University of Aberdeen Superannuation and Life Assurance Scheme (UASLAS)

Factsheet 1 - Definitions

You will find several words and phrases which are used throughout the accompanying Members’ Guide and Factsheet which you may not have encountered before. This factsheet will provide you with the definitions of these words and phrases as follows:

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.

More information on the Annual Allowance can be found on the following website:
https://www.gov.uk/tax-on-your-private-pension/annual-allowance

Career Average Revalued Earnings (CARE)
This is the name of the way your benefits are calculated in respect of Pensionable Service from 1 August 2011.

Consumer Prices Index (CPI)
This is the Government’s Index of Consumer Prices, a measure of inflation.

Final Pensionable Salary
The greater of:

- your pensionable salary averaged over the last year of service, ending on the date you retire or leave the Scheme, if earlier, rounded to the nearer £1; and

- the highest average of any three consecutive pensionable salaries prevailing on 1 August in the 13 years ending on the date you retire or leave the Scheme, if earlier, rounded to the nearer £1.

Final Salary
This is the name for the way your benefits are calculated in respect of Pensionable Service up to 1 August 2011.

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 State Earnings Related Pension Scheme (SERPS).

Incapacity
This is a physical or medical deterioration of health which, in the opinion of the Trustees, prevents you from following your normal employment or severely impairs your 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.

More information on the Lifetime Allowance can be found on the following website:
https://www.gov.uk/tax-on-your-private-pension/lifetime-allowance

Benefits built up above this amount will be taxed.

Normal Pension Date
This is normally your 65th birthday. However, special terms apply to members who joined the Scheme before 1 August 1994. For further details, please see Factsheet 7 – Early Retirement.

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

Finance Department
University of Aberdeen
King’s College
Aberdeen
AB24 3FX

Telephone: 01224 272289
Email: pensions@abdn.ac.uk
www.abdn.ac.uk/staffnet/working-here/uasl-210

Pensions Plus
Pensions Plus is a way to contribute to the Scheme that will save National Insurance and increase your take home pay. Further information about Pensions Plus can be found in Factsheet 3 – Contributions.
**Pensionable Salary**
This is your current basic annual salary or wages (excluding any bonus, commission or payment for overtime, but including any contractual overtime). Pensionable salary is calculated before any adjustments are made to your salary due to the Pensions Plus arrangements.

**Pensionable Service**
This is the number of years and complete months of your service after becoming a contributing member of the Scheme, a measure of inflation.

**Retail Prices Index (RPI)**
This is the Government’s Index of Retail Prices.

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

**State Pension Age**
This is currently age 65 for men. The state pension age for women is to be equalised at 65 in December 2018 through a phasing-in period. From December 2018 to October 2020 the state pension age will increase in stages to 66 for both men and women. The Government is also considering further increases to the 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. A number of the Trustees are appointed by the University. 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.

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**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 UASLAS. 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.