

Frequently asked questions

1. Will I be affected?

All active members of USS who earn above the current salary threshold, or who may in future earn above the relevant salary threshold, may be affected, as implementing the proposal would increase over the period the maximum salary on which these members can build up benefits in the USS Retirement Income Builder and affect the level of contributions they save in the USS Investment Builder.

If you are a retired member or are no longer paying contributions to USS, your pension benefits would not be affected, unless you have taken flexible retirement and are still contributing to the scheme or you are working in a role which means you are eligible to re-join USS.

2. What exactly am I being consulted on?

You are being consulted on the proposal that the salary threshold continues to rise in line with CPI inflation (subject to a cap as detailed above), as per the current arrangement, from 1 April 2020 to 31 March 2025 or if earlier, until the conclusion of a review by the JNC. If the proposed change is not introduced by 1 April 2020, the salary threshold will cease to be revalued and will remain at the current amount of £58,589.70 from 1 April 2020.

Your response will be read and considered by the trustee (Universities Superannuation Scheme Limited).

3. When does the consultation start and end?

The consultation will start on Friday 24 January 2020 and close 60 days later, on Monday 23 March 2020 (responses must be received by 5:00pm).

4. Will this affect any pension benefits I have already built up?

No. All USS Retirement Income Builder benefits you have already built up are protected by law.

5. Why does there have to be a consultation?

Under pensions law, certain changes to occupational pension schemes are defined as 'listed changes'. Before a 'listed change' can be made, the law requires employers to undertake a consultation with affected employees (active scheme members and those eligible to join the scheme) and their representatives. The JNC's proposal would require a listed change to be made to the USS rules, so the law says that employers must consult with USS members, employees eligible to join USS and recognised employee representatives. Only after the consultation is complete can the USS rules be amended to incorporate a listed change.