

UNIVERSITY OF Southampton

**University of Southampton
Pension & Assurance Scheme
For Non Academic Staff**

PASNAS

Member Booklet

Contents

Your Guide to the Scheme	1
The Trustees.....	2
The Pensions Section.....	2
Existing Members	2
Summary of the Scheme	3
Terms used in this Booklet	4
Eligibility and opting out	6
Contributions.....	7
Retirement benefits.....	8
Normal Retirement.....	8
Early Retirement.....	9
Early retirement due to incapacity	9
Early retirement not due to incapacity	10
Flexible Retirement.....	10
Late Retirement	11
Additional Pension for Dependants	11
Increases to Pensions in Payment	11
Leaving the Scheme	12
Benefits.....	12
Calculation of Deferred Benefits.....	13
Death Benefits	12
Death whilst an active member	14
Death after Retirement	15
Death in Deferment	14
Additional Information	16
Temporary Absence	17
Maternity, Paternity or Adoption Leave	17
Transfers into the Scheme	17
Transfers out of the Scheme	17
Taxation	17
Assigning Benefits	18
Pension Sharing on Divorce	18
Data Protection Act 1998.....	18
Disclosure of Information.....	20
Amendment or Termination	20
Internal Dispute Resolution Procedure.....	21
Addresses.....	22

Your Guide to the Scheme

This booklet describes the benefits available to you as a member of the University of Southampton Pension and Assurance Scheme for Non-Academic Staff ('the Scheme').

It explains how you join the Scheme, how much you contribute, and how the various benefits are calculated.

Entry into the Scheme is automatic at commencement of employment but voluntary and you may leave the Scheme at any time (see page 6). However, you should remember that if you opt out of the Scheme you will be giving up valuable pension and life assurance/death benefits. As enrolment into the Scheme is automatic the University meets its legal obligation under the Auto Enrolment Regulations that came into force for the University from 1st April 2013.

The Scheme is administered by Trustees in accordance with a trust deed and rules dated 23 August 2012 (as amended from time to time) (the "Trust Deed" and the "Rules"). The Trust Deed and Rules are available for inspection at any reasonable time. The purpose of this Booklet is to provide you with a summary of the benefits provided by the Scheme. It is for information only and does not cover every detail of the Scheme. It must not be taken in any way as modifying or interpreting the Trust Deed and Rules and if there is any discrepancy between this Booklet and the Trust Deed and Rules, the latter will prevail.

Up to 5 April 2006 the Scheme had exempt approval for tax purposes under the Income and Corporation Taxes Act (ICTA) 1988 and from 6 April 2006 is a registered pension scheme under the Finance Act 2004. This means that members benefit from several important tax advantages, including the ability to exchange part of your retirement benefits for a tax free cash lump sum (as explained on page 8).

Up until 6 April 2016, the Scheme was contracted-out of the State Second Pension ("S2P"), formerly the State Earnings Related Pension Scheme, on a salary related basis. This means that the Scheme provided you with benefits to replace those from S2P, and you paid lower National Insurance Contributions.

Benefits under the Scheme are funded by contributions made by the University, which are invested together with contributions made by members until such time as they are used to pay those benefits. Money paid into the Scheme is kept entirely separate from the University's assets and must be used to meet the benefits due to Scheme members and their dependants.

Each year active members will receive a statement showing your retirement benefits. If you require any information about the Scheme or your benefits or would like an estimate, please request this from the Pension Section at any time (see contact details on page 2).

The Trustees

The Scheme is administered by Trustees in accordance with the Trust Deed and Rules.

There must be seven or more Trustees, including:

- Three University nominated Trustees (the University Trustees);
- Three Scheme members who are elected by the active and pensioner members of the Scheme (the Member Trustees) and;
- an Independent Trustee

Power of appointment and removal of the University Trustees and the Independent Trustee rests with the University.

The Pensions Section

If you have any questions concerning the Scheme and the benefits it provides, you should get in touch with the Pensions Section

Pension Services
Finance Department
Building 37
The University of Southampton
Highfield
Southampton
SO17 1BJ

Telephone: 02380 595468
Email: pensions@soton.ac.uk
Fax: 02380 592195

Existing Members

If you are already a member of the Scheme certain special provisions and guarantees may apply to you. For details of these you should refer to the literature that has previously been given to you.

Summary of the Scheme

More detail on each aspect is given on the pages that follow.

- The Scheme is currently a defined benefit, final salary scheme.
- Your Contributions (Page 7) are currently 6.35% of your Pensionable Salary. The University pays the balance of the cost of the Scheme.
- Your Pension (Page 8) is based on 1/80th of Final Pensionable Salary for each year of Pensionable Service (plus a proportionate amount for each additional day). It may be possible to commute part of this as a tax free lump sum, subject to limits dictated by HMRC.
- Cash Benefit at Retirement (Page 8): In addition to the Pension above, you will receive a Cash Benefit equal to 3 times your Pension. This can usually be taken as a tax free lump sum, subject to limits dictated by HMRC.
- Death Benefits whilst an active member of the Scheme (Page 14):
 - A lump-sum of 3 times your Pensionable Salary at date of death, plus your personal contributions to the Scheme without interest;
 - A Spouse's pension of 1/12th of your Pensionable Salary at date of death for the first three months following death. Thereafter 1/160th of your Final Pensionable Salary at date of death for each complete year (with a proportionate amount for each additional day) of prospective Pensionable Service. In certain circumstances this benefit may instead be paid to a Dependant who is not a Spouse or Child;
 - A Children's pension of 1/2 of the Spouse's pension referred to above (excluding the increase made in the first three months) for up to a maximum of two Children. In certain circumstances the Children's pension is 2/3rds of the Spouse's pension instead of 1/2 (see page 14).
- Death Benefits whilst receiving retirement benefits from the scheme (Page 15):
 - A lump sum if you die within sixty months of retirement equal to the value of the unpaid balance of those sixty monthly instalments of pension;
 - A Spouse's pension of 1/2 of the member's annual pension at date of death, but for any exchange already made for a tax free lump sum or surrender to provide a dependant's pension. In certain circumstances this benefit may instead be paid to a Dependant who is not a Spouse or Child;
 - A Children's pension of 1/2 of the Spouse's pension referred to above for up to a maximum of two Children. In certain circumstances the Children's pension is 2/3rds of the Spouse's pension instead of 1/2 (see page 15).
- Death Benefits after leaving the Scheme (Page 16):
 - A lump sum equal to your personal contributions to the Scheme plus interest;
 - A Spouse's pension of 1/160th of your Final Pensionable Salary at date of death for each complete year (with a proportionate amount for each additional day) of Pensionable Service completed on or after 6 April 1978. In certain circumstances this benefit may instead be paid to a Dependant who is not a Spouse or Child;
 - A Children's pension of 1/2 of the Spouse's pension referred to for up to a maximum of two children. In certain circumstances the Children's pension is 2/3rds of the Spouse's pension instead of 1/2 (see page 16)
- Pension Increases (Page 11). Pension benefits accrued before 1 October 2010 (in excess of GMP, if any) increase in payment in line with inflation [up to a maximum of 5% per annum]. Pension benefits accrued on or after 1 October 2010 will increase in payment in line with inflation up to a maximum of 2.5% per annum.

It is impossible to avoid using some technical terms when describing the Scheme. These are explained opposite in alphabetical order.

Terms used in this Booklet

Child:

A member's child who is under 16 (or 23 if in full time education or vocational training approved by the Trustees).

Dependant:

A person financially dependent on a member, in a financial relationship of mutual dependence with a member or dependent on a member because of physical or mental impairment. This includes a Spouse or child who is under 18 (or 23 if in full time education or vocational training, or older if the child is dependent on the member because of physical or mental impairment).

Final Pensionable Salary:

This is the greater of:

- a) the annual average of the highest aggregate of any thirty six consecutive monthly calculations of Pensionable Salary received (or the average over such shorter period as you have been in receipt of Pensionable Salary) throughout the ten years ending on the date on which you cease to be in Pensionable Service; and
- b) the highest aggregate of any twelve consecutive monthly calculations of Pensionable Salary you receive during the five years ending on the date on which you cease to be in Pensionable Service.

Guaranteed Minimum Pension (GMP):

If you were a member of the Scheme before 6th April 1997, part of your pension (known as the Guaranteed Minimum Pension or GMP) will represent the minimum pension which the Scheme must provide for you from State Pension Age because the Scheme was contracted-out of the State Earnings Related Pension Scheme (SERPS). In the event of your death, the Scheme must provide your widow, widower or surviving civil partner with a pension equal to at least one half of your own GMP.

With effect from 6th April 1997, contracting-out was under the Reference Scheme Test whereby schemes had to provide benefits for members that are broadly equivalent to, or better than, the pensions that would have been provided under the Reference Scheme Test.

As mentioned above, contracting-out was abolished from 6 April 2016. Contracted-out benefits accrued up to that point continue to be provided by the Scheme.

Normal Retirement Date:

Your 65th birthday

Pensionable Salary:

Your basic salary and (if the University so determines) any permanent additions to your salary. Bonuses, commission, overtime and other forms of fluctuating remuneration are not included. This is unaffected by any election for salary sacrifice schemes made under any arrangement with the University.

Pensionable Service:

This is the period of your service with the University from the date you join the Scheme up to your retirement or the earlier date on which you cease to be a member.

If you work or have worked part time during your membership of the scheme your Pensionable Service will be pro rated to reflect the percentage of full time equivalent years, e.g. to work 100% of full time for one year you would accrue 1 year Pensionable Service. If you work 50% of full time for a year you will accrue 6 months' worth of Pensionable Service.

Spouse:

Your widow, widower, civil partner or same sex spouse who outlives you.

State Pension Age:

The age at which the State pensions become payable.

University:

The University of Southampton and any associated employer which has agreed to participate in the Scheme on behalf of its own employees.

Eligibility and opting-out

You are eligible for membership within the Scheme if you satisfy the following conditions:

- You are a non-academic employee of the University who is not employed on a temporary or casual basis;
- You are not eligible for inclusion in either the Federated Superannuation Scheme for Universities or the University Superannuation Scheme.
- You are over age 20 and under age 64.

Membership is voluntary but due to a change in pensions legislation (i.e. the workplace pension reform part of the Pensions Act 2008) every employer must automatically enrol certain workers into a qualifying pension scheme. As enrolment into the Scheme is automatic the University meets its legal obligation under the new Auto Enrolment Regulations that came into force for the University from 1st April 2013.

You may choose to opt out of the Scheme but you will need to complete an 'Application to leave the scheme' form.

On joining the Scheme please return a completed Nomination Form (see page 15, note (1) for an explanation of the purpose of a Nomination Form). Your choice of nominee(s) is a personal matter and if you wish your Nomination Form can be placed in a sealed envelope with your name, staff ID number and the date on the outside.

You may already be contributing to a Personal Pension arrangement. If so you can join the Scheme and carry on contributing to your Personal Pension as well (although note that tax relief is subject to a cap on total contributions).

Contributions

Both you and the University pay contributions to the Scheme.

You currently pay 6.35% of your Pensionable Salary into the Scheme and the University currently contributes 17.25%.

- Your contributions are deducted from your earnings at source or your salary is reduced as appropriate under the salary sacrifice scheme and attract full tax relief.
- As noted above, contracting-out was abolished from 6th April 2016 so all members now pay National Insurance Contributions at a slightly higher rate than before that date.
- If you are part of salary sacrifice you will not pay National Insurance contributions on the pension contribution amount.

The scheme carries out a triennial (3 yearly) valuation of the Scheme at which time changes to the contribution rates and terms of the Scheme may be agreed.

You will start to pay contributions on becoming a member. Contributions will continue until your Normal Retirement Date or the date you leave service with the University or otherwise cease to be an active member of the Scheme.

You can pay additional voluntary contributions (AVC's) of up to 15% of your Pensionable Salary to top up your pension within in the Scheme. Details of this facility can be found on the Finance Department website. If you wish to pay more than 15% or would like to have flexibility month by month on the additional amount you wish to contribute you can also make use of the Free Standing AVC option, again details can be found on the Finance Department website.

Retirement benefits

The Scheme has been designed to provide members with a pension and cash benefit, calculated as explained below.

Normal Retirement

If you retire as an active member you are entitled at Normal Retirement Date to:

Pension	=	$\frac{1}{80}$ th of your Final Pensionable Salary for each year of your Pensionable Service (with a proportionate amount for each additional day).	This pension will be payable in monthly instalments in advance and for life. It will increase each year as described on page 11.
PLUS			
Cash Benefit	=	3 times your annual pension.	Payable at your date of retirement.

Flexibility

Members have the option of giving up part of their Pension in exchange for additional Cash Benefit or, conversely, of taking less Cash Benefit in exchange for a higher Pension.

The rate at which pension can be exchanged for cash (or vice versa) is set by the Trustees, acting on actuarial advice, and may vary from time to time to reflect economic conditions in general.

However, members should be aware that HMRC sets limits to the amount of pension and tax-free cash that can be taken at retirement, and the extent to which pension can be exchanged for cash will therefore be restricted. For instance, the maximum tax-free cash sum that you can take is 25% of the value of your retirement benefits. The Pensions Section will be able to advise you on this. In some circumstance other restrictions such as GMP payments may restrict the ability to receive 25% tax free cash.

Note on State Benefits

The Scheme benefits described above are in addition to your basic State pension entitlement. Your entitlement to the basic State pension depends upon your National Insurance Contribution history. You can check your National Insurance Contribution history by completing a Retirement Forecast Form BR19, available from:

The State Pension Forecasting Team
The Pensions Service
Tyneview Park
Whitley Road, Newcastle upon Tyne
NE98 1BA

Telephone: 0845 300 0168

The Retirement Forecast Form can also be found on the Department for Work and Pensions' website, accessible through www.dwp.gov.uk

Early Retirement

You may be able to retire before Normal Retirement Date under certain circumstances.

The comment made at the start of this section, regarding flexibility to exchange part of your pension for additional cash (or vice versa), also applies if you take your pension before Normal Retirement Date. However, the rate of exchange will vary according to your age.

Note that it is not possible for you to draw your basic State Pension before your State Pension Age.

Early retirement due to incapacity

You may be able to retire early in ill health with the consent of the University and the Trustees. If you wish to investigate this possibility, an application process must be completed with the Pensions Section in conjunction with Occupational Health.

Total Incapacity

If you retire by reason of Total Incapacity, i.e. you are no longer capable of employment, you will be entitled to:

Pension	=	Immediate pension of 1/80 th of your Final Pensionable Salary multiplied by the Pensionable Service you would have completed to Normal Retirement Date.	This pension will be payable in monthly instalments in advance and for life. It will increase each year as described on page 11.
PLUS			
Cash Benefit	=	3 times your annual pension.	Payable at your date of early retirement.

Partial Incapacity

If you retire by reason of Partial Incapacity, i.e. you are capable of some employment but incapable of the employment you have been undertaking, you will be entitled to:

Pension	=	Immediate pension of 1/80 th of your Final Pensionable Salary multiplied by your Pensionable Service at date of early retirement.	This pension will be payable in monthly instalments in advance and for life. It will increase each year as described on page 11.
PLUS			
Cash Benefit	=	3 times your annual pension.	Payable at your date of early retirement.

If you wish to make a request for early retirement on grounds of incapacity please contact the Pensions Section (see page 2). All such requests will be considered by the Trustees.

Early retirement not due to incapacity

If you have reached age 55, you may be able to retire early in circumstances other than incapacity with the University's consent (except that if you have reached age 60 the University's consent will not be required as long as you have given four months' written notice of your wish to retire early).

On early retirement not due to incapacity you will be entitled to:

Pension	=	1/80 th of your Final Pensionable Salary for each year of your Pensionable Service up to early retirement (with a proportionate amount for each additional day).	This pension will be payable in monthly instalments in advance and for life. It will increase each year as described on page 11.
PLUS			
Cash Benefit	=	3 times your annual pension.	Payable at your date of early retirement.

The above Pension will be reduced for each complete month between the date of early retirement and Normal Retirement Date by an early retirement factor. However, if you have benefits accrued prior to 1 October 2010, those benefits will not be reduced for early payment if you retire on or after age 60.

More information about the reduction of benefits for early retirement can be obtained from the Pensions Section (see page 2).

Flexible Retirement

The scheme has a flexible retirement option available from 55 onwards. Details of this are set out in the University's Flexible Retirement Policy, a copy of which can be obtained from the University

Should you wish to consider this option please contact the Pensions Section for initial discussions and estimates of benefits.

Late Retirement

As there is no compulsory retirement date with the University you may work beyond your Normal Retirement Date. If so you have the following choices:

- 1) Continue contributing to the Scheme to build up additional service and pension. The University will also continue to contribute.
- 2) Your benefits can be deferred until your actual retirement. In these circumstances you will cease to pay any further contributions and the pension part of your benefits will be that which you could have received at Normal Retirement Date, increased for the period between Normal Retirement Date and the date you actually retire by an amount as determined by the Trustees acting on the advice of the Actuary.
- 3) Alternatively, you have the option of drawing part of your benefits while continuing to work.

If you do not draw any benefits during this period of deferment, you may start (or continue) to pay Additional Voluntary Contributions (AVCs). Details of the AVC arrangements are set out in a special booklet which is available from the Pensions Section (see page 2).

The comments made at the start of the section regarding the exchange of pension for additional cash (or vice versa) continue to apply if you defer your retirement. However, the rate of exchange will vary according to your age.

Additional Pension for Dependants

You may, if you wish, exchange part of your own pension on retirement to provide an additional pension (following your death) for your spouse or children or a pension for another Dependant. Full details of this option are available from the Pensions Section but the following should be borne in mind:

- any pension given up must only be in excess of your GMP.
- any pension payable will be for life or until a child ceases to be a Dependant.
- the total pension to a dependant (or dependants) must not exceed your own pension.
- you must provide the Trustees with written notice at least one month before you retire.

Increases to Pensions in Payment

Your pension may potentially be made up of four elements each of which has different rules for any increases that are to be applied.

- 1) Any Pension (in excess of GMP) accrued before 1 October 2010 will increase in payment in line with inflation.
- 2) Any Pension (in excess of GMP) accrued on or after 1 October 2010 will increase in payment in line with inflation up to a maximum of 2.5% per annum.
- 3) The part of your pension which represents your GMP post 1988 (if any) will increase by 3% per annum compound. The State provides that where inflation increases are greater than 3% it will increase GMPs by the difference.
- 4) Any part of your pension which represents GMP (if any) prior to 1988 will not be eligible for any increases.

Leaving the Scheme

Benefits

If you leave the Scheme before your Normal Retirement Date, with less than three months service and you have been entered in the salary sacrifice scheme **or** with less than two years if you have not been in the salary sacrifice scheme, you will be entitled to the choice of:

- (1) A refund of your contributions to the Scheme (see Note 1) with interest at 3% per annum compound, less a deduction for tax and the amount required to reinstate you in the State Second Pension Scheme **or**;
- (2) A deferred pension commencing at Normal Retirement Date based on your contributions to the Scheme **or**;
- (3) A transfer to your new employer's scheme or to a Personal Pension arrangement with an insurance company or other financial institution (see Note 2)

If you leave the Scheme before your Normal Retirement Date with at least three months service and you have been entered in the salary sacrifice scheme **or** at least two years if you have not been in the salary sacrifice scheme then you will be entitled to the choice of:

- (1) A deferred Pension and a deferred Cash Benefit commencing at Normal Retirement Date, calculated in the same way as the Pension and Cash Benefit payable to an active member retiring at Normal Retirement Date (page 8), based on your Pensionable Service and Final Pensionable Salary at the date of leaving **or**;
- (2) A transfer to your new employer's scheme or to a Personal Pension arrangement with an insurance company or other financial institution (see Note 2 below).

Notes:

- (1) Restrictions on taking a refund may apply if you have brought in a transfer payment from an earlier arrangement or commenced an AVC.
- (2) On transfer the value of your rights (sometimes referred to as the 'cash equivalent') will be calculated, on actuarial advice, as the lump-sum required for investment at the time of leaving Pensionable Service in order to provide, at Normal Retirement Date, and on reasonable actuarial assumptions which will comply with the relevant legislation and actuarial guidance notes, the benefits to which you are entitled under the Scheme. The amount required will therefore reflect your age when the value is calculated, as well as market conditions at that time. The value will take into account the inflation-proofing described below, but will not allow for any discretionary increases to pensions in payment that the Trustees, with the consent of the University, might grant at some future date. An estimate of the value will be provided within 3 months of your request; this figure will be guaranteed for 3 months.

Calculation of Deferred Benefits

As mentioned above, on retirement as a deferred member at Normal Retirement Date, a deferred Pension and a deferred Cash Benefit is payable, calculated in the same way as the Pension and Cash Benefit payable to an active member retiring at Normal Retirement Date (page 9), based on your Pensionable Service and Final Pensionable Salary at the date of leaving.

The deferred pension will have increases applied to take into account the period for which it is deferred (i.e. between the date of leaving and retirement). These increases apply both to the GMP part of your pension and the part in excess of it, but at different rates as follows:

- The GMP part of your pension will increase at a rate in accordance with Government regulations.
- The excess over GMP will increase as follows:
 - up to 6 April 2009 in line with inflation capped at 5%; and
 - on or after 6 April 2009 in line with inflation capped at 2.5% per annum.

Once the pension is in payment it will be increased in line with page 11.

As a deferred member you may retire early from age 55 if in normal health or at any age if you have become incapable of following your normal employment due to permanent ill health or incapacity. In either case the deferred Pension is reduced for early payment by an early retirement factor.

You may also defer taking your deferred Pension and Cash Benefit until after Normal Retirement Date (up to age 75). The deferred Pension would be increased for late payment by a late retirement factor.

The option to surrender part of your pension for a Dependant's pension (page 11) is also available to deferred members.

Death Benefits

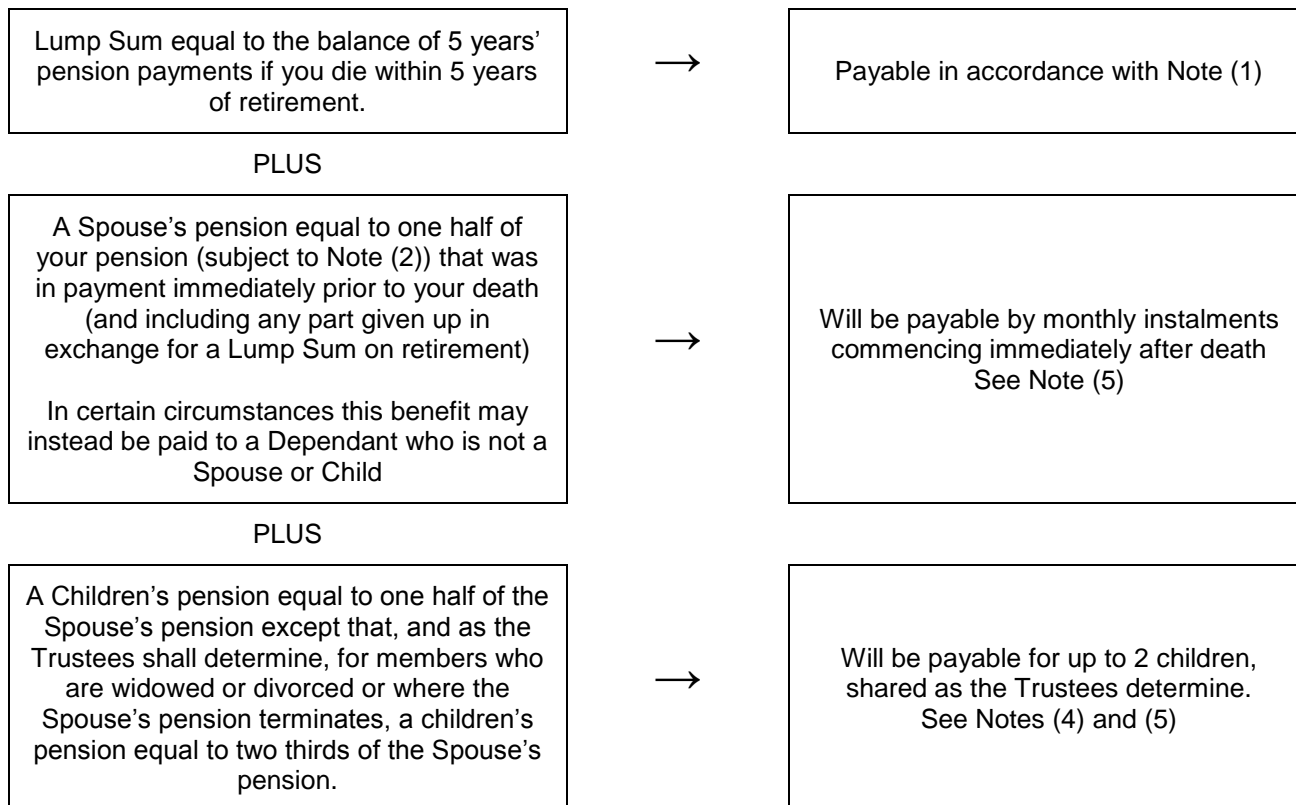
Death whilst an active member

If you die whilst an active member of the Scheme, the following shall be payable (references to 'Notes' are to the notes on page 15):

Lump Sum of 3 times the annual rate of your Pensionable Salary at the date of death	→	Payable in accordance with Note (1)
PLUS		
Refund of your personal contributions without interest	→	Payable in accordance with Note (1)
PLUS		
A Spouse's pension (subject to Note (2)) of: 1/12 of the Members Pensionable Salary for each of the first three months following the date of death ("Enhanced Spouse's Pension") followed by 1/160 of your Final Pensionable Salary at the date of death for each year of Pensionable Service (with a proportionate amount for each completed day). See Note (3) ("Core Spouse's Pension") In certain circumstances this benefit may instead be paid to a Dependant who is not a Spouse or Child	→	Will be payable by monthly instalments commencing immediately after death See Note (5)
PLUS		
A Children's pension equal to one half of the Core Spouse's Pension (excluding the Enhanced Spouse's Pension) except that, and as the Trustees shall determine, for members who are widowed or divorced or where the Spouse's pension terminates, a Children's pension equal to two thirds of the Core Spouse's Pension (excluding the Enhanced Spouse's Pension).	→	Will be payable for up to 2 Children, shared as the Trustees determine. See Notes (4) and (5)

Death after Retirement

If you die after retirement there shall be payable:



Notes:

- (1) Where a lump-sum becomes payable on your death the Trustees will decide to whom the benefit will be payable from a wide class of possible beneficiaries, including dependants and relatives, in accordance with the Rules. You may, if you wish, indicate to the Trustees who you would like to receive the benefit in the event of your death by completing a Nomination Form (available from the Pensions Section) on the understanding that this will be taken into account by the Trustees but cannot be binding on them. Don't forget to amend your Nomination Form to reflect changes in your personal circumstances.
- (2) Where your Spouse is more than 10 years younger than you, there may be a reduction to the Spouse's pension, but not to a level below the Spouse's GMP.
- (3) In respect of the 1/160 Spouse's pension payable on the death of an active member, if you die in service after your Normal Retirement Date, the Spouse's pension payable will be based on your actual Pensionable Service. If you die in service before Normal Retirement Date, the Spouse's pension payable is based on the Pensionable Service you would have completed if you had remained in service to Normal Retirement Date.
- (4) Children's pensions will be payable to children until they reach the age of 16 (or age 23 if in full-time education or vocational training approved by the Trustees).
- (5) All Spouse's and children's pensions will increase as described on page 12.
- (6) If a Spouse's pension is paid to anyone other than your widow or widower, an amount equal to the Spouse's GMP must be paid to your widow or widower.

Death in deferment

If you should die before your deferred benefits commence there will be payable:

- A refund of your contributions to the Scheme with interest of 3% per annum compound, payable to your estate; plus
- A Spouse's pension of $\frac{1}{160}$ th of your Final Pensionable Salary (subject to Note (1) below) for Pensionable Service completed on or after 6 April 1978.
- A Children's pension equal to one half of the Spouse's pension except that, and as the Trustees shall determine, for members who are widowed or divorced or where the Spouse's pension terminates, a children's pension equal to two thirds of the Spouse's pension.

Notes:

- (1) A Spouse's pension may be reduced if your Spouse is more than 10 years younger than you, or if your entitlement is to a deferred pension based on your contributions, but shall not be less than the Spouse's GMP.

If a Spouse's pension is paid to anyone other than your widow, widower or surviving civil partner, an amount equal to the Spouse's GMP must be paid to your widow, widower or surviving civil partner. With effect from 6th April 1997, contracting-out was under the Reference Scheme Test which meant the scheme had to provide benefits for members that are broadly equivalent to, or better than, the pensions that would have been provided under the Reference Scheme Test.

Additional Information

Temporary Absence

If you are temporarily absent from work, your benefits may continue to be provided, as set out below.

If your temporary absence is due to illness or injury, your cover for death-in-service benefits will continue to be provided for up to two and a half years so long as there is a reasonable expectation or intention of your returning to work. These benefits will be based on your most recently recorded Pensionable Salary. The period of absence will not count for pension benefits unless you make up the contributions due from you for that period.

If your temporary absence is otherwise than by reason of illness or injury your cover for death-in-service benefits will continue to be provided for up to three years, or until you cease to be employed by the University if earlier. These benefits will be based on your most recently recorded Pensionable Salary. Where absence is because of secondment to a United Kingdom Government Department (or work of national importance of a like nature), these benefits shall continue for the whole of the period of absence. The period of absence will not count for pension benefits unless you make up the contributions due from you for that period.

Maternity, Paternity or Adoption Leave

During paid Maternity, Paternity, Adoption or Parental Leave your membership of the Scheme will continue and you will accrue pension benefits based on the full Pensionable Salary that you would have been receiving if you had been at work. Salary increases you would have received if you had been at work will be taken into account.

While you are on paid Maternity, Paternity, Adoption or Parental Leave you will make contributions to the Scheme, but they will be based on the amount of pay you actually receive during that period. Contributions from the University will remain at the same level as if you had been at work.

Unpaid Maternity or Paternity Leave will count as Pensionable Service only if you make contributions to the Scheme based on the full Pensionable Salary that you would have been receiving if you had been at work. This is arranged following your return to work.

Your death-in-service benefits will continue throughout both paid and unpaid Maternity, Paternity, Adoption or Parental Leave, based on your most recently recorded Pensionable Salary.

Transfers into the Scheme

The Trustees, with the agreement of the University, may accept a transfer in of your rights to benefits earned during membership of another retirement benefits scheme, and will provide you with details of the transfer benefits which would be granted.

Transfers out of the Scheme

In certain circumstances you may be able to transfer your benefits out of the Scheme to another arrangement. The Trustees would determine the transfer amount on Actuarial advice.

Taxation

Pensions in payment are treated as earned income and subject to income tax under HMRC's Pay As You Earn (PAYE). State pensions and pensions from other sources are added to the Scheme pension for tax purposes and tax on the total is usually deducted from the Scheme pension. Lump-sum benefits arising on death are usually tax free. This is because they are paid 'at Trustees' discretion,' meaning that the Trustees have to decide who should receive the lump-sum benefit. For this reason it is important that you complete and keep up to date a Nomination Form (see page 15, note (1)).

Your contributions to the Scheme receive full tax relief. They are deducted from salary and only the balance of your salary is treated as pay for tax purposes. In this way you receive tax relief automatically and you do not have to claim it. It does not, therefore, alter your tax code.

Assigning of Benefits

The benefits under the Scheme may not be assigned, nor can they be charged or mortgaged in any way, except under the 'earmarking' divorce provisions introduced by the Pensions Act 1995 or the 'pension sharing' provisions of the Welfare Reform and Pensions Act 1999 (see below).

Pension Sharing on Divorce

It is possible for members' pension benefits to be shared with ex-spouses in the event of divorce. This will usually involve a lump-sum payment from the Scheme to a pension arrangement established by the ex-spouse, with a corresponding reduction in the member's pension entitlement under the Scheme. The cost of administering a pension-sharing order will be borne by the members and/or their ex-spouses, either by a direct charge or by a reduction in the value of the pension to be shared. Details will be provided when necessary by the Pensions Section.

Data Protection Act 1998

The Trustees of the Scheme take data protection very seriously. Accordingly, they work to ensure that personal data held under the Scheme complies with the Data Protection Act 1998 ("the Act"). From 25 May 2018 the law in relation to data protection is changing; from that date the Scheme will be required to comply with the General Data Protection Regulation. We will contact you in due course with regards to how this affects you but in the meantime the below summaries the position under the Act.

The Trustees are data controllers of personal data processed for the purposes of the Scheme.

In order to fulfil the Trustees' responsibilities in relation to the Scheme, it is necessary to collect and process personal data about you, your beneficiaries, spouse, civil partner and/or dependants. Where you provide information about individuals other than yourself, you need to inform them and, where sensitive data, for example health-related data, is involved, obtain their consent. By submitting information about them, you are confirming to the Trustees that you have done so.

The Trustees use personal data held by them:

- to manage and administer the Scheme, and to provide and secure benefits under it;
- to deal with any queries you raise with the Trustees, and otherwise in corresponding with you about the Scheme and your benefits under it, and keeping records of their dealings with you; and
- to protect the Scheme, the Trustees and Scheme members.

It is the duty of the Trustees to take appropriate technical and organisational measures to seek to keep personal data safe at all times, to disclose it to outside bodies only where necessary for contractual, legal or other specifically identified purposes or where your consent has been given, and not to keep the data for longer than is necessary.

The personal data which will be collected and processed in connection with your Scheme membership includes the following information, and other similar and related types of data.

- Name
- Address
- Gender
- Date of Birth
- National Insurance Number
- Pensionable Salary
- Payroll Reference
- Date of commencement as an employee

- Date of commencement as a Scheme member
- Normal Retirement Date
- Nominated beneficiaries for death benefit
- Details of spouse or civil partner where applicable
- Details of dependant(s) where applicable

In certain limited circumstances "sensitive" data may be required. The Act imposes stringent conditions upon the use and disclosure of sensitive data. Examples of sensitive personal data include details of physical or mental health or information regarding certain legal proceedings (for example, bankruptcy). This may be necessary, for example, if you apply for ill-health early retirement. You will appreciate that the Trustees will be unable to consider such a request without processing such sensitive personal data. To the extent that your consent is required to process such data, you give it when you completed the application form to join the Scheme and when you make any such application to take benefits from the Scheme.

In order to manage and administer the Scheme, and provide benefits under it, it may be necessary to obtain information about you and/or your dependants from third parties, such as, for example, your employer or your doctor. The Trustees will always look to comply with the Act and any other relevant legislation in doing this, making sure that they have a valid justification under the Act for the processing.

The Trustees will only share or disclose personal data with third parties for the purposes set out above in the following circumstances:

- To your employer or, if you have left the Company, your former employer (including, for the avoidance of doubt, any employee benefit trust operated by your employer), either as a data controller or as the Trustees' processor.
- To enable third parties to provide products or services to the Trustees or on their behalf. This includes, but is not limited to, third parties the Trustees have appointed to assist them in managing and administering the Scheme, and in providing benefits under it.
- Some of these, for example third party providers, the Scheme actuary and the Trustees' lawyers, are also data controllers. Others, like the administrator of the Scheme and consultancy providers, process information on the Trustees' behalf as data processors.
- Sometimes your information will be processed outside the European Economic Area by staff of the Trustees' service providers. Where this happens, the Trustees seek to ensure by strict contractual protections that the data will be adequately protected.
- With your consent, but only in the limited circumstances where this is necessary as the justification for the processing.
- If it is proposed to sell your employer or any part of the business of your employer, to prospective purchasers, subject to appropriate confidentiality and security obligations.
- For legal reasons.
- Aggregated, anonymised and pseudonymised data. In order to take advantage of industry-wide initiatives, for example relating to longevity modelling, locating lost pensioners etc, the Trustees may provide information to relevant third parties. Wherever aggregated or anonymised data will suffice for this purpose, the Trustees will provide it in that form. Where that is insufficient, the information will be pseudonymised to the extent compatible with obtaining meaningful results. In such cases, the Trustees will seek appropriate protections for the information provided.

The Act places an obligation on the Trustees to ensure that any personal data is kept up to date. It is important, therefore, that you advise us of any changes to your personal data.

You have a number of rights under English law in relation to how your personal information is used, and some of these are set out below. You can obtain further information from the Information Commissioner's Office at www.ico.org.uk.

You have the right to access the information we hold about you. This can be exercised in accordance with the Act, which also sets out circumstances when we must or may not provide personal information to you. Any access request will be subject to the statutory fee, towards the Trustees' costs in providing you with details of the information they hold about you (currently £10). Under the Act, Trustees may need to verify your identity before providing your personal data to you.

You have the right to have information about you corrected.

Disclosure of Information

As a member of the Scheme you are entitled to receive certain information on its operation and financial security. Each year the Trustees will issue a summary report on the state of the Scheme including a summary of the accounts.

The report also includes any other information on the previous year's events which the Trustees consider to be relevant. A copy of the report will be sent to you each year. A copy of the full Scheme Annual Report is available on request.

The following information will also automatically be given;

- an annual benefit statement setting out the level of benefits you can expect to receive;
- the rights to which you are entitled if you leave service or leave the Scheme before Normal Retirement Date;
- the rights and options available to your dependants or legal personal representatives in the event of your death.

In addition, you are also entitled to receive the following information on written request;

- the benefits available if you exercise your right to transfer into the Scheme any money in respect of your previous membership of another retirement benefits scheme;
- details of money available to you to effect a transfer to another scheme or an individual policy;
- your rights to a refund of contributions in the event that you leave service or leave the Scheme if applicable;
- a copy of the Trust Deed and Rules. Due to their size a charge will be made. Viewing of the document in-house is free of charge. Please contact the Pensions Section for further information.

Amendment or Termination

The University and the Trustees may agree to amend the Trust Deed and Rules from time to time and they reserve the right to do so.

The Trust Deed and Rules sets out a number of circumstances in which the Scheme may terminate. If, on termination of the Scheme, the assets were insufficient to meet accrued liabilities, the University will, to the extent required by legislation, make good the deficit.

Internal Dispute Resolution Procedure

If you have a complaint about any aspect of the Scheme you (or your representative) can write to the Clerk to the Trustees at the address given on page 2. Whenever you write you must give your name, address, date of birth, National Insurance number and the full nature of your complaint. You will receive a letter acknowledging the receipt of your complaint from the Clerk to the Trustees within seven working days of its receipt.

The Trustees must ensure that you receive a written reply from the Clerk to the Trustees within two months following receipt of your complaint. The reply will state clearly the decision that has been made about your complaint and must refer to the relevant Scheme Rules or legislation, or the exercise of any discretion, which forms the basis of the decision. If the Clerk to the Trustees is unable to give you a full written reply within this two month period, you will be provided with an interim response stating the reason for any delay and confirming a revised date when a full reply will be available.

If you do not agree with this decision, you should write to the Trustees, for the attention of the Chairman of Trustees, at the address on page 2, asking them to reconsider the decision. You must do this within six months of the decision and you must give your name, address, date of birth, National Insurance number and state your reasons for disagreeing with the initial decision.

After considering your disagreement, the Trustees must either confirm the earlier decision or make a new decision in its place. They must do this within three months of receiving your letter or provide you with an interim response stating the reason for the delay and the revised date a full reply can be expected. This written reply from the Trustees will also provide details of your right to take up your complaint with the Pensions Advisory Service (TPAS) and the Pensions Ombudsman, together with appropriate addresses at which they can be contacted (see overleaf).

Addresses

The Pensions Advisory Service

The Pensions Advisory Service (TPAS) is an independent organisation available at any time to assist pension scheme members and beneficiaries with queries or difficulties they have failed to resolve with their administrator or scheme trustees.

TPAS can be contacted at the following address:

The Pensions Advisory Service
11 Belgrave Road
London
SW1V 1RB
Telephone: 0845 601 2923
Website: www.pensionsadvisoryservice.org.uk

If TPAS is unable to reach a satisfactory decision or feels your case is too complex, your query will then be passed to the Pensions Ombudsman.

The Pensions Ombudsman

The Pensions Ombudsman can investigate and determine any complaint or dispute involving maladministration or matters of fact of law, where the complaint has first been subject to the pension scheme's IDRPs and passed to TPAS. His/her decision is final and binding.

The Pensions Ombudsman can be contacted at the following address:

The Pensions Ombudsman
11 Belgrave Road
London
SW1V 1RB
Telephone: 020 7630 2200
Website: www.pensions-ombudsman.org.uk

The Pensions Regulator

The Pensions Regulator (TPR) is able to intervene in the running of a pension scheme where trustees, employers, or professional advisers have failed in their duties.

TPR can be contacted at the following address:

The Pensions Regulator
Napier House
Trafalgar Place
Brighton
BN1 4DW
Telephone: 0870 600 0707
Website: www.thepensionsregulator.gov.uk

State Pension Benefits

Please look on the Department for Work and Pensions (DWP) website for further information:

<https://www.gov.uk/government/organisations/department-for-work-pensions>