and benefits with the career average scheme. Your Normal Pension age for benefits with the career average scheme is the same as your State Pension Age provided your State Pension Age is 65 years or over. If your State Pension Age is less than 65 years your Normal Pension Age will be 65 years. You can **check your State Pension Age by visiting the GOV.UK website (This link opens in a new window)**.

It's possible that you might have service in more than one scheme, for example if you had a break in service of more than five years ending after 1 January 2007 or after 1 April 2012, or if you're an active member of the scheme after 1 April 2022. If you have service in more than one scheme, then you'll have a different Normal Pension Age for each scheme as described above.

Your Benefit Statement will show you which schemes you have benefits with.

You can find more information in our Retirement centre.

Last Updated: 02/04/2024 08:03

## FAQ

Do you have questions about Scheme membership?

[➤ Read our FAQs](#)

## Forms

Ready to apply? Our forms page has everything you'll need to get started.

[➤ Forms](#)

## Video

Find out more about MPO.

[➤ Watch our video](#)

## Related Information

[➤ Latest News](#)

[➤ Guides](#)

[➤ Planning Retirement](#)





## Follow us on social media

Find us on social media to get the latest news and announcements from Teachers' Pensions



> [Like us on Facebook](#)



> [Join us on LinkedIn](#)



> [Follow us on X](#)



> [Subscribe to our YouTube channel](#)

[Contact Us](#)

[Manage Cookies](#)

[Glossary](#)

[Legal](#)

[Privacy](#)

[Security](#)

[Accessibility](#)

[Site Map](#)

[Links](#)

[Governance](#)

[Department for Education](#)

Copyright © Teachers' Pensions 2024 All rights reserved. Pension Scheme Registry Number 10005209 (2010 scheme and earlier); and 10276733 (2015 scheme)