



University of Dundee Superannuation and Life Assurance Scheme (UODSS)

Factsheet 1 – Definitions

You will find several words and phrases which are used throughout the accompanying Members' Guide and Factsheets which you may not have encountered before. This factsheet includes definitions of the key words and phrases used.

ANNUAL ALLOWANCE

This is an allowance for the amount of contributions and/or benefits that you can build up each year tax efficiently. The maximum you can pay personally into all of your pension arrangements and receive tax relief on each year is 100% of your UK earnings, up to the Annual Allowance. The Annual Allowance for the current tax year can be found on the following website:

www.gov.uk/government/publications/rates-and-allowances-pension-schemes/pension-schemes-rates

CAREER AVERAGE REVALUED EARNINGS (CARE)

Benefits accrued from 1 August 2011 are calculated on a CARE basis. CARE benefits consist of blocks of pension and cash built up in a particular year which are then increased until retirement in line with inflation.

CONSUMER PRICES INDEX (CPI)

This is the Government's Index of Consumer Prices and is a measure of inflation. Some of your benefits will increase in line with the CPI.

FINAL PENSIONABLE SALARY

This is the greater of:

- your highest basic earnings (before any Salary Sacrifice and excluding any special pay such as (but not restricted to) bonus, commission or non-contractual overtime, but including any contractual overtime) received during any 12 consecutive months in the three Scheme Years ending with the Scheme Year immediately before you retire or leave Pensionable Service.
- your basic earnings (before any Salary Sacrifice and excluding any special pay such as (but not restricted to) bonus, commission or non-contractual overtime, but including contractual overtime) received during the 12 months ending on the date you retire or earlier date of leaving Pensionable Service.

Final Pensionable Salary is rounded to the next £1.

GUARANTEED MINIMUM PENSION ("GMP")

This is the minimum pension which the Scheme has to provide for you (and your spouse) for any Pensionable Service completed before 6 April 1997 while you were contracted-out of SERPS.

INCAPACITY

This means physical or mental deterioration of health which in the opinion of the Trustees prevents the Member from following his normal employment or severely impairs his earning capacity. It does not mean simply a decline in energy or ability.

LIFETIME ALLOWANCE

This is an allowance for the total value of pension benefits you can build up tax-efficiently during your lifetime. When you take any benefits from the Scheme, their value will be checked against your available Lifetime Allowance. The Lifetime Allowance for the current tax year can be found on the following website:

www.gov.uk/government/publications/rates-and-allowances-pension-schemes/pension-schemes-rates

NORMAL PENSION DATE

This is your 65th birthday.

PENSIONS OFFICE

All enquiries relating to the Scheme should be referred to the Pensions Office at the following address:

Pensions Office
University Pensions Office
University of Dundee
Dundee
DD1 4HN

PENSIONABLE SALARY

This is determined each time you receive a payment of earnings from your Employer and is the amount of your basic earnings (excluding any special pay such as (but not restricted to) bonus, commission or non-contractual overtime, but including contractual overtime) on that date.

Where Pensionable Salary is used to calculate benefits payable on death in Pensionable Service, it will be the annual rate calculated as at the date of your death, before any Salary Sacrifice.





UoDSS & Your Pension Benefits

PENSIONABLE SERVICE

This is the period of service you complete with the Employer after you join the Scheme. It normally ends on your Normal Pension Date, or when you leave the Scheme if earlier. You can be treated as continuing in Pensionable Service while you are temporarily absent from work, although this is normally at the Employer's discretion. Pensionable Service can be continued for up to 10 years; or longer if you are absent due to ill-health.

Note: If you are covered for a death in service benefit before you qualify for full membership you are treated as being in Pensionable Service only for the purpose of qualifying for death benefit. This service does not count towards your pension once you become a full member.

For more information please see [Factsheet 12 – Death Benefits](#).

RETAIL PRICES INDEX (RPI)

This is the Government's Index of Retail Prices and is a measure of inflation. Some of your benefits will increase in line with the RPI.

SALARY SACRIFICE

This is a method of making savings on National Insurance contributions by reducing the amount of contractual pay. Employees give up a proportion of their salary equal to the amount of their pension contribution and the University makes additional contributions to the Scheme of the same amount. The reduction in salary means that the national insurance contributions paid by both the employee and employer are reduced. As a result, an employee's take home pay is usually increased.

SCHEME

This is the University of Dundee Superannuation & Life Assurance Scheme (UODSS).

SCHEME YEAR

This is a period of twelve months commencing on 1 August each year.

SPOUSE

This is your husband, wife or civil partner at the date of your death. References to marriage and divorce also apply in relation to civil partnership or dissolution of civil partnership respectively.

STATE PENSIONABLE AGE

This has traditionally been 65 for men and 60 for women. However, State Pensionable Age was harmonised for men and women at age 65 in November 2018. The State Pensionable Age will rise in the future and further rises over and above those legislated for by the Government are expected. If you would like to find out your State Pension Age, you may wish to use the calculator provided by the Government available at:

www.gov.uk/state-pension-age

TRUSTEES

The Trustees are responsible for the management and administration of the Scheme and also for the safekeeping of the money and investments used to pay benefits. Some of their other duties and powers are described in various sections of the booklet.

A number of the Trustees are appointed by the Employer. However, legislation requires that at least one third of the Trustees are nominated by the Scheme's active and retired membership. These Trustees are known as Member Nominated Trustees. If you would like further information about this, or wish to know the names of the current Trustees or how to contact them, please ask the Pensions Office.

IMPORTANT NOTE

This factsheet provides a summary of the definitions of technical terms you may encounter in the Members' Guide and Factsheets. However, your legal rights are governed by the Trust Deed and Rules of UODSS. If there are any differences between the Scheme Rules and this factsheet, the Rules will override the factsheet.

A copy of the rules can be obtained from the Pensions Office.





University of Dundee Superannuation and Life Assurance Scheme (UODSS)

Factsheet 2 – Membership

WHEN CAN I JOIN?

You can join the Scheme subject to the following conditions:

- You are an employee of the University
- You are aged between 16 and 75 years old

Further details will be provided to you in your contract of employment with the University.

HOW DO I JOIN?

If you decide that you want to join UODSS, please complete the application form which is available at the following address:

www.dundee.ac.uk/payroll-pensions/pensions/uodss

Once completed you should send your application card to the Pensions Office.

Please enclose:

- Your birth certificate
- Your marriage certificate or civil partnership registration.

If you cannot find these documents straight away, you should still return your application form. You can send the documents in when you find them.

You should also consider completing the Nomination of Beneficiaries Form when you join the Scheme which is available via the link above or on request from the Pensions Office.

AUTO ENROLMENT

Government regulations now require every employer in the UK to automatically enrol the vast majority of their employees into a suitable pension arrangement. For a pension arrangement to meet the Government's auto enrolment requirements a number of criteria must be met.

UODSS meets these requirements and is therefore a "qualifying" scheme.

Depending on your age and salary, you may be automatically enrolled into UODSS. For more information please refer to your contract of employment and terms & conditions.

For more information on Auto Enrolment please see [Factsheet 7 – Auto Enrolment](#).

CAN I OPT OUT OF THE SCHEME?

If you have been automatically enrolled in the Scheme but you do not want to join, you must complete a notice to opt-out of pension saving confirming that you do not wish to join and that you understand what this decision means for you and your family. Please refer to your contract and terms & conditions for details of how you can opt-out, including how to obtain an opt-out notice.

Further information can be found at the Q&A link available at:

www.dundee.ac.uk/payroll-pensions/pensions/uodss

If you have any questions please contact the Pensions Office.

If you opt to leave the Scheme:

- cover for the life assurance benefit (and, where applicable, the spouse's and children's pensions) described in [Factsheet 12 – Death Benefits](#) will stop,

and

- you will not be entitled to any benefits in respect of your continuing service.

If you decide to opt-out of UODSS you will, depending on your age and salary, be automatically enrolled around 3 years later provided you are employed by the University at that time, unless you decide to join the Scheme in the meantime.

The Trustees and the University cannot give you financial advice. If you are not sure what's best for you, we strongly recommend you speak to an independent financial adviser (IFA). You can find a local IFA through the following website:

<http://www.unbiased.co.uk>

Remember that the University will not contribute to any other pension scheme on your behalf.

IMPORTANT NOTE

This factsheet provides a summary of eligibility conditions for joining UODSS. However, your legal rights are governed by the Trust Deed and Rules of UODSS. If there are any differences between the Scheme Rules and this factsheet, the Rules will override the factsheet.

A copy of the rules can be obtained from the Pensions Office.





University of Dundee Superannuation and Life Assurance Scheme (UODSS)

Factsheet 3 – Your retirement benefits

When you retire you will receive the benefits which will have built up over the time during which you were a member of UODSS. This factsheet provides details of what those benefits will be. Before you retire, you will be provided with a quotation showing what your benefits are and what options you have.

WHEN CAN I RETIRE?

Your Normal Pension Date is your 65th birthday, but you can decide to take your benefits before or after age 65.

Early retirement

If you take your benefits before age 65 they may be reduced to reflect the fact that benefits will be paid over a longer period. The reduction applied depends on the number of years early you wish to retire.

For more details on early retirement please refer to [Factsheet 9 – Early Retirement](#).

Late retirement

You may be able to carry on working for the University and continue to earn benefits in UODSS beyond age 65.

Alternatively, you may leave employment from the University and wish to defer retirement until after age 65.

For more details on late retirement please refer to [Factsheet 10 – Late Retirement](#).

Retirement due to ill health or incapacity

If you are suffering from ill health or disability which leaves you unable to carry out your work then you may be able to retire and receive your benefits early.

For more information on ill-health retirement please refer to [Factsheet 14 – Ill Health Benefits](#).

WHAT WILL I RECEIVE AT RETIREMENT?

Career Average Revalued Earnings ('CARE') Benefits

From 1 August 2011 you will build up benefits on a Career Average Revalued Earnings (CARE) basis.

- Each year you will earn a block of pension equal to $\frac{1}{80}$ th of your pensionable salary.
- Each year you will earn a block of tax-free lump sum equal to $\frac{3}{80}$ ^{ths} of your pensionable salary.

Each block of pension and lump sum will increase by the annual increase in the CPI measure of inflation up to a maximum of 5% per annum.

At retirement, all of the blocks are added together to give your total CARE pension and lump sum.

Final salary benefits

The benefits in respect of your service up to 1 August 2011 (if any) will be based on your Final Pensionable Salary at retirement (or earlier date of leaving the Scheme). The final salary benefits you will receive are calculated as follows:

- A pension equal to $\frac{1}{80}$ th of your Final Pensionable Salary for each year of Pensionable Service up to 1 August 2011;
- A tax-free cash lump sum equal to $\frac{3}{80}$ ^{ths} of your Final Pensionable Salary for each year of Pensionable Service up to 1 August 2011.

Your total pension, equal to the sum of your CARE pension and your Final Salary pension, will be payable for the rest of your life, in monthly instalments. It is subject to income tax, which will be deducted each month under the PAYE system, just like earnings.

Cash commutation

If you would like an extra tax free cash lump sum at retirement it is possible to “trade in” some of your pension for a cash sum. The Pensions Office will provide a retirement quotation which includes details of the maximum cash sum that you can take and what the impact would be on your pension.

The maximum cash sum you can take is 25% of the Lifetime Allowance value of your benefits. You will not need to carry out this calculation as your pension quotation will indicate the maximum cash sum you may take.

If you want, you can use your AVCs to provide part of your additional tax-free lump sum which will lessen the impact on your Scheme pension.





UoDSS & Your Pension Benefits

Pension Increase Exchange (PIE)

Shortly before you retire, you may be provided with the option of giving up pension increases in return for a higher pension. The PIE is only applicable on part of your pension built up before 6 April 1997, and in excess of your Guaranteed Minimum Pension.

Full details of this flexibility, should it be available to you, will be provided in your retirement quotation.

Part-time employees

If you worked part-time for the University, your Final Salary benefits are calculated by converting you part-time salary to its full-time equivalent at retirement and adjusting your pensionable service accrued up to 31/7/11 to part-time. For CARE benefits earned from 1 August 2011 your actual (part-time) salary will be used to calculate the benefits you earn each year and your pensionable service will not be adjusted. For more information please see [Factsheet 4 – Part Time Service](#)

State Pension benefits

You will also be entitled to receive State Pension benefits although these are not payable until your State Pension Age. For more information, please refer to [Factsheet 17 -State Benefits](#).

WHAT HAPPENS WHEN I DIE?

If you die before or after retirement your dependants will receive a pension.

For more information on what happens if you die after retirement please refer to [Factsheet 12 - Death Benefits](#).

HMRC ALLOWANCES

Her Majesty's Revenue & Customs (HMRC) has set limits on how much pension you can have and still receive tax-relief. The Lifetime Allowance deals with your total pension savings and the Annual Allowance affects how much pension you can earn each year.

Lifetime Allowance

It is your responsibility to check whether your total retirement savings exceed the Lifetime Allowance set by HMRC. It is rare to exceed the Lifetime Allowance but if you do, the value of your pension income will be reduced as you will need to pay additional tax at 25% on the excess. If you take the excess as a lump sum it will instead be taxed at 55%. It is your responsibility to report the value of your benefits on retirement to HMRC. You will be able to obtain a quotation of your benefits shortly before retirement from UODSS.

Annual Allowance

The Annual Allowance is set by HMRC and is the limit on the maximum amount of pension you can earn in a year whilst still receiving tax relief.

Both the Annual Allowance and Lifetime Allowance are subject to change. An update on the both allowance rates is available at the following website:

www.gov.uk/government/publications/rates-and-allowances-pension-schemes/pension-schemes-rates

IMPORTANT NOTE

This factsheet provides a summary of your retirement benefits. However, your legal rights are governed by the Trust Deed and Rules of UODSS. If there are any differences between the Scheme Rules and this factsheet, the Rules will override the factsheet.

A copy of the rules can be obtained from the Pensions Office.





University of Dundee Superannuation and Life Assurance Scheme (UODSS)

Factsheet 4 – Part Time Service

If, during membership of the Scheme, your employment has changed from part-time to full-time service (or vice versa) or your hours of part-time employment have changed, special provisions will apply concerning the calculation of your Final Salary benefits. If at any time up to 1 August 2011 you have been a part-time employee then in calculating your Final Salary benefits payable to you or your dependants under the Scheme, your part-time salary will be converted to its full-time equivalent and your service pro-rata'd according to your full time equivalent (FTE) service.

PENSIONABLE SERVICE

Your period of part-time Pensionable Service will be reduced to reflect its FTE. If you change the hours you work, each period of service will be converted separately to its FTE before determining your total period of Pensionable Service.

The calculation is as follows:

$$\begin{array}{l} \text{Period of} \\ \text{part-time} \\ \text{Pensionable} \\ \text{Service} \end{array} \times \frac{\text{part-time} \\ \text{working service}}{\text{full-time} \\ \text{working service}} = \begin{array}{l} \text{Full-time} \\ \text{equivalent} \\ \text{Pensionable} \\ \text{Service} \end{array}$$

(rounded down to the nearest complete month)

How does it work?

Let's assume you have worked the following before 1 August 2011:

- 9 years at full-time, 36.25 hours per week;
- 11 years part-time, 20 hours per week;
- 1 year part-time, 15 hours per week.

The first period is already full-time so does not need to be converted. The last two periods are converted to a FTE and added onto your service.

Length of Service Period	Hours worked per week	FTE Pensionable Service
9 years	37.25	9 years
11 years	20	6 years 1 months
1 year	15	0 years 5 months
Total		15 years 6 months

FINAL PENSIONABLE SALARY

Any earnings used to calculate Final Pensionable Salary attributable to your period of part-time employment need to be increased by calculating what they would have been if you worked full-time. This is to ensure consistency with the service calculation. The calculation is as follows:

$$\begin{array}{l} \text{Final} \\ \text{Pensionable} \\ \text{Salary} \end{array} \times \frac{\text{full-time} \\ \text{working hours}}{\text{part-time} \\ \text{working hours}} = \begin{array}{l} \text{Full-time} \\ \text{equivalent} \\ \text{Final} \\ \text{Pensionable} \\ \text{Salary} \end{array}$$

How does it work?

The following table shows a Final Pensionable Salary for each of the service periods and their corresponding FTE Final Pensionable Salary.

Final Pensionable Salary	Hours worked per week	FTE Final Pensionable Salary per year
£12,000	36.25	£12,000
£8,000	20	£14,500
£7,000	15	£16,917

For actual cases, all salary and service details applicable to periods of part-time employment will be converted in line with the principles shown in the above examples.

This may seem rather complicated, but it is intended to ensure that Final Salary benefits are calculated fairly. For example, if you joined the Scheme in full-time employment and then chose to work part-time in the last few years (or reduced your part-time hours) before retirement it would be unfair to calculate your total benefits using your lower part-time salary.

ARE MY CARE BENEFITS AFFECTED TOO?

As your CARE benefits are calculated on a year by year basis your service and earnings do not need to be converted into a FTE. This means that your unadjusted Pensionable Service and actual Pensionable Salary received each year will be used to calculate your benefits.





HOW ARE MY DEATH BENEFITS CALCULATED?

The dependant benefits payable on your death in Pensionable Service are based on a percentage of your benefits.

For more information please see [Factsheet 12 – Death Benefits](#).

IMPORTANT NOTE

This factsheet provides a summary of how part-time service and benefits are calculated. However, your legal rights are governed by the Trust Deed and Rules of UODSS. If there are any differences between the Scheme Rules and this factsheet, the Rules will override the factsheet.

A copy of the rules can be obtained from the Pensions Office.





University of Dundee Superannuation and Life Assurance Scheme (UODSS)

Factsheet 5 – Contributions

In order to build up benefits in UODSS you will need to make contributions while you are employed by the University). This factsheet provides details of what your contributions will be if you are a member of UODSS.

WHAT CONTRIBUTIONS WILL BE PAID?

As a member of UODSS you will make a contribution towards the cost of providing your retirement benefits. However, most of the cost will be met by the University. Your contributions and contributions from the University are invested under a Trust and used to pay out benefits when the time comes.

The contributions paid in the past by members and the University have built up into a significant fund, which is managed by the Trustees. The Trustees take professional advice to decide how the funds are invested. In addition, the Trustees may request additional contributions from the University to ensure that it holds enough money to pay benefits in full.

Member contributions (or what does it cost?)

As a member of UODSS you will pay 7.75% of your Pensionable Salary each year. You are not taxed on this 7.75% contribution.

Salary sacrifice

The University operates a salary sacrifice arrangement that you may already take part in. If so, your salary will be reduced by an amount equal to your contribution to UODSS and the University will pay the contribution on your behalf. As a result, you will pay lower National Insurance Contributions than you would pay if you did not participate in the salary sacrifice arrangement.

For more detailed information on salary sacrifice, please see [Factsheet 6 - Salary Sacrifice](#).

AVCs

You can make Additional Voluntary Contributions (AVCs) to the Scheme if you want to increase your benefits. UODSS offers a money purchase AVC where you build up an additional pension by contributing to an individual account.

More detailed information on paying additional contributions can be found in [Factsheet 8 – Additional Voluntary Contributions](#).

University Contributions

As well as your own contributions, the University will also pay into UODSS.

Details of how much the University has paid each year are included in the Trustees' annual report which is available from the Trustees on request.

The contributions payable by the University are agreed between the University and the Trustees and updated every 3 years following a detailed valuation carried out by the UODSS Scheme Actuary.

IMPORTANT NOTE

This factsheet provides a summary of the contributions paid into UODSS. However, your legal rights are governed by the Trust Deed and Rules of UODSS. If there are any differences between the Scheme Rules and this factsheet, the Rules will override the factsheet.

A copy of the rules can be obtained from the Pensions Office.





University of Dundee Superannuation and Life Assurance Scheme (UODSS)

Factsheet 6 – Salary sacrifice

When you join UODSS, you will be entered into the University's salary sacrifice arrangement automatically. Please contact the Pensions Office for details on how you may opt out.

This factsheet provides details on what salary sacrifice is, how it works and how it affects you.

WHAT IS SALARY SACRIFICE?

Under a salary sacrifice arrangement the University pays your contribution to the pension scheme on your behalf and reduces your salary by the same amount. Since your salary is reduced, so is the amount you pay in National Insurance Contributions.

National Insurance savings

The main benefit of any approved salary sacrifice arrangement is the savings you, and the University, will make on National Insurance Contributions. Since your salary no longer includes your pension contribution, which is paid by the University, a lower salary is used to determine your National Insurance Contributions. As a result, this leads to an increase in your take home pay.

Tax savings

Since your contributions are deducted before you are assessed for income tax you will also receive an immediate tax relief at your highest rate of tax. If you are paying tax at a rate of 20%, for example, you will save 20p in tax for every £1 you pay in pension contributions.

An example of the actual cost of your pension contributions each year through salary sacrifice is shown below:

Pensionable Salary	£20,000
Notional pension contribution (7.75%)	£1,550
Less tax relief	£310
Less National Insurance saving	£186
What it costs you	£1,054

Salary sacrifice schemes are widely used by UK employers as an effective way of enabling employees to pay for pension and other benefits (including nursery vouchers and 'bikes to work' schemes) because it leads to an increase in take home pay for most employees.

The Trustees and the University cannot give you financial advice. If you are not sure what's best for you, we strongly recommend you speak to an independent financial adviser (IFA). You can find a local IFA through the following website:

<http://www.unbiased.co.uk>

WILL MY BENEFITS BE AFFECTED?

You will not see a reduction in your benefits if you pay your contribution to UODSS through the salary sacrifice arrangement. Your salary before any salary sacrifice deduction will be the salary used to calculate your retirement, death and any other benefits payable under the Scheme.

AVCs

If you pay Additional Voluntary Contributions (AVCs) into UODSS then these will not be affected by the salary sacrifice arrangement.

REFUND RESTRICTIONS ON LEAVING UODSS

If you are part of the salary sacrifice arrangement, and you leave UODSS with less than 2 years' service, any refund of contributions will not include those paid on your behalf by the University under the salary sacrifice arrangement.

Instead, the University will make a payment to you outside of the Scheme to reflect the contributions you would have paid if no such arrangement existed.

IMPORTANT NOTE

This factsheet provides a summary of UODSS' salary sacrifice arrangement. However, your legal rights are governed by the Trust Deed and Rules of UODSS. If there are any differences between the Scheme Rules and this factsheet, the Rules will override the factsheet.

A copy of the rules can be obtained from the Pensions Office.





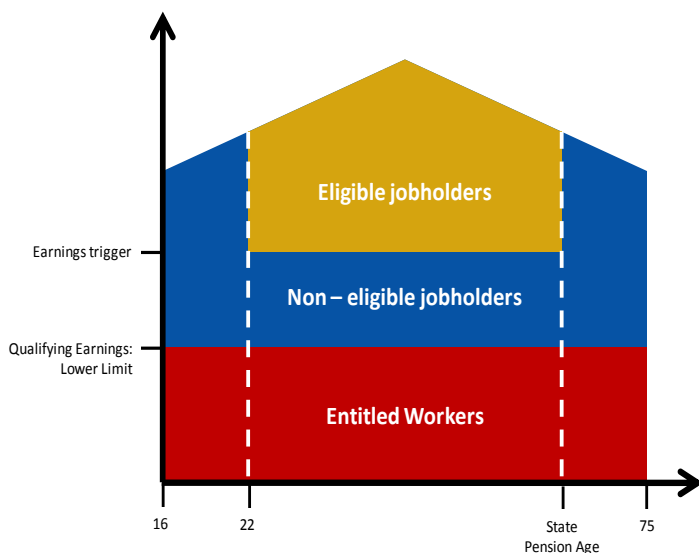
University of Dundee Superannuation and Life Assurance Scheme (UODSS)

Factsheet 7 – Auto Enrolment

It is a statutory requirement for employers to make a ‘qualifying’ pension scheme available to the majority of employees. In order for a pension scheme to qualify, a number of requirements need to be met. In addition, employers must automatically enrol certain individuals into their qualifying pension arrangement depending on their age and salary.

HOW DOES AUTOENROLMENT WORK?

There are three categories of workers which must be identified according to the auto-enrolment legislation. Each are classified by age and by salary, and trigger different responsibilities on employers with effect from their staging dates:



Eligible Jobholders

Must be **automatically enrolled into a qualifying pension scheme.**

Non-eligible Jobholders

Must be **provided with access to a qualifying pension scheme.**

Entitled Workers

Must be **provided with access to a pension scheme**, but the scheme does not need to be a qualifying pension scheme e.g. employers do not need to make contributions.

Each year, the Department for Work and Pensions reviews the Earnings trigger and upper and lower limits for Qualifying Earnings (employers are not required to make contributions in respect of salaries

above the upper limit for Qualifying Earnings). For the 2019/20 tax year the Earnings Trigger is £10,000, the Qualifying Earnings lower limit is £6,136 and the Qualifying Earnings upper limit is £50,000.

The University decided to use UODSS for the purpose of automatically enrolling Eligible Jobholders, and as a qualifying scheme for Non-eligible Jobholders. In addition, UODSS is available to Entitled Workers i.e. the University is making the full benefits provided by UODSS available to Entitled Workers. Individuals, after a postponed period of up to 3 months, may be automatically enrolled into UODSS. Non-eligible jobholders and Entitled workers will be able to join UODSS voluntarily.

Please note that a separate qualifying pension scheme is in place for staff employed by Dundee University Students' Association (DUSA).

HOW CAN I FIND OUT IF I WILL BE AUTOMATICALLY ENROLLED INTO THE SCHEME?

Please refer to your contract of employment and/or terms & conditions to establish when/if you will be automatically enrolled into the Scheme.

Your right to opt out

If you are automatically enrolled into a qualifying pension scheme, you will have a statutory right to opt out. This right will be set out in the communication you receive from the University. This right extends for a period of 3 months from your enrolment date, or the date from which you receive enrolment information, whichever is later.

If a valid ‘Notice to opt out of pension savings’ is received within 3 months of your enrolment date any contributions you have made will be refunded and you will not have become an active member of the scheme on that occasion. Please see:

[Factsheet 2 – Membership](#)

Re-enrolment

If you opt out of UODSS you will automatically be re-enrolled 3 years later if you are still an Eligible Jobholder. This is because your circumstances may have changed and you may want to start saving for retirement. You may join the Scheme sooner if you wish by contacting the Pensions Office.

If you still don't want to be a member of UODSS you can opt out in the same way as the first time you were automatically enrolled.





Tax implications

Please note that if you are automatically enrolled into UODSS and you do not opt out within the 3 month window, you will be considered as having commenced 'Pension Saving' by Her Majesties Revenue and Customs (HMRC). If you have previously applied for tax protection, you may lose this and you may be liable for a tax charge as a result.

I have retired from UODSS, but remain employed by the University. How will auto enrolment affect me?

The fact that you have previously retired does not impact on your automatic enrolment rights or your ability to join the Scheme, provided you fall into one of the three categories highlighted above. Therefore, you may build up benefits in UODSS even if you are currently in receipt of a pension. Once you reach age 75, you will need to retire and draw all of the benefits you have earned in the Scheme.

I am employed on a temporary basis by the University, how will auto enrolment affect me?

Your contract status does not impact on your automatic enrolment rights and your ability to join a suitable pension scheme, provided you fall into one of the three categories highlighted above.

Your circumstances will be assessed after a postponement period of up to 3 months from the date you started working for the University. If, after that time, you fall into one of the categories set out in the table above, you will be either automatically enrolled into the Scheme or you will have a right to join the Scheme.

WHAT WILL IT COST ME?

As a member of UODSS you will pay contributions equal to 7.75% of your salary. However, your contributions are tax free and your National Insurance Contributions will be reduced via the University's salary sacrifice arrangement. The true cost of your contributions should end up being cheaper due to these savings.

More information on the contributions payable and salary sacrifice are available in the following factsheets:

[Factsheet 5- Contributions.](#)

[Factsheet 6- Salary Sacrifice.](#)

FREQUENTLY ASKED QUESTIONS

For answers to commonly asked questions in relation to Auto Enrolment, please visit the following blog:

[http://blog.dundee.ac.uk/pensionsautoenrolment/faq/](http://blog.dundee.ac.uk/pensionsautoenrolmentfaq/)

IMPORTANT NOTE

This factsheet provides a summary of the main Auto Enrolment features. However, your legal rights are governed by overriding legislation. If there are any differences between the legislation and this factsheet, the legislation will override the factsheet.

If required, further details can be obtained from the Pensions Office.



University of Dundee Superannuation and Life Assurance Scheme (UODSS)

Factsheet 8 – Topping up your benefits

You may wish to increase your benefits by paying Additional Voluntary Contributions (AVCs).

The Trustees have an arrangement with Prudential to allow members to set up an AVC policy. This factsheet outlines the key features of the Prudential AVC policy, your options with regards to contributions and investments and how to set up a new policy.

INCREASING YOUR BENEFITS BY PAYING AVCS

The Prudential AVC policy allows you to pay AVCs and build up a fund which can be used to top up the benefits payable from the Scheme when you retire.

You will have control over how your fund is invested so you can take into account your target retirement age and attitude to risk. You can change the amount you pay into your fund from time to time or you can stop and restart making contributions if you find it necessary to do so.

You will get tax relief on AVCs. At retirement you can use your fund to supplement your benefits from the Scheme for example you may use some of this to provide a tax free cash sum and the remainder to buy extra pension income via an annuity purchased on the open market.

Unlike your Scheme Defined Benefit pension, the benefits provided by your AVCs are not guaranteed or known in advance. The additional benefits provided by your Money Purchase fund will depend on a number of factors including the level of your contributions, the investment returns you actually achieve and how you choose to use your fund at retirement.

HOW CAN I SET UP A NEW AVC ACCOUNT?

If you wish to pay AVCs you must complete the form 'Setting up and adjusting your AVC benefits' found on the pension's office website:

<https://www.dundee.ac.uk/payroll-pensions/pensions/uodss>

The following details are required prior to the new policy being set up:

- The date you wish to start paying AVCs.
- How you would like your contributions to be invested.
- The amount of AVCs you would like to make

As noted above, options are available in respect of how your contributions are invested and the amount of AVC's you can make.

INVESTING YOUR CONTRIBUTIONS

The default fund choice for the Scheme is the Prudential With-Profits Fund. This fund has the aim of maximising growth over the medium to long-term by investing in shares, property, fixed interest and other investments.

It is possible to select different funds that invest in different assets. It is important that when selecting a fund that you understand the potential risk and reward associated with each fund.

A guide to the key characteristics of all available funds is available on request.

You must inform the Pensions Office of your fund choice prior to a new AVC policy being set up (if no fund is selected your contributions will be invested in the default fund).

You may switch between Funds at any time by completing form 'Setting up and adjusting your AVC benefits' on the pension's office website.

LEVEL AND FORM OF CONTRIBUTIONS

You can choose to make a one-off contribution or to pay regular contributions into your AVC fund.

There is a minimum contribution level for both one-off and regular contributions.

- For regular contributions the minimums are £30 (monthly), £300 (yearly) or 4% of salary (if contributions are related to salary).
- For a one-off contribution the minimum is £5,000 however, this is reduced to £1,000 if you have existing regular AVC contributions.

There is also a minimum amount by which you can increase your contributions. For regular contributions these are £10 (monthly) and £100 (yearly).

It is also possible to take a contribution holiday and postpone regular payments into your AVC fund.

WHAT CHARGES APPLY?

The annual management charge for this AVC arrangement is 0.875% per annum. Further charges may apply depending the type of fund selected, details of which will also be confirmed by Prudential when your AVC policy is set up.

OTHER IMPORTANT INFORMATION

Be aware of tax limits

When deciding how much you want to pay in AVCs you should take into account the Annual Allowance and Lifetime Allowance set by Her Majesty's Revenue and Customs as described in [Factsheet 1 – Definitions](#).

If you require details of the annual increase in the value of your pension for annual allowance purposes please contact the Pensions Office at: University Pensions Office, University of Dundee, Dundee, DD1 4HN.

Leaving Service

If you leave the University before you retire, your AVCs will remain invested until your retirement. Alternatively, if you transfer your main Scheme benefits to another pension arrangement, your AVC fund will be transferred as well. If you die before retirement, the value of your AVC account will be paid to your spouse, dependants or other beneficiaries as selected by the Trustees at their discretion. If you retire before or after your Normal Pension Date, you can use the value of your money purchase account to purchase additional pension benefits.

Independent Advice

The decision to pay AVCs and which funds to invest in is entirely up to you. Neither the Trustees nor the University are authorised to give you financial advice. If you are not sure what's best for you, we strongly recommend you speak to an independent financial adviser (IFA). You can find a local IFA through the following website:

<http://www.unbiased.co.uk>

Do you have any questions?

If you have any questions regarding your existing AVC arrangements please contact the Pension Office using the following email address:

pensionoffice@dundee.ac.uk

IMPORTANT NOTE

This factsheet provides a summary of UODSS Additional Voluntary Contribution arrangement with Prudential. However, your legal rights are governed by the Trust Deed and Rules of UODSS. If there are any differences between the Scheme Rules and this factsheet, the Rules will override the factsheet.

A copy of the Rules can be obtained from the Pensions Office.



University of Dundee Superannuation and Life Assurance Scheme (UODSS)

Factsheet 9 – Early retirement

In UODSS, the Normal Pension Date is your 65th birthday. However, you may wish to take your benefits before age 65. This factsheet provides information on early retirement and how it affects your UODSS benefits.

HOW EARLY CAN I RETIRE?

Your Normal Pension Date is your 65th birthday and your UODSS benefits will be paid without any reduction if you retire at this age. You can retire early (i.e. before age 65) but UODSS is designed to pay your pension benefits at 65 and it is important to note that if you do retire early your benefits will be reduced as a result.

If you do wish to retire early, you can take your benefits from as early as age 55. However your benefits will be reduced to reflect the fact that they will be paid over a longer period.

WHAT BENEFITS WILL I RECEIVE?

Depending on when you joined UODSS and how early you retire some or all of your benefits may be reduced to reflect the fact that they will be paid over a longer period. In addition, there may be some guarantees available to you meaning that some of your benefits may not be reduced.

Equalisation

If you were a member of the Scheme on 17 May 1994, special early retirement conditions apply to you as a result of equalisation of pension ages.

As a result of this, if you were a member of UODSS on 17 May 1994 then some of your benefits will not be reduced if you retire from your 60th birthday. For female members all benefits earned before 17 May 1994 will not be reduced if you retire at age 60. For male members, benefits earned between 17 May 1990 and 17 May 1994 will not be reduced if you retire at age 60.

Additional guarantees

There are certain guarantees available which may be subject to consent from the Trustees and/or the University.

Your early retirement quotation will reflect the additional guarantees available to you. For more details, please contact the Pensions Office.

Early Retirement Factor (ERF)

The level of reduction applied to your benefits is based on an Early Retirement Factor (ERF) calculated by the UODSS Scheme Actuary. The ERF is calculated so that the reduced early retirement benefits are equivalent in value to the benefits you would otherwise receive at your Normal Pension Date.

The ERFs are reviewed from time to time by the UODSS Scheme Actuary so may change in the future.

All of your benefits will be reduced by reference to age 65 if you retire before age 65 except for the exceptions described previously.

If you would like an early retirement quotation please contact us using the email addresses below:

pensionsoffice@dundee.ac.uk

EARLY RETIREMENT DUE TO ILL HEALTH OR INCAPACITY

This factsheet does not cover early retirements on the grounds of ill health or incapacity. For details of the benefits payable on retirement due to ill health or incapacity, please see [Factsheet 14 – Ill Health Benefits](#).

STATE PENSION BENEFITS

State Pension benefits are payable in addition to the benefits payable under UODSS. However your State Pension benefits are payable from your State Pension Age and cannot be taken early.

For more information on your State Pension benefits, please see [Factsheet 17 – State benefits](#).

IMPORTANT NOTE

This factsheet provides a summary of the Scheme's early retirement provisions. However, your legal rights are governed by the Trust Deed and Rules of UODSS. If there are any differences between the Scheme Rules and this factsheet, the Rules will override the factsheet.

A copy of the Rules can be obtained from the Pensions Office.





University of Dundee Superannuation and Life Assurance Scheme (UODSS)

Factsheet 10 – Late Retirement

You may be able to retire after your Normal Pension Date. This factsheet contains details of how late retirement affects your UODSS benefits.

HOW LONG CAN I DELAY RECEIVING MY PENSION?

There are two ways in which you can delay receiving your pension.

- **Postponed pensioner** - You remain in employment and continue to contribute to UODSS to build up additional benefits after age 65,
Or
- **Deferred pensioner** - You leave UODSS and ask that payment of your benefits is deferred until after your 65th birthday.

POSTPONED PENSIONER

You can work beyond age 65 and continue to earn benefits in UODSS. Your pension will then come into payment either on the day you stop working for the University or your 75th birthday, whichever is earlier. Beyond age 65 you can also draw on your UODSS pension and continue working at UODSS on the same contract. Please contact the pensions office if you are considering this option.

How will my postponed pension be calculated?

When you retire, your pension will include your CARE benefits earned from 1 August 2011 and your final salary benefits earned before 1 August 2011. Your CARE benefits will include revaluation up to your late retirement date. Your final salary benefits will be based on your Final Pensionable Salary at your late retirement date.

The benefits you receive will be checked to ensure they are not less than the amount you would have received had you left the Scheme upon reaching age 65, with an adjustment for the late payment.

DEFERRED PENSIONER

If you leave UODSS you can request to receive your pension between your 65th birthday and your 75th birthday.

How will my deferred pension be calculated?

Your lump sum and retirement pension will be increased when you retire to reflect the late payment. The increase will be applied to the benefits that would have been paid at age 65 to reflect the fact that the benefits are paid late and the pension will be paid over a shorter period. The level of this increase will be decided by the Trustee after consulting the UODSS Actuary.

Pension increases

Once in payment, your pension will increase on 1 April each year as described in [Factsheet 11 – Pension Increases](#).

AVCs

If you have any Additional Voluntary Contribution (AVC) arrangements then your AVC benefits will usually come into payment at the same time as your main Scheme benefits.

CAN I POSTPONE MY STATE BENEFITS TOO?

Yes, if you continue to work past your State Pension Age it is possible for you to delay payment of your State Pension. More information on postponing your State Pension can be found by following the link below:

<https://www.gov.uk/deferring-state-pension>

IMPORTANT NOTE

This factsheet provides a summary of the Scheme's late retirement provisions. However, your legal rights are governed by the Trust Deed and Rules of UODSS. If there are any differences between the Scheme Rules and this factsheet, the Rules will override the factsheet.

A copy of the Rules can be obtained from the Pensions Office.





UODSS & Your Pension Benefits

University of Dundee Superannuation and Life Assurance Scheme (UODSS)

Factsheet 11 – Pension Increases

Once in payment, your pension will increase each year to provide protection against the effects of inflation. This factsheet sets out details of how your pension will increase.

HOW WILL MY PENSION INCREASE?

After it comes into payment your pension will increase each year on 1 April. The increase applied depends on when your benefits were built up as described in the table below:

When your benefits were built up	Pension increases
From 1 August 2011	In line with the annual increase in the CPI, subject to a maximum of 5% each year
Between 1 August 2009 and 31 July 2011	In line with the annual increase in the RPI, subject to a maximum of 5% each year
Between 6 April 1997 and 31 July 2009	In line with the annual increase in the RPI, subject to a minimum of 3% and maximum of 5% each year
Before 6 April 1997 (in excess of Guaranteed Minimum Pension)	The fixed rate of 3% each year

A part year increase will be applied in the first year that your pension comes into payment. The University may decide under the terms of the Scheme to provide further increases to pensions in payment.

Guaranteed Minimum Pension (GMP)

GMP is divided into two parts, pre '88 GMP and post '88 GMP.

- Pre '88 GMP refers to your GMP and your spouse's GMP earned during your membership of the Scheme to 5 April 1988.
- Post '88 GMP refers to your GMP and your spouse's GMP earned during your membership of the Scheme from 6 April 1988 to 5 April 1997.

After you retire, the Scheme must provide a statutory minimum increase on the post '88 GMP. This statutory minimum increase each year is 3% or the rise in the Consumer Prices Index (CPI) if less.

In addition, if you reached State Pension Age prior to 6 April 2016, the State is responsible for providing the following increases on the GMP:

- if the rise in the CPI is more than 3% in a year, the State provides the balance of any inflationary increase (as measured by the CPI) above 3% on the post '88 GMP;
- full inflationary increases (as measured by the CPI) on the pre '88 GMP.

If you reached State Pension Age after 6 April 2016, you will not receive any increases on your GMP from the state (but you will receive the new State Pension, see [Factsheet 17 – State benefits](#)).

Pension Increase Exchange (PIE)

Shortly before you retire, you may be provided with the option of giving up pension increases in return for a higher pension. The PIE is only applicable on part of your pension built up before 6 April 1997, and in excess of your Guaranteed Minimum Pension.

Full details of this flexibility, should it be available to you, will be provided in your retirement quotation.

AVCs

If you have paid AVCs and purchased an additional pension, the increase applied will be decided when you buy the pension. You can choose whether to have a pension that increases at a flat rate or one which increases in line with CPI or even one with no increases. The type of pension you choose will be reflected in the price and you may wish to consult an Independent Financial Advisor before you make a decision.





WILL MY PENSION INCREASE AFTER I DIE?

If you die, the pension payable to your dependents will increase in the same way as your own pension would increase (after taking into account any pension increases given up as part of a Pension Increase Exchange).

For further details on the death benefits paid under UODSS please see [Factsheet 12 – Death Benefits](#).

IMPORTANT NOTE

This factsheet provides a summary of your retirement benefits. However, your legal rights are governed by the Trust Deed and Rules of UODSS. If there are any differences between the Scheme Rules and this factsheet, the Rules will override the factsheet.

A copy of the Rules can be obtained from the Pensions Office.





University of Dundee Superannuation and Life Assurance Scheme (UODSS)

Factsheet 12 – Death Benefits

Benefits are payable if you die while still paying into UODSS or if you have left but retain a deferred pension in UODSS, or if you die in retirement. This factsheet provides details of the benefits payable on death in service and death after retirement.

For details of the benefits payable on death after leaving UODSS, please refer to [Factsheet 13 – Leaving Service Benefits](#).

WHAT HAPPENS IF I DIE WHILE IN SERVICE?

If you die in service before your Normal Retirement Date, a tax free lump sum is payable and a pension will be payable to your spouse. In addition, a pension may be payable to your children.

Death in service lump sum

A tax free lump sum of four times your Pensionable Salary is payable if you die whilst in Pensionable Service. In addition your contributions will be refunded with interest along with the accumulated value of any money purchase AVC account you have with UODSS.

This lump sum payment is made at the discretion of the Trustees so that it is not subject to tax. The payment can be made to a relative, dependant or someone else nominated by you by completing a “Nomination of Beneficiary” form obtainable from the Pensions Office. However the Trustees are not bound by the nomination form and have to take account of all the circumstances at the date of a member’s death when deciding how to distribute the lump sum.

If you wish to update these details, you can obtain a nomination of beneficiary form from the UODSS website at the following address:

www.dundee.ac.uk/corporate-information/uodss-nomination-beneficiary-form

It is important that you complete this form so that the Trustees can take your wishes into account when deciding who will receive the lump sum benefit should you die in service. In the form, you can choose to nominate one beneficiary to receive all of the payment or request that the payment is shared between a number of beneficiaries.

A pension for your spouse

Your spouse will receive a pension payable for life if you die in service.

You may be able to nominate someone to receive this pension if you are not married or in a registered civil partnership. Please see “What if I’m not married or in a civil partnership” below. The pension consists of 3 parts, which are added together.

The pension your spouse will receive will be equal to one half of the pension that you would have received had you retired at your Normal Pension Date (on the basis that you did not commute your pension at retirement for additional tax-free cash) or your date of death if later, and provided this is before your 75th birthday calculated using your pensionable salary at the date of your death.

A pension for your children

In addition, if you die leaving a child or children under age 18 (or age 23 if in fulltime education or approved vocational training) who were dependent on you when you died a pension of 25% of your pension as described above will be payable to each child (subject to a maximum of 2 children). If no spouse’s or dependants’ pension is payable, the children’s pension will be equal to one-third of your pension as described above for each child (subject to a maximum of 2 children).

What if I’m not married or in a civil partnership?

If you are not married or not in a civil partnership, the Trustees may use their discretion to provide a pension for a member’s surviving dependent partner irrespective of sex or marital status. The total amount of pension payable cannot be more than the spouse’s pension, but it can be divided among more than one dependant. You should include the details of any potential dependants on the Nomination of Beneficiaries Form which is available from the UODSS website (see prior link).

This will help the Trustees decide if a dependant’s pension can be paid. However, the Trustees will make their decision taking into account your individual circumstances at the time of your death.





A dependant's pension may be payable if:

- You are married but not living with your spouse at the time of death. The scheme must pay a minimum level of pension to your spouse in accordance with legislation, but in addition the Trustees may choose to pay a pension to a dependant.
- You are not married at the time of death. Under HM Revenue & Customs rules, unmarried partners must be financially dependent on a member prior to death to enable a dependant's pension to be paid. Financial interdependence where there is joint financial commitment is usually considered to be financial dependence.

However, if you are married and living with your spouse at the time of your death then your spouse will receive the full spouse's pension.

Will a pension be payable to my children if I die while in service?

A child allowance equal to one quarter of your pension is payable to each eligible child. If no spouse's pension is payable then the child allowance increases to one-third of your pension.

If your children are either under age 18 or in full time education, they will qualify for the child allowance. However, the allowance will stop at age 23 and the child allowance can only be paid to a maximum of 2 children.

WHAT HAPPENS IF I DIE AFTER RETIREMENT?

If you die after retirement your spouse or partner will receive a pension payable for life. In addition, if you die within five years of your retirement date a tax free lump sum may be payable. These benefits are described in detail below.

A pension for your spouse

Your spouse or civil partner will receive a pension equal to one half of the pension you were receiving at the date of your death assuming that no cash was commuted at retirement. This pension will be paid for life and increased in the same way that your own pension would have increased (after taking into account any pension increases given up as part of a Pension Increase Exchange).

Any spouse's pension which is in excess of GMP may be reduced if you were more than 10 years older than your spouse.

Lump sum payment if you die within 5 years of retirement

If you die within 5 years of your retirement date and are under age 75, a tax free lump sum will be payable which is equivalent to the balance of pension payments due over the first five years of your retirement.

For example, if you die three years after you retire, a lump sum equivalent in value to two years' worth of pension payments will be made.

If you are over age 75 the Trustees will continue to pay your pension until the first five years of monthly payments have been made to your dependents. This will not affect any spouse's pension paid.

IMPORTANT NOTE

This factsheet provides a summary of your death benefits. However, your legal rights are governed by the Trust Deed and Rules of UODSS. If there are any differences between the Scheme Rules and this factsheet, the Rules will override the factsheet.

A copy of the Rules can be obtained from the Pensions Office.





University of Dundee Superannuation and Life Assurance Scheme (UODSS)

Factsheet 13 – Leaving Service

You may leave the Scheme before retirement for several reasons. For example, you may leave employment with the University (or any other Participating Employer) or you may decide to opt out of UODSS membership.

This factsheet sets out what happens to your benefits when you stop contributing to UODSS. It also provides details of the different option that may be available to you.

If you wish to leave the Scheme you must give the Trustees at least one month's written notice of your intentions.

AUTOMATIC ENROLMENT

As required by auto enrolment legislation, you will have a statutory right to opt-out of the Scheme within the first 3 months. Opting out in this way will result in a return of your contributions from the Scheme, which are subject to tax and national insurance contributions. The aim is to put you back in the position you would have been in had you not been automatically enrolled into the Scheme. For more information on auto enrolment, please see [Factsheet 7 – Auto Enrolment](#).

OPTIONS ON LEAVING

If you stop paying into UODSS and leave the Scheme you will have a number of options available depending on the amount of Pensionable Service you have completed.

You have completed 2 years' Pensionable Service:

- You may choose to defer your benefits;
- You may transfer your benefits to another approved pension arrangement;

Unless you take action to transfer your benefits you will become a deferred member of UODSS and your benefits will come into payment when you reach Normal Pension Date. During this period, your benefits will increase in line with inflation.

You have completed less than 2 years' Pensionable Service:

- You may transfer your benefits to another approved pension arrangement (provided you have completed 3 or more months of Pensionable Service);
- You may receive a refund of your contributions.

Each of the above options is described in more detail below.

DEFERRED BENEFITS

If you leave the Scheme with more than 2 years' service you will have the option of deferring your benefits until you retire.

Your deferred benefits will be calculated in the same way as if you retired at your Normal Pension Date, but based on your Pensionable Salary and Pensionable Service at the date you leave.

What happens to your deferred benefits after you leave the Scheme?

Your deferred benefits will be revalued between your date of leaving and your Normal Pension Date to protect them against the effects of inflation.

Guaranteed Minimum Pension (GMP)

Your GMP will increase each tax year in line with statutory requirements.

For benefits earned from 1 August 2009

Your pension and lump sum benefits will be revalued on 1 April each year in line with the annual increase in the CPI*, subject to a maximum annual increase of 2.5%.

For benefits earned before 1 August 2009

Your pension in excess of your GMP and any lump sum in respect of service before 1 August 2011 will be revalued on 1 April each year in line with the annual increase in the CPI, subject to a maximum annual increase of 5%.

Additional Voluntary Contributions (AVCs)

If you have paid AVCs into UODSS then your AVC account will remain invested until retirement.





UODSS & Your Pension Benefits

TRANSFER OUT

If you have completed 3 or more months of Qualifying Service then at any time between leaving UODSS and your Normal Pension Date you can ask to transfer your benefits to another approved pension arrangement if you wish.

If you request a transfer you will be provided with a transfer value quotation, which represents the expected cost within UODSS of providing your benefits.

If you decide to transfer your benefits you will give up all of the guarantees provided under UODSS. As such, you may wish to take independent financial advice before making a decision.

More information on transferring your benefits is available in [Factsheet 15 – Transfers](#).

REFUND OF CONTRIBUTIONS

If you have less than two years' service then you may receive a refund of your contributions to the Scheme with interest. However, if you have participated in the Salary Sacrifice arrangement you will receive an ex-gratia payment to the same value from the University instead of the Scheme.

The accumulated value of your AVC account will also be refunded to you.

From this refund an amount equal to the National Insurance contributions you would have paid had the Scheme not been contracted-out will be paid to the State to ensure your additional State benefits are secured.

Tax will also be deducted from this refund at the appropriate rate(s). Contributions refunded from your AVC account will be taxed separately at a different rate.

To apply for a refund of contributions please contact the Pensions Office.

WHAT HAPPENS IF I DIE AFTER LEAVING SERVICE?

If you die before retirement whilst you are a deferred member a lump sum is payable to your estate along with a pension which is payable to your spouse.

Lump sum

The lump sum consists of 2 parts added together.

- All of your member contributions paid into the Scheme along with a sum equal to the member contributions you would have paid had you not participated in the Salary Sacrifice Arrangement. For contributions paid from 1 August 1974 interest will be included.

Plus

- The accumulated value of any money purchase AVC account you have with the Scheme.

A pension for your spouse

If you die after leaving the Scheme and before your Normal Pension Date, your spouse or partner will be paid a pension for life. The pension will be half of your deferred pension including half of the revaluation you would have received on your pension up to the date of your death.

A pension for your children

A child allowance equal to one quarter of your pension is payable to each eligible child. If no spouse's pension is payable the child allowance increases to one-third of your pension.

If your children are either under age 18 or in full time education, they will qualify for the child allowance. However, the allowance will stop at age 23 and the child allowance can only be paid to a maximum of 2 children.

IMPORTANT NOTE

This factsheet provides a summary of the benefits available on leaving service. However, your legal rights are governed by the Trust Deed and Rules of UODSS. If there are any differences between the Scheme Rules and this factsheet, the Rules will override the factsheet.





University of Dundee Superannuation and Life Assurance Scheme (UODSS)

Factsheet 14 – Incapacity Retirement

If you are unable to work due to ill health or incapacity, you may be able to take your benefits early. This factsheet provides details of the benefits payable and the circumstances under which members can retire due to ill health or incapacity.

ELIGIBILITY FOR BENEFIT

Ill health or incapacity benefits are payable if you retire from Service with your Employer because you are unable to carry out your job due to ill health and this is expected to be permanent until Normal Pension Age.

Provided that you are under age 65 and you have completed at least 5 years' Pensionable Service, incapacity benefits are payable if the Trustees are satisfied that you are suffering from ill health, or another disability, which means you are totally incapable of carrying out any kind of work with your Employer or taking up any other employment or occupation.

Medical evidence

Before any ill health or incapacity benefits can be paid, the Trustees will require medical evidence of your condition.

In addition, if your health improves to the extent that you are no longer eligible for an incapacity benefit then the Trustees may reduce the pension paid to you. However, such action would not be taken unless this was supported by medical evidence.

On the other hand, if the medical condition which led to your retirement worsens, the Trustee may increase your pension payments.

WHAT BENEFITS WILL I RECEIVE?

Ill-health

If you retire early on the grounds of ill-health you will receive an immediate unreduced pension and a cash lump sum. This is calculated in the same way as your deferred benefits. Unlike the benefits you would receive if you took regular early retirement, these benefits will not be reduced.

For more information on your deferred benefits please see [Factsheet 13 – Leaving Service](#).

Full Incapacity

If you retire early on the grounds of incapacity you will receive an immediate unreduced pension and a cash lump sum. This is calculated in the same way as your deferred benefits but includes a service enhancement on top of the Pensionable Service you have already completed. Your additional Pensionable Service will be used to calculate extra blocks of CARE pension.

For more information on your deferred benefits please see [Factsheet 13- Leaving Service](#).

Service enhancement on incapacity retirement

If you retire due to incapacity then your Pensionable Service used to calculate your pension will be enhanced as follows:

Pensionable Service completed	Enhancement
5 to 10 years	Pensionable Service is doubled
Over 10 years	Pensionable Service increased by 10 years

Your total Pensionable service will be limited to the total Pensionable Service which you would have completed had you remained in service until your Normal Pension Date.

IMPORTANT NOTE

This factsheet provides a summary of your ill-health and incapacity benefits. However, your legal rights are governed by the Trust Deed and Rules of UODSS. If there are any differences between the Scheme Rules and this factsheet, the Rules will override the factsheet.

A copy of the rules can be obtained from the Pensions Office.





UODSS & Your Pension Benefits

University of Dundee Superannuation and Life Assurance Scheme (UODSS)

Factsheet 15 – Transfers

If you leave UODSS because you opt out of the Scheme or because you leave the University you may wish to transfer your benefits out of UODSS and into another pension arrangement.

On the other hand you may be a contributing member of UODSS and you may have benefits in another pension arrangement that you want to transfer into UODSS.

If you are thinking of transferring benefits into or out of UODSS you should read this factsheet carefully and consider consulting an Independent Financial Advisor.

WHAT IS A TRANSFER VALUE?

When you retire, your UODSS pension is payable for the rest of your life and in the event that you die a spouse's pension comes into payment. As an alternative to receiving your benefits from the Scheme as and when they fall due, you can transfer your benefits to another approved pension arrangement.

If you chose to transfer your benefits out of UODSS an amount will be paid from UODSS to your chosen arrangement. This amount is known as the cash equivalent transfer value of your benefits. It is calculated based on advice from the Scheme Actuary and represents the expected cost within UODSS of providing your benefits.

Transferring out

If you transfer your benefits out of UODSS you will give up all of the guarantees provided under the UODSS Rules. The pension you receive from your new arrangement may be lower or higher than the pension you would have received from UODSS and the benefits may be payable in a different way – for example pension increases may be different.

Your transfer payment is calculated on a set of basis advised by the Scheme's actuary and will comply with any relevant legislation. This payment will normally include any AVCs you have paid and will take into account of any Guaranteed Minimum Pension ("GMP") or contracted out service you have earned.

As you would be giving up some valuable guarantees, you may wish to take independent financial advice before you transfer benefits out of UODSS.

You can request a transfer value at any time between leaving UODSS and your Normal Pension Date. You will be provided with a written statement of the amount available which will be guaranteed for 3 months from the calculation date.

Before requesting a transfer you should check that the arrangement you intend to transfer into is both willing and legally permitted to accept a transfer payment. Your transfer value request will be carried out within 6 months from the calculation date and the payment will usually be made within this period too.

It may be possible to transfer to an approved pension scheme outside of the UK.

If you are thinking about transferring your benefits out of UODSS and wish to obtain a transfer value quotation please contact the Pensions Office.

Transferring In

The Trustees have made arrangements for UODSS to be included in what is known as the Public Sector 'Transfer Club' which means that transfer values paid to (and from) the Scheme in respect of a final salary pension are determined on the basis used for all participating Public Sector schemes - resulting in many cases in 'year for year' credit. You will receive a pension credit in UODSS with respect to non-Final Salary benefits built up in a participating scheme.

For further details, and a list of the participating Public Sector schemes, please visit the following website:

<http://www.civilservice.gov.uk/pensions/transfer-club>

If you would like to transfer any benefits into UODSS you should contact the Pensions Office. Please note that you must make a request to transfer your benefits into UODSS within 2 years of joining in order to ensure eligibility for transferring your benefits via the Transfer Club.

You may wish to take independent financial advice before you transfer benefits into the UODSS.





UODSS & Your Pension Benefits

IMPORTANT NOTE

This factsheet provides a summary of how transfers into and out of UODSS work. However, your legal rights are governed by the Trust Deed and Rules of UODSS. If there are any differences between the Scheme Rules and this factsheet, the Rules will override the factsheet.

A copy of the rules can be obtained from the Pensions Office.





University of Dundee Superannuation and Life Assurance Scheme (UODSS)

Factsheet 16 – Divorce

Under UK law, the courts are required to take pension benefits into account when assessing and distributing marital assets on divorce. As a result, your UODSS benefits will be taken into account if you get divorced. Pension benefits can be dealt with by the courts in a number of ways and this factsheet provides information on the different options that exist and how they work.

This factsheet is intended as a guide for members, their spouses and any other interested parties on how a divorce would affect your UODSS benefits. The factsheet does not provide any form of legal or financial advice with respect to pensions and divorce.

You and your ex-spouse should obtain your own advice when agreeing on how to deal with your pension benefits in the divorce settlement.

For the purposes of this factsheet, the term divorce also includes annulment of marriage, nullity proceedings and the dissolution of civil partnerships. In addition, the term spouse includes civil partners.

WHAT OPTIONS ARE AVAILABLE IF I GET DIVORCED?

If you get divorced, the following options are available to the courts for dealing with pension assets, including your UODSS pension. However, it is up to you and your ex-spouse to obtain advice and agree which option you wish to take. You will need to contact the Pensions Office to confirm what information can be provided.

1. Offsetting

In an offsetting arrangement, a value is placed on your former spouse's share of your UODSS benefits. This value is then offset against other matrimonial assets such as property or cash.

The advantages of an offsetting arrangement are that it achieves a clean break and it does not require the pension benefit to be split.

2. Earmarking

Under an earmarking arrangement, the UODSS pension would remain in your name but the Scheme would be required to make an agreed form of payment to your former spouse when you retire or when you die.

Earmarking is enforced using a court order which would require that a specified part of your pension and death benefits are paid to your former spouse when you retire or die. The court order, which would be agreed between you and your former spouse, is sent to the Trustees and it is their responsibility to implement the order.

The **key features** of an earmarking arrangement are:

- On your retirement, an agreed part of your UODSS pension is paid to your former spouse;
- On your retirement, an agreed part of your UODSS retirement lump sum is paid to your former spouse;
- On your death an agreed part of your UODSS death benefit is paid to your former spouse;
- On your death any pension payments to your former spouse will cease;
- If your former spouse remarries, the earmarking order lapses and your full UODSS pension will be restored to you.

3. Pension Sharing

Pension sharing could be better described as pension splitting. Under a pension sharing arrangement, your UODSS benefits would be split between you and your former spouse in a once-and-for-all clean break arrangement.

The offsetting and earmarking arrangements do not require any changes to your UODSS benefits although an earmarking arrangement would mean that some of your benefits are paid to your ex-spouse. However, a pension sharing arrangement means that your UODSS benefits would be split. You may be able to rebuild all or part of your reduced pension from pension sharing by paying AVCs.

WHAT ABOUT STATE BENEFITS?

Some State pension benefits are taken into account on divorce and some are not. For more information on the treatment of State pension benefits on divorce please use the following link:

<https://www.moneyhelper.org.uk/en/family-and-care/divorce-and-separation>

IMPORTANT NOTE

This factsheet provides a summary of how your benefits can be treated on divorce. However, your legal rights are governed by the relevant legislation. If there are any differences between this factsheet and legislation, the legislation will override the factsheet.





UODSS & Your Pension Benefits

University of Dundee Superannuation and Life Assurance Scheme (UODSS)

Factsheet 17 – State Benefits

In addition to the benefits you receive from UODSS, you will also be entitled to receive State Pension benefits when you reach your State Pension Age (SPA).

This factsheet describes the State Pension benefits currently payable.

WHAT BENEFITS WILL I RECEIVE FROM THE STATE?

Members that reached SPA before 6 April 2016 were entitled to receive two separate pensions from the state. These were the Basic State Pension (BSP) and the State Second Pension (S2P).

If you reach SPA after 6 April 2016 the new State Pension will be paid.

AM I ELIGIBLE TO RECEIVE THE NEW STATE PENSION?

You will be able to claim the new State Pension if you are;

- A man born after 6 April 1951, or
- A woman born after 6 April 1953.

To qualify for a pension you'll usually need at least 10 qualifying years on your National Insurance record.

To be eligible for the full State Pension amount, you must have at least 35 qualifying years.

HOW MUCH WILL I RECEIVE?

The full state pension was £168.60 per week (in the 2019/20 year).

If you accrue less than 35 qualifying years (and more than 10), you will receive a lower state pension. The amount you receive will be calculated pro-rata based on the number of qualifying years.

If you accrued pension entitlement under the pre 2016 state pensions regime (i.e. under the State Second Pension rules), you may receive a higher state pension.

If you do not believe you will meet the qualifying years requirement for the new state pension, you may pay additional National Insurance contributions to the Government to accrue additional qualifying years.

Pension credits may be payable, based on your particular circumstances, if you are not entitled to a full state pension.

The state pension is increased each year by the greater of;

- Change in average earnings in the UK,
- Change in inflation (measured by the CPI), or
- 2.5%

This approach is sometimes referred to as the 'triple lock'. The way in which the Government increase benefits may change in the future.

WHEN WILL I RECEIVE MY STATE BENEFITS?

SPAs are now harmonised between men and women. The SPA is currently rising in response to increases in life expectancy and, as a result, the State Pension Age will now be later for younger generations. The currently legislative plan for future State Pension Increase is summarised below;

- To age 66 by October 2020.
- To age 67 starting between 2026 and 2028.
- To age 68 starting between 2044 and 2046.

Proposed changes to the State Pension age after 2020 are subject to review by the Government.

You can find out your own State Pension Age at the following website:

www.gov.uk/state-pension-age

FURTHER INFORMATION ON STATE BENEFITS

Further information can be obtained from the Government's new centralised website at the following address:

www.gov.uk/yourstatepension

IMPORTANT NOTE

This factsheet provides a summary of your State Benefits. However, your legal rights are governed by the relevant legislation. If there are any differences between this factsheet and legislation, the legislation will override the factsheet.





UODSS & Your Pension Benefits

University of Dundee Superannuation and Life Assurance Scheme (UODSS)

Factsheet 18 – Pension flexibilities

A number of new pension choices were introduced by the Government from April 2015. These new “pension freedoms” apply to pension benefits taken from Money Purchase (also known as Defined Contribution) pension schemes such as personal pension plans and group personal pension plans.

HOW CAN I ACCESS THE NEW PENSION FREEDOMS?

Any member of the Scheme who wishes to take advantage of the new pension freedoms must transfer their pension entitlement to a Money Purchase pension plan that offers these pension choices. This normally means transferring pension rights to an individual personal pension plan. Any transfer of pension rights from the UODSS to a Money Purchase pension plan can only be done when a member has received independent financial advice from an authorised advisor.

WHAT ARE THE NEW PENSION FLEXIBILITIES?

Before the new pension choices were introduced from April 2015, members of Money Purchase pension plans had the following choices:

- Take up to a quarter of the fund as a tax-free cash sum.
- Use the remaining fund to purchase an annuity (i.e. a pension bought with an insurance company). There are various different kinds of annuity available: increasing or non-increasing while in payment, continuing or not continuing after death to a surviving spouse, etc.
- Instead of buying an annuity, members with sufficient income from other pensions (broadly, over £20,000 a year including State pension) were allowed to take “drawdown” income from their pension fund over a number of months and years.

After the new pension choices were introduced in April 2015, the existing choices were expanded to include the following (i.e. in addition to the existing choices):

- Take the whole pension fund as cash with a quarter of the fund tax-free and the rest taxed as income.

- Take cash in more than one withdrawal with 25% of each withdrawal tax-free and the rest taxed as income.
- Take up to a quarter of the pension fund as tax-free cash and draw income from the rest of the fund that remains invested. This is the same as the current income “drawdown” option that existed before April 2015 except that it is now available to all members.

A useful guide to the new pension freedoms that includes more detail can be found on the Pensions Advisory Service website via this link:

<http://www.pensionsadvisoryservice.org.uk/about-pensions/pension-reform/freedom-and-choice>

HOW DO I SELECT A MONEY PURCHASE ARRANGEMENT TO TRANSFER MY PENSION RIGHTS?

Information on the options available can be provided by an independent financial advisor.

When selecting a Money Purchase arrangement in which you access the new pension flexibilities, you should be aware that not all Money Purchase pension plans offer all of the available freedoms.

ADVICE REQUIREMENT AND STAYING SAFE

The Trustees of the Scheme recommend that all members take advice from an authorised independent financial advisor before transferring their benefits from the Scheme to a flexible benefits arrangement (noting that members with a pension value of greater than £30,000 are required by law to obtain independent financial advice prior to transfer).

There have also been a marked increase in scam activity since the introduction of the pension freedoms in April 2015. All members should be aware of this risk. The Trustees have implemented a telephone based check to help protect members against the scammers.

IMPORTANT NOTE

This factsheet provides a summary of the pension flexibilities available to members. However, your legal rights are governed by the Trust Deed and Rules of UODSS. If there are any differences between the Scheme Rules and this factsheet, the Rules will override the factsheet.

A copy of the Rules can be obtained from the Pensions Office.

