

TEACHER - SALARY, TAXATION, INFORMATION AND BENEFITS

CONTRACT TERM

Primary and Secondary class teacher and Settlement teacher contracts can be arranged for between two and four years initially and may be extended on local terms at the end of the four year period, if mutually agreed. These posts can be accompanied.

Travelling Teacher contracts are offered on an unaccompanied basis for between one and four years and may be extended on local terms at the end of the four year period, if mutually agreed, and dependent upon the requirements of the Education Department at that time.

SALARY

The salary for teaching appointments goes up to £41,636 per annum for a qualified teacher who has 5 years' experience, plus a 25% taxable gratuity payable at the end of the contract period. The salary offered to the successful applicant who has less than 5 years' experience is dependent on previous relevant experience.

Taking an annual salary of £41,636 for a teacher as an example, the total salary package over a four year contract period would therefore be £208,180 before tax (each year will comprise of the salary of £41,636 plus the end of contract gratuity of £41,636).

SENCos receive a TLR1 SENCo allowance of £5,331 in addition to their salary.

Please also note below the Falkland Islands lower tax rates and other benefits, which enhance these packages further.

INCOME TAX

(This tax information is for guidance only and may alter during the period of a contract)

The Falkland Islands (FI) income tax year runs 1 Jan to 31 Dec. Husband and wife are taxed independently.

There is no self-assessment; individuals are required to complete an income tax return.

The Personal Allowance (PA) is £15,000. You may not be entitled to the full PA, please see 'Tax Residency' below.

Family Allowance payments are subject to income tax.

Individuals are taxed at the following rates, after taking into account allowable deductions:

First £12,000 of salary after deductions	@ 21%
Remainder	@ 26%

<https://www.falklands.gov.fk/taxation/>

EMPLOYEE TAXATION

There is a system of withholding sums (POAT - *Payments on Account of Tax*) from employee remuneration by employers. These are set out in detail in the Payments on Account of Tax (Employees Deductions) Regulations.

Non-residents should have income tax deducted at a straight 21%, they can claim any Personal Allowance (PA) entitlement in their individual tax return.

Resident individuals should have income tax deductions made according to the monthly/weekly tax tables which take into account the PA.

There is limited taxation of benefits-in-kind; these are set out in detail in The Taxes (Benefits in Kind) Rules. There is a separate guide available on Benefits In Kind.

TAX RESIDENCY

An individual's entitlement to allowances/deductions and chargeable income depends on their residency position for tax purposes (please note that this differs to residency for immigration purposes).

Resident – basically present in FI for a total of 183 days or more during the relevant tax year.

Ordinarily resident – repeatedly resident in FI except for a temporary absence (not exceeding 2 complete tax years)

Individuals resident and/or ordinarily resident for tax purposes are assessed on their worldwide income, are entitled to the full PA and may claim a deduction for certain pension/retirement benefit schemes (a copy of the relevant policy documents and proof of premium payments are required in order to consider if the scheme is allowable under FI taxes legislation), subscriptions and charitable donations.

Credit will normally be given for foreign taxes either unilaterally or through the one Double Taxation Agreement, with the UK. Proof of foreign tax paid and confirmation it has/will not be refunded will be required.

Individuals who are neither resident nor ordinarily resident (present less than 183 days in the tax year) are assessed on income from within FI and/or for duties performed in the FI and are only entitled to a proportion of the PA according to the number of days they were present in the FI during the relevant tax year. A non-resident individual can claim relief for compulsory Retirement Pension Contributions (RPC).

NB: Please also be aware that any allowance granted may also be subject to Benefit in Kind and it is your responsibility to check with the Tax Office details of these allowances/payments.

TAXATION EXAMPLES:

The amount of tax that would be charged on an individual FI tax resident (present 183 days or more in the tax year) with an annual salary of £40,502, no other taxable income and a full year's RPC payments is as follows:

Tax Year 2021

Worldwide income	£41,636
Personal Allowance	£15,000
RPC	£1,027
Net chargeable income	£25,609

Income Tax Calculation	£12,000 @ 21% = £2,520.00
	£13,609 @ 26% = £3,538.34
	Total £6,058.34

Total Due	Income Tax	£6,058.34
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The Taxation Office holds further guides available by email, post or collection. If you have any questions on taxation please contact them using the details below, visit their office or website.

FIG Taxation Office, St Mary's Walk, Stanley, Falkland Islands, FIQQ 1ZZ

Telephone No. (+500) 28470 Fax No. (+500) 27287

E-mail: general@taxation.gov.fk

Web: <https://www.falklands.gov.fk/taxation/>

RETIREMENT PENSION SCHEME:

Employees are required to pay contributions on a weekly basis. The current contribution rate is £40.60 per week during 2023. For those in employment 50% is paid by the employer and 50% (currently £1,055.60 annually) by the employee by salary deduction. Contribution rates may alter during the period of the contract. Contributions are compulsory and will be deducted from salary each month.

Under the terms of Falkland Islands law there is no facility for refunds of contributions to be made, under any circumstances, however a partial pension can be paid at retirement age provided an individual makes 250 weekly contributions to the scheme. If your period of residence in the Falklands is less than 5 years you can, if you so wish, make voluntary payments to the scheme from anywhere in the world in order to achieve 250 contributions.

This is a state operated pension scheme, it is not recognised in the UK and likewise UK National Insurance is not recognised in the Falklands.

Further information can be obtained from The Treasury, Stanley; Tel: (+500) 28415; Fax No. (+500) 27144 E-mail: daldridge@sec.gov.fk or via the website [Retirement Pension Scheme \(falklands.gov.fk\)](http://Retirement%20Pension%20Scheme%20(falklands.gov.fk))

MEDICAL CARE CHARGES

Most services including prescriptions are free to residents of the Falkland Islands. However, charges are made for some items and the Government reserves the right to alter the charges for medical services. At present charges are made for spectacles, dentures and cosmetic dentistry such as crowns and bridges. The charges are variable based on the cost of the materials, including freight.

RELOCATION GRANT

If you travel alone to the Islands from the UK you will be entitled to a relocation grant of £2,000. This is to assist with getting to the airport for your flight, shipping costs (if relevant) and any other expenses incurred by relocating to the Islands. Relocation grants are only payable for contracts of 2 years or longer.

If you are to be accompanied by your spouse/partner you will be entitled to £2,500 and this amount will be increased by £100 in respect of each dependent child who accompanies you.

If you are being recruited from outside Europe however, this amount may vary so please check with the Recruitment Officer.

FIG usually pays 50% of this relocation grant on signing of the contract and 50% on arrival in the Islands to assist with setting up bank accounts and so on.

ACCOMMODATION:

Primary and Secondary class teachers and Settlement teachers and any accompanying family members (if applicable) will be provided with accommodation, including essential furnishings, for which a rent will be charged per month (deducted from salary). Utility bills are the responsibility of the tenant.

In most cases Travelling Teachers will be provided with board and lodgings by families on their farm (in some situations self-catered accommodation is available); and a shared cabin is retained for your use when in Stanley. There is a daily rate payable in both situations and the advantage of no utility bills.

Some basic information regarding rent and utilities for the Stanley based posts follows:

Rent

The standard and size of Government housing varies considerably, consequently current rental charges range from approximately £400 per month for a small self-contained flat to approximately £850 per month for a fully furnished four-bedroom house. Rental charges are reviewed annually.

Property Service Charge

There is an annual service charge on domestic properties to cover the cost of the provision of water and refuse collection. This charge is currently fixed at £35.50 per month and is reviewed annually.

Utilities

Current rates are shown below and are subject to change:

Petrol	- £1.30 per litre
Diesel	- 99p per litre
Kerosene	- 68p per litre
Propane Gas	- 45kg cylinder £151.20
Propane Gas	- 11kg cylinder £36.96
Electricity	- 39p per unit

EDUCATION ALLOWANCES:

Education allowances are available for children in further education. In order to be eligible for this allowance you must be accompanied by your spouse for the whole period of employment.

If you are widowed, divorced, separated or single, you may be eligible to receive this allowance providing you have:-

- a) judicial custody of the child or children to whom the claim applies; and
- b) financial responsibility for the child or children; and
- c) exclusive care and control over the child or children.

FLIGHTS:

One-year Travelling Teacher contracts have a single flight at the beginning and end of the contract. Contracts for all other teaching positions which are 2 years or longer entitle you and those accompanying you (if applicable) to a flight at the beginning and end of your contract, as well as a return flight at the end of each contracted year.

QUALITY OF LIFE:

Lastly, and an important consideration, the quality of life in the Falkland Islands is to be relished. No traffic jams, pollution, queues, commuting... Plenty of community spirit, friendly faces, fresh air, spare time, wildlife, good times: a truly unique experience.

The information enclosed is correct at the time of print (December 2022). If you have any further queries please contact the Recruitment Officer: email recruitment@sec.gov.fk or telephone 00 500 27420.