



Window on Warwick Pensions

18 MARCH 2019

BEN MOULDING

PENSIONS ADMINISTRATION TEAM LEADER

Introductions

- ▶ Ben Moulding
- ▶ Pensions Administration Team Leader
- ▶ Joined University of Warwick March 2017
- ▶ Worked in Pensions Administration for the last 16 years with various Third Party Administrators e.g. Mercer Limited, AON

Overview

- ▶ How USS works
- ▶ What is the USS Retirement Income Builder
- ▶ What is the USS Investment Builder
- ▶ A rise in contributions

USS

- ▶ Grade 5 upwards
- ▶ Scheme Retirement Age = 65
- ▶ Historically was Final Salary
- ▶ Hybrid Scheme (Both DB and DC)
- ▶ Employees currently pay 8%
- ▶ Employer currently pay 18%
- ▶ Employees can pay extra contributions into the Investment Builder
- ▶ USS is the Scheme Administrator and they calculate employees pension benefits and forward them to the Pensions Team to pass on



The USS Retirement Income Builder
Providing you with security

Defined Benefit

The USS Investment Builder
Providing you with flexibility

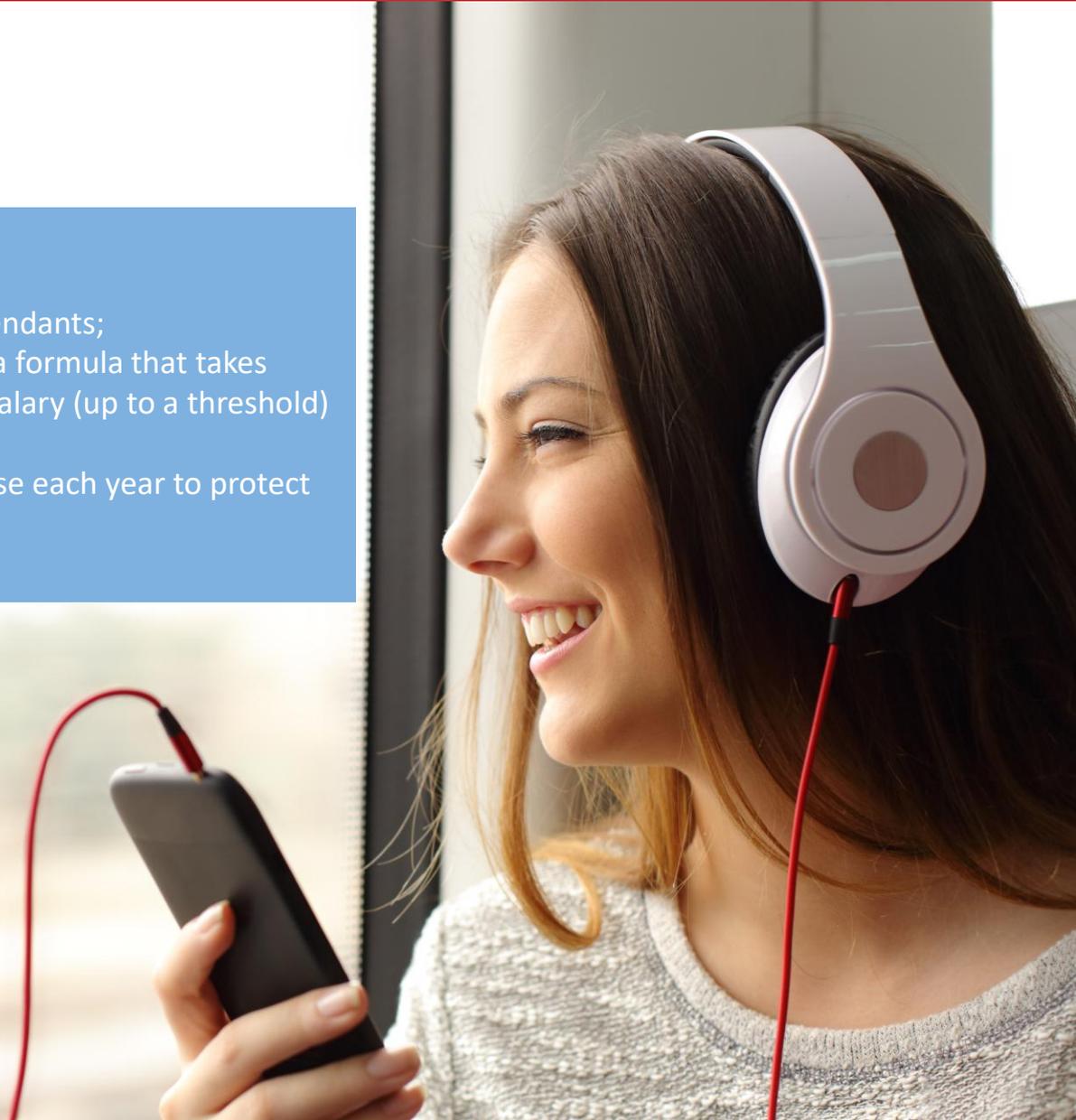
Defined Contribution

The USS Retirement Income Builder



How it works

- All members earn benefits in this section;
- It provides security for you and your dependants;
- Your benefits at retirement are based on a formula that takes account of your service and your annual salary (up to a threshold) each year; and
- Your benefits receive an additional increase each year to protect against the rising cost of living.





Earning benefits in the USS Retirement Income Builder

1

Annual salary earned £37,500	x	1/75	=	Annual pension benefits £500
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2

	Annual salary	Annual pension benefits earned
<i>Year 1</i>	£37,500	£500
<i>Year 2</i>	£39,375	£525
<i>Year 3</i>	£40,781	£544
<i>Year 4</i>	£60,000	£782
		£2,351

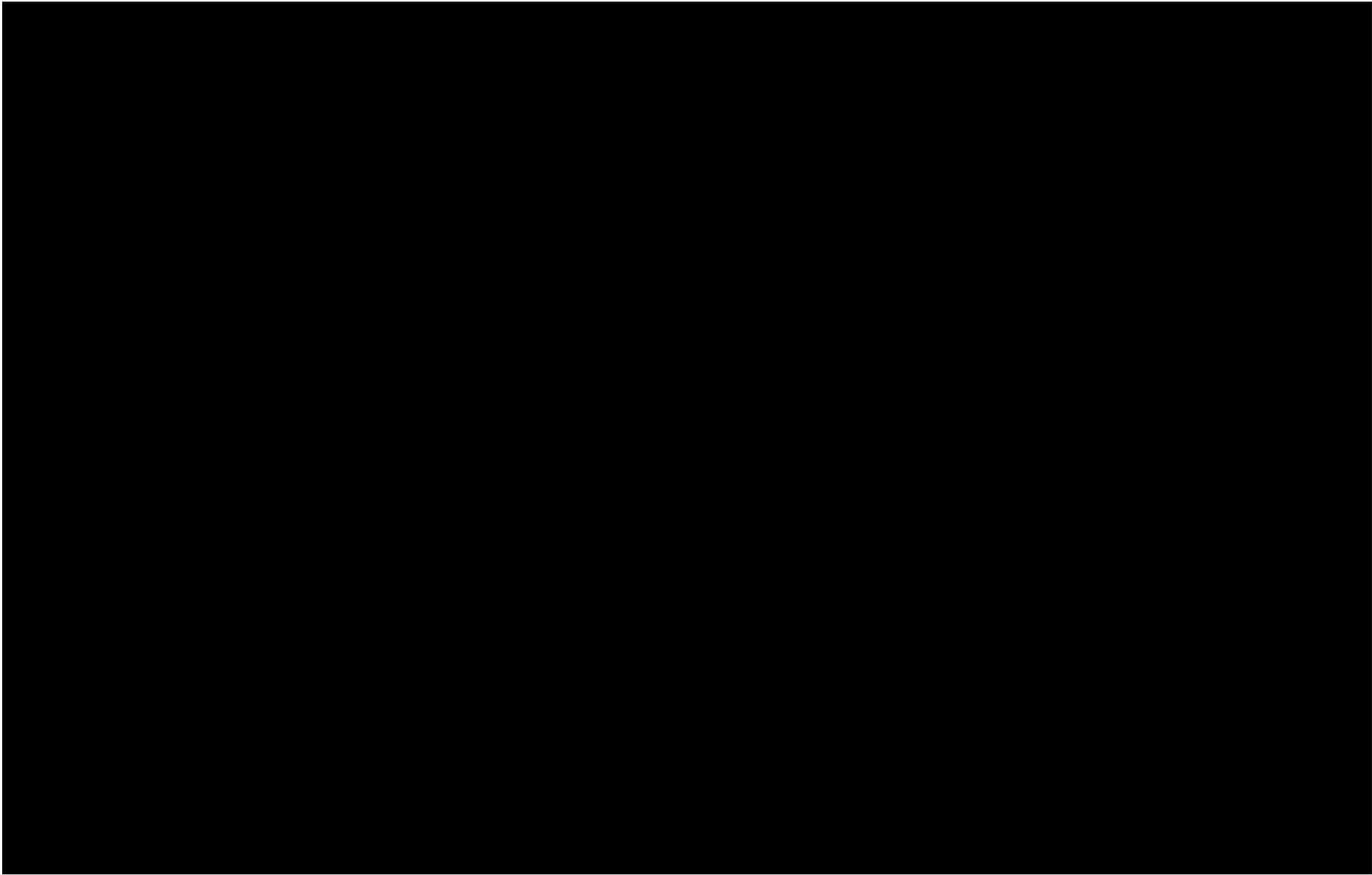
3

Cumulative annual pension benefits earned £2,351	x	Annual increases	=	£2,408
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Taking your benefits from the USS Retirement Income Builder



- You can take more or less tax-free cash when you retire but you cannot take more than 25% of the total value of your benefits in USS tax-free;
- If you increase the amount of tax-free cash you take, your regular income will decrease and vice versa.



The USS Investment Builder

USS

How it works

- If you earn over the salary threshold (£58,596 for 2019/20), you'll join automatically;
- You can choose to join the USS Investment Builder if you don't earn over the salary threshold;
- It provides **flexibility** so you can enhance your retirement savings;
- Your benefits at retirement are based on:
 - The total contributions made by you and your employer to the USS Investment Builder;
 - The performance of the funds that your contributions are invested in (net of any charges).



My USS is the online service that helps you manage your membership of the USS Investment Builder and keep track of your retirement savings.

On My USS you can:

- Manage your additional contributions in the USS Investment Builder, including taking the match;
- Choose how your contributions to the USS Investment Builder are invested and if relevant, set your Target Retirement Age (TRA);
- View a full history of your USS Investment Builder transactions; Learn about your investment fund options in the USS Investment Builder; and
- View a comparable performance of USS funds.



**Register/login to My USS at:
www.uss.co.uk/myuss**

The USS Investment Builder

USS

Investing your contributions in the USS Investment Builder

1. Do It For Me

- The USS Default Lifestyle Option
- The USS Ethical Lifestyle Option

2. Let Me Do It

- The Self-Select Options



Taking your benefits from the USS Retirement Income Builder and the USS Investment Builder

At retirement

1

Take as much tax-free cash as possible

2

Maximise your regular income in retirement

3

Leave your USS savings invested and withdraw money as and when you want to

Transferring benefits to USS



You may be able to transfer benefits you have in another pension scheme into USS.

To do this you will need to follow these steps:

- Check the provider of the pension you want to transfer benefits from will allow you to do so;
- Complete and submit a transfer request form (available from the 'Forms' section in the member resources area on www.uss.co.uk); and
- Read the transfer pack USS sends you and follow the instructions included.

You may be required to prove that you have received financial advice before the transfer can be processed. You can find a regulated financial adviser in your area on www.unbiased.co.uk.



Next steps

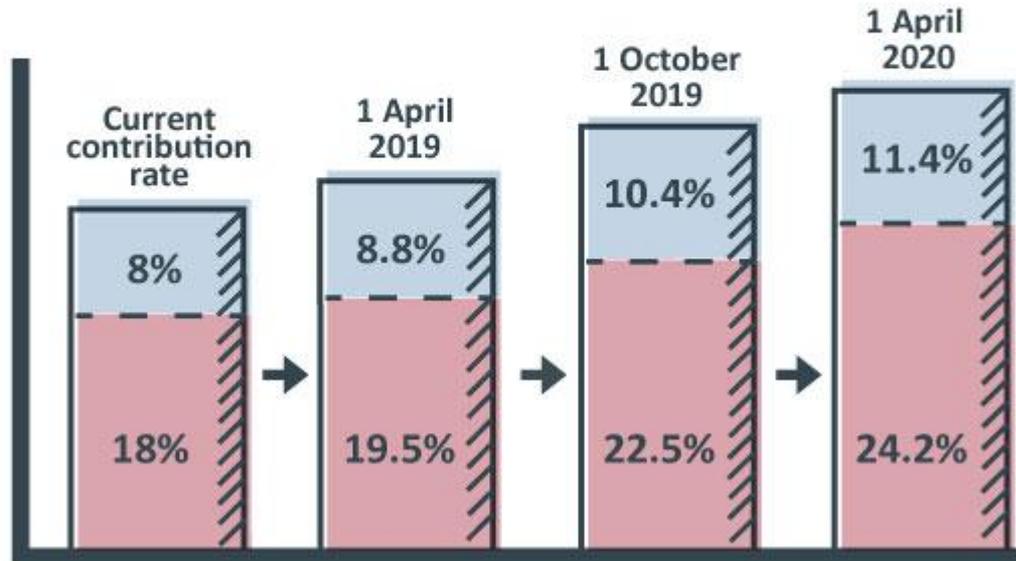
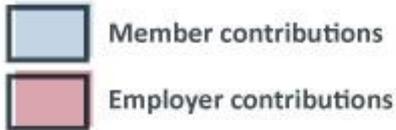
1. Register for My USS at www.uss.co.uk/myuss.
2. Tell USS when you plan to retire by setting your Target Retirement Age (TRA) on My USS.
3. Complete and submit an Expression of Wish form available from the Resources section on www.uss.co.uk.
4. Visit the member resources area on www.uss.co.uk to learn more about USS.



A rise in your contributions



Key:



Potential impact on take-home pay



These tables will help you estimate the impact that increased contributions will have on your take-home pay, allowing for the new tax bands and personal allowance applicable in 2019/20. The figures are only estimates, as your actual take home pay depends on your personal circumstances. If you're not sure how you're taxed or whether you pay your contributions by salary sacrifice, please speak to the pensions contact at your workplace.

[England, Wales and Northern Ireland – non-salary sacrifice](#)

Use this table if:

- your earnings are taxed at the rates applied in England, Wales and Northern Ireland, and
- you pay your USS pension contributions directly from your pay, not by salary sacrifice

[England, Wales and Northern Ireland – salary sacrifice](#)

Use this table if:

- your earnings are taxed at the rates applied in England, Wales and Northern Ireland, and
- you pay your USS pension contributions by salary sacrifice

Finding out more

USS

There is a wide range of helpful information in the member area of www.uss.co.uk and on My USS at www.uss.co.uk/myuss. You might also find the following websites helpful:

The PENSIONS Advisory Service

The Pensions Advisory Service (TPAS) is an independent, non-profit organisation that provides free, impartial advice on pensions:
www.pensionsadvisoryservice.org.uk



Pension Wise is a free and impartial Government service offering guidance on how to use defined contribution savings, like those in the USS Investment Builder:
www.pensionwise.gov.uk



The Money Advice Service is an independent source of information on personal finances, including pensions:
www.moneyadvice.org.uk



The **Government website** provides information on topics such as the State Pension, pension law and planning for retirement. Visit www.gov.uk and click 'Working, jobs and pensions' to find out more.

Talk to someone

USS

If you have any questions about your USS membership, please get in touch with your employer's pension team in the first instance.

Contact USS

Before contacting USS, please visit the member area on www.uss.co.uk which has a range of factsheets, information and tools to help you.



You can contact USS via an online form:

www.uss.co.uk/public/contact-us



You can write to USS at:

Universities Superannuation Scheme Limited, Royal Liver Building, Liverpool, L3 1PY.



You can call USS on:

For queries about the USS Investment Builder and My USS, call +44 (0)333 300 1043

For all other enquiries, call
+44 (0)151 227 4711 / 0845 068 1110
(local rate call charge number)
(All lines are open 9:00am – 5:00pm Monday – Friday)

Contact your employer's pension team

hr.pensions@warwick.ac.uk

University House



Getting financial advice

Neither USS or your employer's pension team can provide you with financial advice specific to your personal circumstances. To find a regulated financial adviser in your area who can provide this service for a fee, visit www.unbiased.co.uk.

Any Questions?