



# Teachers (Superannuation) Act 1956

## 1956 CHAPTER 53

### PART II

#### PROVISIONS APPLYING TO SCOTLAND

#### **27 Dismissal of teacher with forty-five years' service**

The provisions of section eighty-one of the Education (Scotland) Act, 1946 (hereinafter referred to as the " Act of 1946 "), in so far as they relate to the dismissal of certificated teachers shall not apply to a teacher who has completed forty-five years of service or of service and second class service.

#### **28 Election by teachers for provisions of the scheme**

A teacher who has elected under subsection (2) of section one hundred of the Act of 1946 that the Teachers Superannuation Scheme as modified by amendments taking effect on or after the first day of April, nineteen hundred and twenty-six, shall not apply to him, shall notwithstanding the said election, be entitled to elect that any provision included in the said Scheme by virtue of this Act shall apply to him.

#### **29 Contributions towards benefits under Teachers Superannuation Scheme**

(1) For section one hundred and three of the Act of 1946 (which relates to contributions towards benefits under the Teachers Superannuation Scheme) there shall be substituted the following section:—

(1) In respect of every teacher employed in service the following contributions shall be paid in respect of any period after the commencement of the Teachers (Superannuation) Act, 1956, to the Secretary of State towards the cost of providing benefits under the Scheme, that is to say:—

(a) an amount to be paid by the teacher equal to six per centum of his salary for the time being; and

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- (b) an amount to be paid by the education authority, governing body or other body of managers by whom the teacher is employed, equal to six per centum of the salary for the time being of the teacher:

Provided that—

- (i) no contribution shall be payable in respect of a teacher after he has completed forty-five years of employment in service or in service and second class service for the purpose of calculating the amount of the annual allowance payable to him;
  - (ii) where a teacher suffers a reduction in his salary while continuing to be employed, or upon being re-employed, in service, or upon being employed in service after employment in second class service, the teacher may, with the approval of the Secretary of State, elect that for the purposes of this Act and of the Teachers Superannuation Scheme (hereinafter referred to as "the Scheme") his salary during any period while he is employed in service (not having withdrawn his election by a notice in writing given to the Secretary of State) shall be taken to be the salary at which he was last employed before the reduction or at which he is for the time being employed, whichever is the higher; and
  - (iii) where a teacher by reason of sickness is receiving part only of his salary, the amount of any contribution payable in respect of him shall be calculated as if that part were his salary, or, during any period to which the last foregoing paragraph of this proviso applies, as if he were receiving a proportionate part of the salary which is taken to be his salary by virtue of the said paragraph.
- (2) Where the Government Actuary's report of any inquiry made under subsection (4) of section one hundred and six of this Act specifies in accordance with the provisions of subsection (5) of the said section a rate at which further contributions supplementary to those payable under the last foregoing subsection are required, the contributions to be paid by the employer under the last foregoing subsection in respect of any period after the expiration of the accounting period in which the report is made, and before the expiration of the accounting period in which the next subsequent report is made in pursuance of subsection (4) of the said section, shall include supplementary contributions calculated in relation to the salary for the time being of the teacher at the rate specified in the certificate.
- (3) Where the teacher is one to whom modifications of the Scheme, made by regulations under subsection (4) of section sixty-nine of the National Insurance Act, 1946, apply, the amounts payable by the teacher and by his employer under subsection (1) of this section after the date on which the said modifications first applied to the teacher shall, unless the Scheme otherwise requires, each be reduced by an amount calculated at the rate of two pounds eight shillings a year in the case of contributions in respect of a teacher who is a man and at the rate of two pounds nineteen shillings a year in the case of contributions in respect of a teacher who is a woman.
- (4) The payments due under this section shall be collected by the Secretary of State from the education authority, governing body or other body of managers either directly or by deduction from any grants that may accrue under any regulations or code made by the Secretary of State, and it shall be lawful for each education authority, governing body or other body of managers to deduct

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six per centum from the salary of every" teacher in their employment in respect of whom payments are due under this section :

Provided that, where any payment due by a teacher has not been so deducted and collected, the same (together with compound interest thereon from the date when the payment became due, calculated at four per centum per annum with yearly rests) shall be recoverable by the Secretary of State either directly from the teacher or by deduction from any sum payable to him or to his personal representatives under the Scheme.

- (5) For the purposes of this section the salary of a teacher shall be calculated in accordance with the Scheme or rules made thereunder.”
- (2) The power under subsection (4) of section sixty-nine of the National Insurance Act, 1946, to modify enactments shall extend to section one hundred and three of the Act of 1946 as amended by the last foregoing subsection.

### **30 Teachers superannuation account and actuarial inquiries**

- (1) For section one hundred and six of the Act of 1946 (which relates to the keeping of an account relating to the Teachers Superannuation Scheme and actuarial inquiries) there shall be substituted the following section:—
- (1) There shall be kept in accordance with the directions contained in the Fourth Schedule to this Act an account (in this Part of this Act referred to as " the teachers superannuation account ") in such form and prepared in such manner as may be determined by the Secretary of State, after consultation with the Treasury, of all revenue and expenditure under the Education (Scotland) (Superannuation) Acts, 1919 to 1939, and under this Part of this Act. There shall be included in the said revenue or expenditure any sums which are under the said Schedule to be deemed respectively to be revenue or expenditure and any amounts which for the purposes of any provisions relating to accounts and actuarial investigations contained in regulations made by the Secretary of State under subsection (1) of section sixty-six of the National Health Service (Scotland) Act, 1947, are treated as if they were payable by or to the Secretary of State.
- (2) The Secretary of State shall cause an actuarial inquiry to be made by the Government Actuary at the end of the accounting period ending with the thirty-first day of March, nineteen hundred and fifty-six for the purpose of determining the amount to be added by virtue of the next following subsection to the revenue of the teachers superannuation account.
- (3) There shall be added to the sums which under the said Fourth Schedule are to be treated as revenue of the teachers superannuation account for the accounting period ending on the thirty-first day of March, nineteen hundred and fifty-six such additional amount as may be certified by the Government Actuary to be the amount by which the value at that date of the expenditure attributable to service on or after the first day of June, nineteen hundred and twenty-two which will be required to be included in that account after that date in respect of teachers who then were, or had formerly been, employed in service exceeds the aggregate of—
- (a) the value at the said thirty-first day of March of the contributions which (apart from the provisions of subsection (2) of section one hundred and three of this Act) will be payable after that date in respect

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of such teachers, and of the sums which will fall to be credited to the said account after that date in accordance with sub-paragraphs (c) and (e) of paragraph 2 of the said Fourth Schedule; and

- (b) the balance of revenue over expenditure remaining in the said account at the end of the said period:

Provided that

- (i) for the purpose of calculating the amount to be added as aforesaid the scales of remuneration of teachers shall be taken to be those in force on the thirty-first day of March nineteen hundred and fifty-six with the addition of any increases thereof prescribed by regulations whereof a draft was published under section fifty-nine of this Act on the fourth day of January nineteen hundred and fifty-six; and it shall be assumed that the policy of equating the salaries of men and women teachers by seven annual increases of women's salaries, the first of which was made in the salary year ending on the thirty-first day of March, nineteen hundred and fifty-six, will be implemented; and
  - (ii) the amount required to be added as aforesaid shall be disregarded for the purpose of estimating any sum representing interest which is to be included in the revenue for the said accounting period under sub-paragraph (c) of paragraph 2 of the said Fourth Schedule.
- (4) The Secretary of State shall cause an actuarial inquiry to be made by the Government Actuary at the end of the accounting period ending on the thirty-first day of March, nineteen hundred and sixty-one and of every fifth subsequent accounting period for the purpose of determining whether, on the basis of the teachers superannuation account contributions payable under this Part of this Act are sufficient, or more than sufficient or less than sufficient, to support the expenditure required to be included in that account so far as attributable to service on or after the first day of June, nineteen hundred and twenty-two.
- (5) If on the making of an inquiry in pursuance of the last foregoing subsection it appears that the value at the end of the period for which the inquiry is made of the expenditure attributable to service on or after the first day of June, nineteen hundred and twenty-two, required to be included in the teachers superannuation account after the end of that period in respect of teachers who then were, or had previously been, employed in service exceeds the aggregate of—
- (a) the value at the end of that period of the contributions payable after the end of that period in respect of such teachers and of the sums falling to be credited to the teachers superannuation account after the end of that period in accordance with sub-paragraphs (c) and (e) of paragraph 2 of the said Fourth Schedule; and
  - (b) the balance of revenue over expenditure remaining in the said account at the end of that period,

the Government Actuary's report of the inquiry shall specify the rate per centum (being a rate of one quarter of one per centum or of a multiple of one quarter of one per centum) at which further contributions supplementary to those payable under subsection (1) of section one hundred and three of this Act are required in order to make good the deficiency by the expiration of the period of forty years beginning with the accounting period next after that in which the report by the Government Actuary is made.

(6) The Secretary of State shall cause a report of every inquiry under this section to be laid before both Houses of Parliament.”

- (2) The requirement of the Secretary of State under subsection (2) of section one hundred and six of the Act of 1946 for the holding of an actuarial inquiry as at the thirty-first day of March, nineteen hundred and fifty-five as to the sufficiency of contributions to support the benefits payable in respect of service subsequent to the thirty-first day of May, nineteen hundred and twenty-two shall cease to have effect.

### **31 Payment of deferred annuities under 61 and 62 Vict. c. 57**

For section one hundred and seven of the Act of 1946 (which relates to the payment of deferred annuities under the Elementary School Teachers (Superannuation) Act, 1898) the following section shall be substituted:—

All deferred annuities payable at any time after the commencement of the Teachers (Superannuation) Act, 1956, in respect of Scottish contributions to the deferred annuity fund established under the Elementary School Teachers (Superannuation) Act, 1898, shall be paid by the Secretary of State; and any sums required by the Secretary of State for making payments under this section shall be charged on and issued out of the consolidated fund.”

### **32 Interpretation of Part IV of Act of 1946**

Subsection (1) of section one hundred and eight of the Act of 1946 (which relates to the interpretation of Part IV of the Act of 1946) shall be amended:—

- (1) by the substitution of the following definition for the definition of " pensionable salary " in relation to any annual allowance which begins to accrue or to any additional allowance or gratuity which becomes payable under the Teachers Superannuation Scheme after the commencement of the Teachers (Superannuation) Act, 1956 (not being a supplementary death gratuity payable in respect of any teacher who had retired before the commencement of the said Act):—

“ Pensionable salary ' in relation to a teacher means the amount representing the average salary of the teacher during such number of years as may be prescribed, being years immediately before—

- (a) the day on which he retired, or  
(b) if he served after completing forty-five years of service or of service and second class service for the purpose of calculating the amount of the annual allowance payable to him, the day upon which he completed the said forty-five years of service:

Provided that—

- (i) if under paragraph (ii) of the proviso to subsection (1) of section one hundred and three of this Act the contributions in respect of any teacher are during any part of the prescribed period calculated upon a higher salary than the salary he is actually receiving, the said higher salary shall as respects that part of the prescribed period be taken into account in calculating the average salary of the teacher; and  
(ii) if during any part of the prescribed period a teacher by reason of sickness receives part only of his salary, the salary which he would but for the

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said reason have received shall as respects that part of the said period be taken into account in calculating the average salary of the teacher”; and

- (2) by the insertion of the following definition after the definition of " prescribed " :—
- “" service " means first class service, and the expressions " first class service " and " second class service " have the meanings respectively assigned to them by the Superannuation Scheme for Teachers (Scotland), 1952.”

### **33 Amendment of Part I of the Third Schedule to the Act of 1946**

Part I of the Third Schedule to the Act of 1946 (which Part relates to provisions to which the Teachers Superannuation Scheme shall give effect) shall be amended:—

- (1) by the substitution for sub-paragraph (1) of paragraph 2 in relation to any annual allowance which begins to accrue, or to any additional allowance which becomes payable, after the commencement of this Act of the following sub-paragraphs:—

- “(1) for the payment on retirement after attaining the prescribed age, or on retirement in case of permanent incapacity, of a retiring allowance which shall be—
- (a) an annual allowance during life not exceeding an amount calculated by reference to the whole period of service of a teacher at the rate of one-eightieth of his pensionable salary for a year of service, and
  - (b) by way of additional allowance, a lump sum not exceeding an amount calculated by reference to the whole period of service of the teacher at the rate of three-eightieths of the pensionable salary of the teacher for a year of service:

Provided that—

- (i) a retiring allowance shall not be payable in respect of less than ten completed years of service or of service and second class service; and
  - (ii) a retiring allowance shall not be granted on grounds of permanent incapacity to a teacher who has qualified for a retiring allowance on grounds of age ; and
  - (iii) the amount of the additional allowance in respect of the period before the commencement of the Teachers (Superannuation) Act, 1956, shall be calculated at the rate of one-thirtieth of the pensionable salary of the teacher for a year of service;
- (1A) for securing that the period of service or of service and second class service of which account may be taken shall not exceed forty-five years, of which, for the calculation of the annual allowance, not more than forty shall be years before the teacher attained the age of sixty years; that where a teacher is granted a retiring allowance in case of permanent incapacity and has not completed twenty years of service or of service and second class service, his retiring allowance shall be calculated as it would have been if he had completed twenty years of service or such shorter period as he would have completed if he had continued to be employed in service until the prescribed age; and for such consequential, transitional and other matters as appear to the Secretary of State to be necessary for the carrying out of the purposes of this sub-paragraph”;

(2) by the substitution for sub-paragraph (8) of the said paragraph of the following sub-paragraph:—

- “(8) for securing that, in such circumstances and subject to such conditions as to proof of good health and other matters as may be prescribed, a teacher who has attained the age of sixty years shall be allowed to surrender as from the date of commencement of an annual allowance granted or to be granted to him under the Teachers Superannuation Scheme such part not exceeding one third of the allowance as may be specified, in return for benefits to be prescribed, and for enabling the Secretary of State to grant, in return for such surrender as aforesaid, according as the teacher may in conformity with rules under the Teachers Superannuation Scheme elect, either—
- (a) to the spouse or to a dependant of the teacher a pension payable in respect of the period, if any, for which the spouse or dependant survives the teacher; or
  - (b) to the teacher an annuity payable as from the date of commencement of the annual allowance in respect of the period of the joint lives of himself and his spouse and to the spouse a pension payable in respect of the period, if any, for which the spouse survives the teacher:

Provided that—

- (i) for the purposes of this paragraph a teacher who dies in service after having surrendered part of the annual allowance to be awarded to him, shall be deemed to have been granted the annual allowance which would have been granted to him if he had retired on the day before his death;
- (ii) the amount of said pension or the amounts of the said annuity and pension, as the case may be, shall be such that the value or the aggregate value, shall be actuarially equivalent (according to tables to be prepared from time to time by the Government Actuary), at the date of the commencement of the annual allowance, to the value of that part of the allowance which is surrendered; and
- (iii) in ascertaining for the purpose of the last foregoing sub-paragraph of this proviso the actuarial equivalent of the part of the annual allowance which is surrendered by the teacher before retirement, it shall be assumed that there has been no change in the teacher's state of health between the date on which he makes the surrender and the date as from which the annual allowance is awarded or deemed to be awarded;”and

(3) by the substitution for sub-paragraph (10) of the said paragraph of the following sub-paragraphs:—

“(10) for enabling a teacher whose service is discontinued—

- (a) for a period not exceeding five years, or not exceeding such longer period as the Secretary of State may in any case direct, in the case of a teacher who during that period is employed—
  - (i) as a teacher in any part of Her Majesty's dominions outside the United Kingdom, or
  - (ii) as a teacher in any school in a foreign country which is shown to the satisfaction of the Secretary of State to be a

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school in which it is expedient to facilitate the employment of British teachers, or

(iii) in an educational service outside the United Kingdom in employment which to a substantial extent involves the control or supervision of teachers, or

(iv) as a teacher in any school maintained within the United Kingdom by the Government of any part of Her Majesty's Dominions outside the United Kingdom ; or

(b) for such period not exceeding five years as the Secretary of State may approve for the purpose of enabling a teacher to gain special experience of value in teaching ; or

(c) for a period not exceeding one year in any other case,

to pay to the Secretary of State with his consent in respect of such part of the period as is before the commencement of the Teachers (Superannuation) Act, 1956, sums equal to ten per centum of his salary at the date of discontinuing service, and in respect of such part of the period as is after the commencement of the said Act sums equal to the aggregate of the contributions which would have been payable in respect of the said part of the said period of absence if the teacher had continued throughout that part to be employed in service at his salary as at the date of discontinuing service; for enabling the said period to be reckoned as a period of service; and for determining the amount of such payments which shall be reckoned as contributions by the teacher:

(11) for enabling the Secretary of State on the application of a teacher who entered service after gaining experience which, in the opinion of the Secretary of State, is or is likely to be of value to him as a teacher, to approve the said experience and to intimate to the teacher the period not exceeding five years which, in respect of the said experience may be deemed a period of service; the purposes for which and the conditions (including payment of additional contributions) on which the said service may be recorded and, if the teacher intimates his agreement and undertakes to fulfil the said conditions, for the said period to be deemed a period of service and to be recorded accordingly, and for such consequential and other matters as may appear to the Secretary of State to be necessary for the carrying out of this paragraph:

Provided that a period during which the teacher was undergoing whole-time education or whole-time training for the teaching profession or apprenticeship to a profession or trade or was engaged in service by virtue of an enlistment notice or a training notice served under Part I of the National Service Act, 1948, or any work or training in pursuance of an order made or direction given under the said Part I in respect of a conditionally registered conscientious objector shall not be so approved.”

#### **34 Amendment of Part II of the Third Schedule to the Act of 1946**

Part II of the Third Schedule to the Act of 1946 (which Part relates to provisions to which the Teachers Superannuation Scheme may give effect) shall be amended:—

(1) by the insertion after paragraph 3 of the following paragraphs:—



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- “3A where any teacher holds a post of special responsibility within the meaning of the regulations for the time being in force made by the Secretary of State under section seventy-nine of the Act of 1946 (which relates to the salaries of teachers) and will not, on completion of forty-five years of service or of service and second class service, have attained the age for retirement prescribed under the last foregoing paragraph, for the teacher- to be deemed to have offered to resign from the said post on the day on which he completes the said forty-five years, and for the retirement of the teacher from the said post on the said day if his resignation is accepted, so, however, that nothing in any provision included in the scheme under this paragraph shall prevent the employer from offering and the teacher from accepting appointment to another post;
- 3B for the payment of pensions of such amounts, in such cases and subject to such conditions as may be prescribed, to and for the benefit of the widows or widowers and the children (including children over school age) or other dependants of teachers who die after such date as may be prescribed and who when they die are in receipt of or eligible for an annual allowance or are employed in service and are in such circumstances that, if they had not died, they could have established a claim to an annual allowance on the grounds of infirmity, or, having been employed for not less than ten years in service or in service and second class service, die within such period after ceasing to be so employed as may be prescribed; for the application of such provisions in so far as they relate to pensions for widows, widowers and children, irrespective of election, to male teachers or to both male and female teachers who enter service or second class service on or after such date as may be prescribed, and to such male and female teachers to whom such provisions so relating do not apply as may elect that such provisions so relating shall apply to them or as do not elect that such provisions shall not apply to them ; for the application of such provisions in so far as they relate to pensions for dependants to such male and female teachers as may elect that such provisions so relating shall apply to them or as do not elect that such provisions shall not apply to them; for the surrender or repayment in exchange for the said pensions of so much of the lump sums or death gratuities payable or paid, or of contributions returnable or returned, to or in respect of the said teachers as may be prescribed as being sufficient in the opinion of the Secretary of State to support the said pensions; and for such consequential and other matters as may appear to the Secretary of State to be necessary for the carrying out of the purposes of this paragraph:
- Provided that the power to include in the Teachers Superannuation Scheme provisions for the purposes of this paragraph shall not be exercised except with the approval of the Treasury and after consultation with representatives of education authorities and of teachers;
- 3C for enabling a teacher to whom a retiring allowance is awarded to surrender, subject to such conditions as may be prescribed, the lump sum, or so much thereof as remains after a surrender under the last foregoing paragraph, in exchange for an additional annual allowance which shall be actuarially equivalent to the value of the lump sum surrendered under this paragraph; and for such consequential and other matters (including the adaptation of enactments) as may appear to the Secretary of State to be necessary for the carrying out of the purposes of this paragraph;” and

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(2) by the deletion of paragraph 9 and the insertion of the following paragraph:—

“9A where the part of the salary of a teacher which has vested in him in respect of a day of service after the thirty-first day of March, nineteen hundred and fifty-two, is greater than one three-hundred-and-sixty-fifth part of the annual rate of his salary on that day, for that day to be reckoned in the calculation of the length of service of the teacher as a day and such fraction of a day as the Secretary of State may determine:

Provided that the teacher shall not be credited in any year beginning on the first day of April with a greater number of days of service than there are days in that year;”.

**35 Amendment of Part III of the Third Schedule to the Act of 1946**

Part III of the Third Schedule to the Act of 1946 (which provides for the incorporation of certain articles in the Teachers Superannuation Scheme) shall be amended by the deletion of paragraph 1.

**36 Amendment of Fourth Schedule to the Act of 1946**

Paragraph 2 of the Fourth Schedule to the Act of 1946 (which relates to amounts to be treated as having been paid into the revenue of the teachers superannuation account shall be amended by the substitution of the following sub-paragraph for sub-paragraph (a)

“(a) by teachers the amount of teachers' contributions attributable to the period, and by the education authorities, governing bodies or other bodies of managers by whom such teachers are employed the amount of the employers' contributions attributable to the period, including any supplementary contributions”.

**37 Amendment of the Education (Scotland) (War Service Superannuation) Act, 1939**

Where, under section three of the Education (Scotland) (War Service Superannuation) Act, 1939, contributions in respect of the whole or part of the period of war service of a person who was, or was deemed to be, a teacher are recoverable by the Secretary of State either directly from him or by deduction from any sum payable to him or to his personal representatives, and where the whole or any part of the said contributions have not been recovered before the commencement of this Act, it shall be lawful for the Secretary of State, on an application by the said person made within twelve months from the commencement of this Act or within such longer period as the Secretary of State may allow in any particular case, to direct that the unrecovered contributions and any interest due thereon shall not be recovered and to delete from the record of service of the said person the period of war service in respect of which the said contributions were payable, and the said person and his personal representatives shall thereupon cease to be liable for the said contributions and interest and shall not be entitled to any benefit under the Teachers Superannuation Scheme in respect of the said period of war service.

### **38      Extent and interpretation of Part II**

- (1) This Part of this Act shall extend to Scotland only.
- (2) References in this Part of this Act to any enactment shall be construed as references to that enactment as amended by any subsequent enactment including this Act.