

Teachers' Pension employer contribution grant

- The TPS employer contribution rate increased from 16.48% to 23.68% on 1 September 2019 (0.08% is the administration charge). The Government is funding the increase in employer contributions (ie 7.2%) in the form of a teachers' pension employer contribution grant.
- The grant is for:
 - maintained schools
 - maintained nursery schools
 - special schools
 - local authority (LA) centrally employed teachers
 - academies
- Detailed guidance about the September 2019 to March 2020 grant can be found on the [DfE website](#). It includes:
 - September 2019 to March 2020 grant allocations to schools
 - the terms and conditions that LAs must follow in the use of grant funding
 - guidance on how schools and LAs will be able to apply to the supplementary fund and funding arrangements for LA centrally employed teachers

[Paying the grant](#)

- The Education and Skills Funding Agency (ESFA) paid the grant for maintained schools to LAs at the end of October. LAs are required to pay it to individual schools at the rates published in the [grant allocations table](#).
- The ESFA will pay funding to LAs to distribute for:
 - institutions who provide for children with high needs
 - pupils with EHC plans who are educated in independent settings
- ESFA will pay funding at the published rates directly to academies in November.

[Pension supplementary fund](#)

- Mainstream schools – maintained schools and academies

The pension supplementary fund provides additional funding where a school's grant allocation falls short of the cost of the increase for September 2019 to March 2020 by more than 0.05% of their budget.

Maintained schools should apply directly to the supplementary fund.

Special units and resourced provision at mainstream schools should be considered as part of the application for the school.

Multi-academy trusts should apply on behalf of their academies.

Guidance on completing applications can be found on the [supplementary fund webpage](#).

The application window will run from 2 December 2019 to 17 January 2020.

- Special schools

The fund also provides additional funding for special schools. LAs should apply on behalf of specialist institutions in their area for which they have received a grant allocation, including:

- maintained special schools
- special academies and special free schools
- pupil referral units
- alternative provision academies and alternative provision free schools
- hospital schools

If a LA's total grant allocation for the institutions falls short of their cost increase for September 2019 to March 2020 by more than 0.05% of their total budgets, the DfE will provide funding for costs above that threshold.

If a LA can demonstrate that their grant for the costs related to pupils with education, health and care (EHC) plans at independent schools is significantly short of an increase in fees directly due to increased employer pension costs, they should contact ESFA during the application window.

The application window is April 2020.

- [Centrally employed teachers](#)

LAs will also be able to apply for funding to cover the total cost due to the increase in employer contributions.

LAs will need to provide a copy of their pay bill to demonstrate their increased TPS costs.

The application window is April 2020.

- Adult community learning providers

The DfE will also be providing funding for [further education \(FE\) providers](#), including adult community learning providers that are part of a LA.

- The Government has confirmed that it will fund the increase in employer contributions until the end of March 2023.

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