

SUPPORTING FINANCIAL HEALTH & WELLBEING FOR EDUCATION PROFESSIONALS

Remote access introduction

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WESLEYAN
we are all about you

OVERVIEW OF THE SCHOOLS WORKFORCE:

- ▶ How it looks now - how it may change in the future (your plans may change)
- ▶ We know it's all changing with retirement ages moving to State Retirement Age

SUPPORTING ROLE OF FINANCIAL EDUCATION & ADVICE:

- ▶ Staff health and wellbeing (knowing your protection and retirement benefits)
- ▶ Reading the TPS statements (they've got bigger!)
- ▶ Retirement flexibilities (SRA or sooner?)

RESOURCES AND OPTIONS

WESLEYAN ARE HERE TO SUPPORT YOU.

OVER
175
YEARS



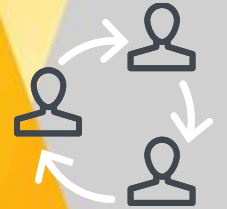
**ADVISORY
BOARD**



Financial
CONSULTANTS



SPECIALISTS



MUTUAL

SCHOOLS WORKFORCE AND HOW IT'S CHANGING

WESLEYAN
we are all about you

TEACHER NUMBERS / CHALLENGING LANDSCAPE



Retirement ages have changed from 2015, where your your State Retirement Age (SRA) is now your CARE scheme Normal Pension Age (NPA) 66, 67, 68

McCloud coming later!



A change to the TPS calculations

There aren't enough teachers joining the profession

Too many new teachers are leaving the profession

We're losing experienced teachers – many are staying in the sector but not teaching

What 's your plan for the future?

Annual Salary Rate for the Eligible Employment from 1 April 2019	Annual Salary Rate for the Eligible Employment from 1 April 2020	Member Contribution Rate
Up to £27,697.99	Up to 28,168.99	7.4%
£27,698 to £37,284.99	£28,169 to £37,918.99	8.6%
£37,285 to £44,208.99	£37,919 to £44,960.99	9.6%
£44,209 to £58,590.99	£44,961 to £59,587.99	10.2%
£58,591 to £79,895.99	£59,588 to £81,254.99	11.3%
£79,896 and above	£81,255 and above	11.7%

The employer contribution is 23.68%

FINANCIAL EDUCATION AND ADVICE

WESLEYAN

we are all about you

Financial education to help school staff make informed financial choices

Who this applies to

- ▶ Student/Newly Qualified Teachers
- ▶ Second Career Teachers
- ▶ Mid-Career
- ▶ Approaching/At Retirement
- ▶ Leadership Group

What you'll receive

- ▶ Your employee benefits - occupational pension scheme
- ▶ Understanding your options / Pension freedom act (2015)
- ▶ What your scheme provides for you and your family
- ▶ Achieving the retirement lifestyle you want and deserve / don't guess
- ▶ Pension Taxation – Understanding how you may be affected by Annual/Lifetime Allowance limits

WESLEYAN - WORKING WITH SCHOOLS AND COLLEGES THROUGHOUT THE UK



- ▶ Dedicated segment working exclusively with education professionals
- ▶ Over 100 field-based advisers with specialist knowledge of TPS/LGPS benefits



- ▶ Understanding of financial needs of teachers throughout their careers
- ▶ No obligation Financial Consultant meeting – face to face or remote
- ▶ Committed to helping school staff make informed decisions about their financial wellbeing



- ▶ No charge or fee for the advice we provide (school or bespoke to individuals)

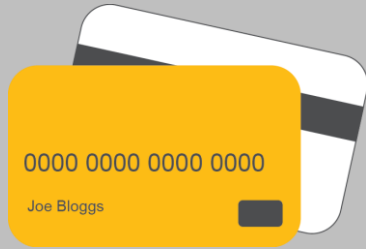


We'll analyse the market and help you find the most suitable mortgage for your needs

No upfront fees

We'll manage the application process for you

Your mortgage is secured on your home. Your home may be repossessed if you do not keep up repayments on your mortgage.



**Credit cards
& store
cards**



**Loans &
overdrafts**



Mortgage

- ▶ The TPS is a Defined Benefit scheme, providing valuable benefits for members.
- ▶ Membership of the scheme can help you make financial provision for you and your family now and for the future.
- ▶ www.teacherspensions.co.uk





PENSION

Living too long



DEATH IN
SERVICE &
BENEFITS

Dying too soon



ILL HEALTH
RETIREMENT

Disability



Total Annual Pension Amount

(See breakdown below)

£17,611.58

Arrangement	Normal Pension Age	Normal Pension Date	Annual Pension Amount
80th Final Salary	60 years	15/06/2040	£11,407.38
Career Average	68 years	15/06/2048	£6,204.20

Tax Free lump sum

(80th Scheme arrangements only)

£34,222.14

See 'Scheme Arrangements' tabs for optional lump sum payments that may be made

Lifetime Allowance

Your total pension amount represents 36.01% of the current Lifetime Allowance at this statement date. See note 12 in the notes section for

WHAT IS YOUR NORMAL RETIREMENT AGE?

60?

65?

STATE
PENSION
AGE

This depends on when you first joined the TPS

FINAL SALARY ARRANGEMENT

Pension

- ▶ $1/80^{\text{th}}$ x average salary for each full year of service, plus a tax free lump sum of 3x pension

1 JAN
2007



Normal Retirement Age = 60

Pension

- ▶ $1/60^{\text{th}}$ x average salary for each full year of service – no automatic lump sum

1 APRIL
2015



Normal Retirement Age = 65

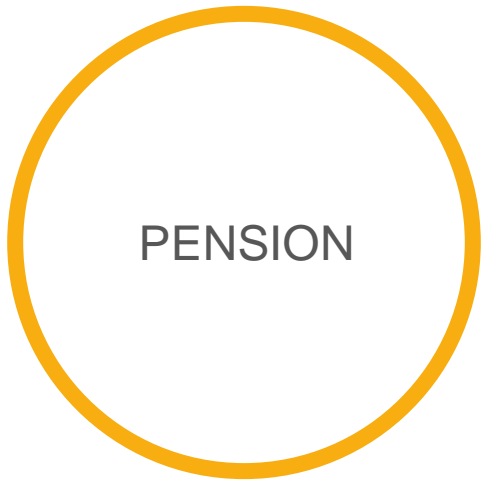
CAREER AVERAGE ARRANGEMENT

Pension

- ▶ $1/57^{\text{th}}$ x pensionable earnings per annum Revalued annually by CPI + 1.0%
- ▶ Pension = total of each year added together
- ▶ No automatic lump sum



Normal Retirement Age = State Pension Age or 65 if higher



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Normal Pension Age is

60

65

STATE
PENSION
AGE

Depending on which
scheme you are in

Can retire from

55

- ▶ Actuarially Adjusted Benefits (AAB)
- ▶ Premature Retirement
- ▶ Phased retirement
- ▶ Moves to age 57 in 2028

Summary of Pension Estimate

Assessment based on standard LTA of £1 million for 2016/17

Name

This pension benefit estimate should be used for indicative purposes only and should not be considered to constitute financial advice. The calculator takes into account your TPS pension including any added years or additional pension being purchased. It also includes where relevant your estimated state pension entitlement, any additional voluntary contributions, and any contributions you are paying to personal pension schemes

Estimated Accrued TPS Pension Benefit (excluding State and Personal Pension)

We estimate that you will have accrued the following TPS Pension benefits by 7/2/2019 when you will be aged 60 years, 0 months

Income	£	15,764	Lump Sum	£	47,293
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These pension benefits do not include any taxation but do take into account any actuarial reduction being applied to the pension due to early retirement

- ▶ A full summary of your TPS benefits

- ▶ Overview of your options

- ▶ EXPERT ADVICE

Maximum Income vs Maximum Pension Lump Sum

When you take your TPS pension benefits you have the option to increase the lump sum you receive. The maximum tax free lump sum you can take is the lower of 25% of the capital value or 25% of your remaining lifetime allowance. For every £12 of additional lump sum purchased your pension income will be reduced by £1.

Pre-2007 Benefits

The estimate is based on no further contributions to this pension section from 7/2/2019 and then taking your Pre-2007 benefits on 7/2/2019. Based on no actuarial reduction

	Standard	Max Lump Sum	Difference
Pension Income	£ 15,764	£ 12,668	£ 3,097
(net monthly)*	£ 1,242.63	£ 1,036.19	£ 206.44
Lump Sum	£ 47,293	£ 84,453	£ 37,159

* (Net monthly income does not take into account any tax implications of additional income from other sections of the TPS's pension or other source)

Summary of Benefits

This is based on the combined value of all TPS pension benefits, after all benefits have been taken

	Standard	Max Lump Sum	Difference
Pension Income	£ 15,764	£ 12,668	£ 3,097
(net monthly)*	£ 1,242.63	£ 1,036.19	£ 206.44
Lump Sum	£ 47,293	£ 84,453	£ 37,159

* (Net monthly income does not take into account any tax implications of additional income from other sources)

How close were you to your TPS Normal Pension Age (NPA) immediately before 1 April 2012?

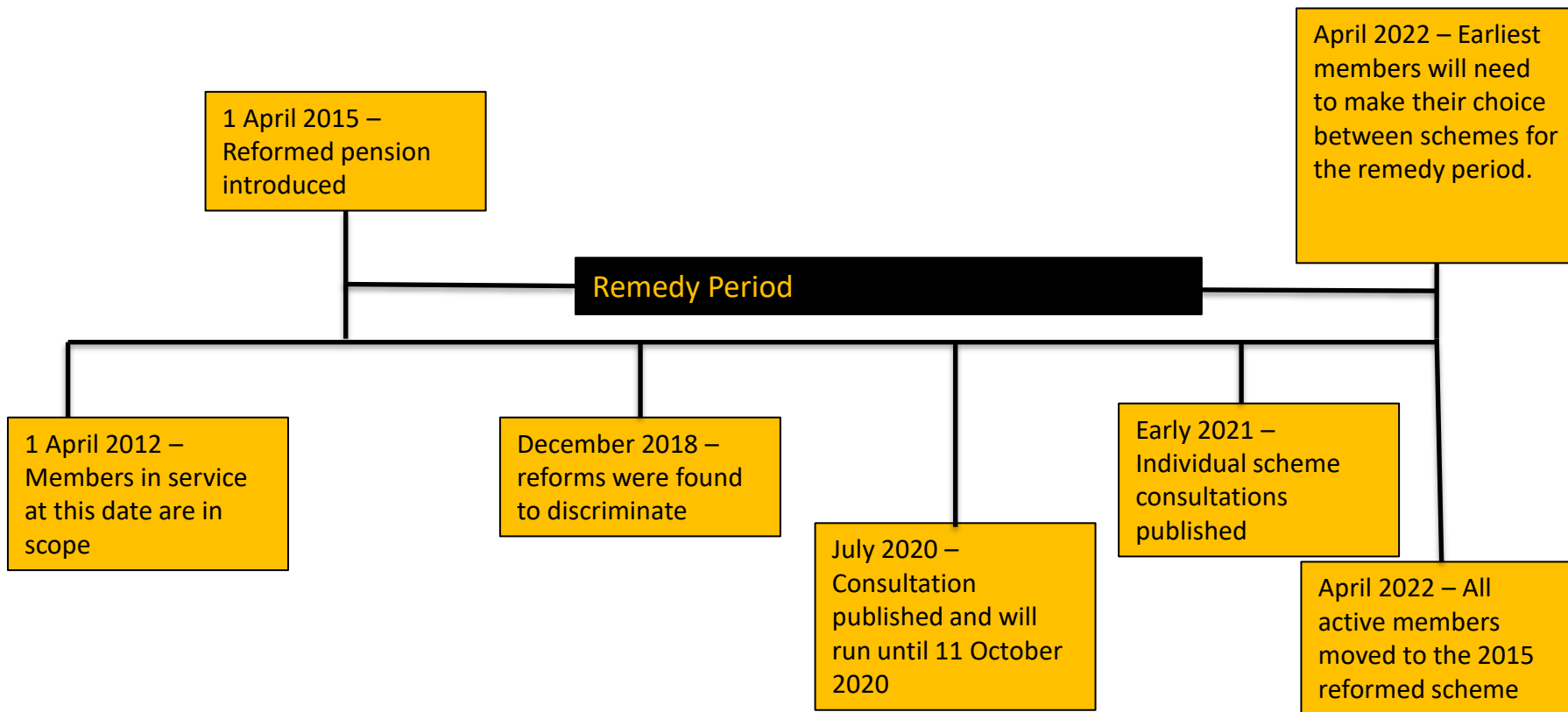
WITHIN 10 YEARS

- ▶ You are a Protected Member
- ▶ You stay in your existing scheme

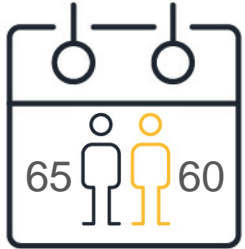
WITHIN 13 ½ YEARS

- ▶ You are a Tapered Member
- ▶ You join the new scheme at a later date

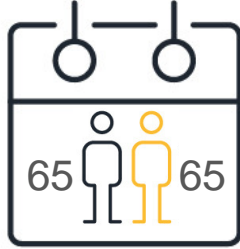
If more than 13½ years from your TPS NPA, you will have joined the new scheme on 1 April 2015



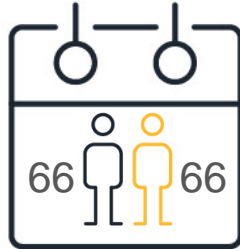
Previous legislation



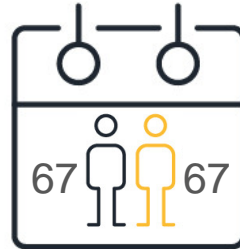
November 2018



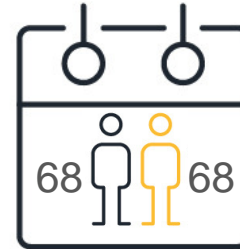
October 2020



2028



2040



????



Find out your exact State Pension Age:
www.gov.uk/calculate-state-pension

Those reaching State Pension Age after April 2016 will receive the Flat Rate State Pension:

10
YEARS

You must have at least 10 qualifying years National Insurance Contributions

35
YEARS

To receive the maximum State Pension (currently £175.20 each week for 2020/21 tax year), you must have 35 years qualifying NICs

- ▶ Check your NI record online to identify gaps, and options to fill them
- ▶ Access a forecast of how much State Pension you may get
- ▶ Visit www.gateway.gov.uk

DEATH IN SERVICE
& BENEFITS

Your Pension Status: In Pensionable Service
Your Membership Type: Not Retired

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Total Death Grant **£222,309.00 in service**

Total Annual Family Benefit **£8,030.27**

Current State Pension

HMRC formally ended their Combined Pension Statement service on 31 March 2016. Consequently HMRC no longer provide us with details of member's State Pension benefits. HMRC now provide an online service, "Check Your State Pension", which is available on www.gov.uk.

Ill Health Enhancement

The figures quoted in this estimate do not take account of any enhancement you may have been awarded as a result of applying for Ill Health Retirement. For information relating to Ill-health Retirement see our factsheet on our website.



ILL HEALTH
RETIREMENT

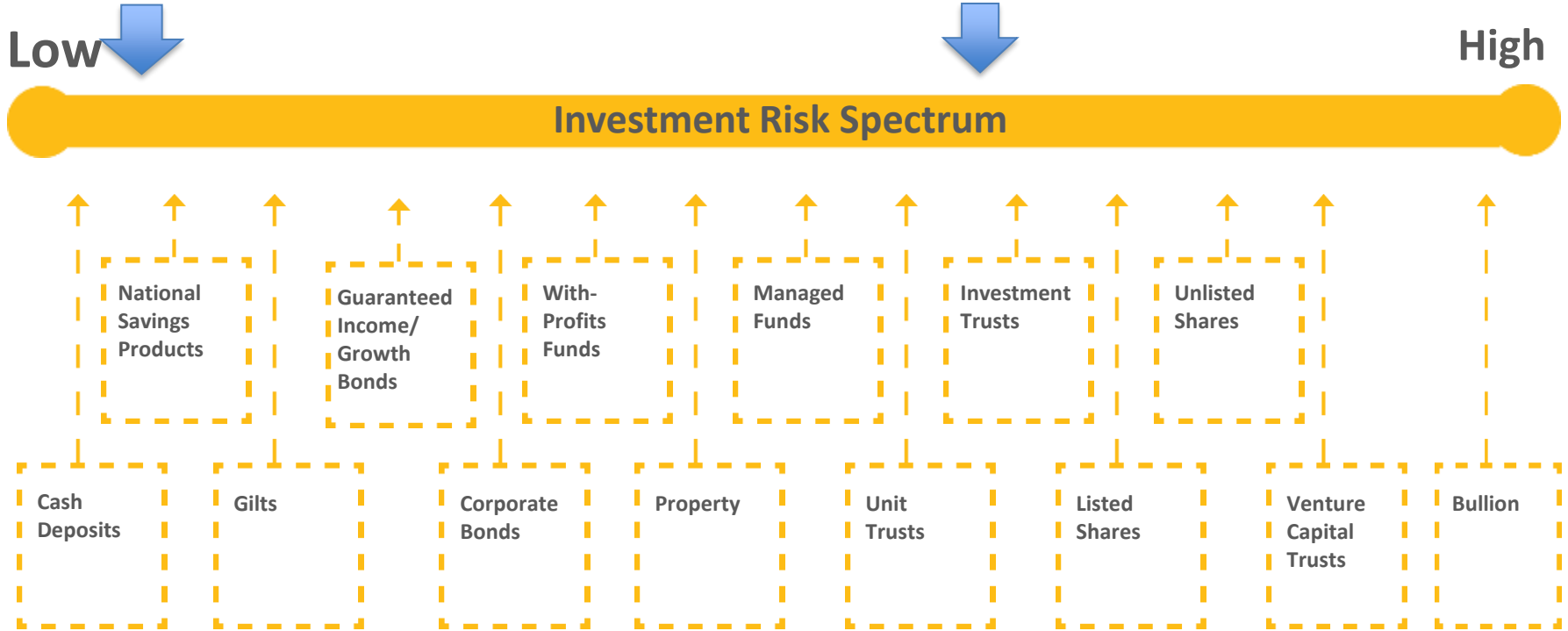
In-service benefit:

- ▶ Three potential types of ill-health retirement
- ▶ Not a guaranteed benefit, qualifying criteria to be met
- ▶ If awarded, your length of service and salary will determine the level of pension you receive.

Saving in today's markets

WESLEYAN

we are all about you



EQUITIES

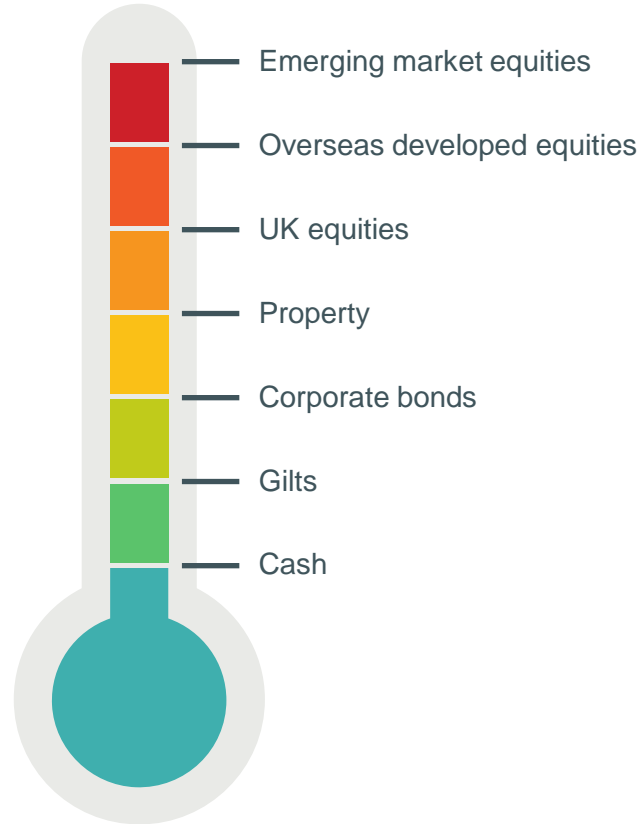
Also known as
stocks or shares

FIXED INTEREST

There are two main types:

Government bonds
(gilts in the UK)

Corporate bonds
(credit risk exposure)



PROPERTY

Wesleyan funds own a range of buildings
across the UK:

Including offices, warehouses, hotels,
and retail units

CASH

Cash is included in a defensive portfolio,
but returns are generally much lower
than other asset classes

£10,000 IN CASH COULD BE WORTH ...

1 YEAR FROM NOW



£9,900

5 YEARS FROM NOW



£9,509.90

10 YEARS FROM NOW



£9,043.82

This is because the buying power of money reduces overtime.

Supposed inflation rate of 1%

Remember, the value of investments and any income can go down as well as up and you may get back less than you invest

Our resources and options

RETIREMENT PLANNING



Proposed changes to the State Pension age

You may have read about proposed changes to the State Pension age in the press. Download this article to help you understand more about the proposals.

[Read more](#)



Retirement Planning Guide for TPS & LGPS Members

A useful guide outlining key factors you may want to consider before getting professional advice about your Teachers & Local Government Pension Scheme.

[More info](#)



Retirement Planning and Advice

This video can help teachers plan and make informed decisions about their retirement.

[Play](#)



USEFUL LINKS



Teachers' Pensions Calculators

Calculators to help you with your pension planning.

[More info](#)



Teachers' Pensions

Teachers' Pensions are responsible for administering the Teachers' Pension Scheme on behalf of the Department for Education.

[More info](#)



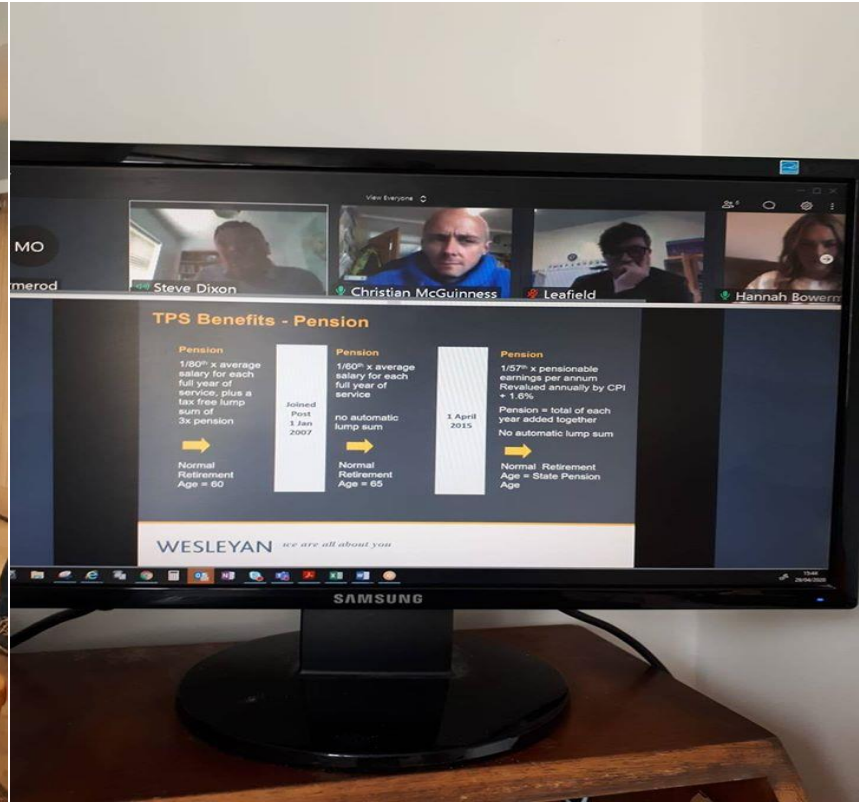
Local Government Pension Scheme

The websites for members of the LGPS, including links to online pension calculators.

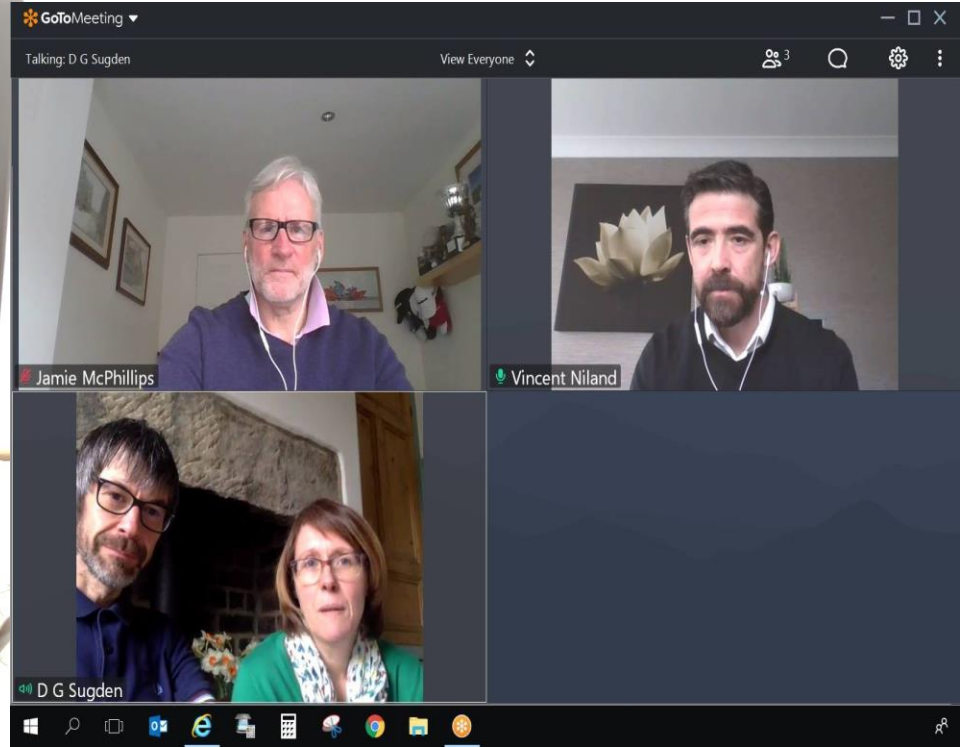
[More info](#)

Money Matters landing page.
Useful links and downloads.
www.wesleyan.co.uk/moneymatters

We used to come and see you Face 2 Face in school or at a venue.... Now we're just online...



We can set up for all members at school, (both TPS & LGPS) or just bespoke for you... you choose...



OVERVIEW OF THE SCHOOLS WORKFORCE:

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- ▶ We know it's all changing with retirement ages moving to State Retirement Age



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RESOURCES AND OPTIONS



YOUR NEXT STEPS

**FIND OUT MORE ABOUT OUR
SERVICES:**

FOR YOU

FOR YOUR STAFF

**FOR YOUR NETWORK OR
AFFINITY MEMBERS**

CONTACT

Jamie McPhillips Area Manager

jamie.mcphillips@wesleyan.co.uk

Text: 07818 011 507

THANK YOU

Best wishes for your return to school... 😊

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