

Total Pensionable Pay (TPP) 1995 and 2008 Section

In the 1995 Section of the HSC Pension Scheme, a TPP figure is based on the best of the last 3 years pensionable pay immediately prior to termination.

In the 2008 section of the HSC Pension Scheme the total pensionable pay is calculated in the same way as the 1995 section (365 days of paid service back from the date of leaving), but it is the average of the best 3 consecutive years pensionable pay in the last 10 years of pensionable employment.

The TPP should always cover a full 365 days of employment. To work out the TPP figure you should step back in sets of 365 employment days counting back from the last day of employment.

Example

Last day of membership = 15.05.2016

TPP period, step back 365 days 16.05.2015

1. Take all the whole months and add together.

Month	*Basic Pay	Cumulative Pay
June 2015	£1,200	£1,200
July 2015	£1,200	£2,400
August 2015	£1,200	£3,600
September 2015	£1,200	£4,800
October 2015	£1,200	£6,000
November 2015	£1,200	£7,200
December 2015	£1,200	£8,400
January 2016	£1,400	£9,800
February 2016	£1,400	£11,200
March 2016	£1,400	£12,600
April 2016	£1,400	£14,000

2. Take the first month of the TPP period May 2015 and calculate the number of days the TPP period covers 16.05.15 to 31.05.15 = 16 days.

Calculate the pay for that period:

$$\text{Basic pay} = \text{£}1,200 \times 16/31 = \text{£}619.35$$

3. Take the last month of TPP period May 2016 and calculate the number of days the TPP period cover 01.05.16 to 15.05.16 = 15 days

Calculate the pay for that period. Basic

$$\text{Pay} = \text{£}1,400 \times 15/31 = \text{£}677.42$$

4. Add results: $14000 + 619.35 + 677.42 = \text{£}15296.77$

If the member receives enhancements for working unsocial hours, on-call or a regular pensionable allowance as in the case of medical staff, this should be included in the pensionable pay, if it relates to the period in question.

If the member has worked additional hours and it does not exceed whole time, the additional hours worked will be treated as pensionable and should be included in the basic pay.

If the member has been on half pay sick leave within the TPP period you should include the pay that they would have received had they not been on reduced pay (this is commonly known as deemed pay).

If the member has had a 'no pay' period within the TPP period you should step back the TPP period to ensure you use 365 paid days, eg, in the above example, if the member had received no pay from 1 April 2016 until 17 April 2016, you would step back a further 17 days, which would change the TPP period to 29.04.2015 - 15.05.2016.