Welcome

This is the first of a series of monthly newsletters providing you with an update on the changes happening to the way you save for retirement with Universities Superannuation Scheme (USS).

You are receiving this email as a member of the scheme who will be affected by the changes. If you are not a member of USS then you can ignore this email.

You will have already received some communications from USS, including the Important information about your pension leaflet and you may have already visited the USS For the future website, which contains lots of information about the forthcoming changes. These monthly updates will provide a summary of any information issued, tell you what USS are doing to secure your retirement saving in the future and highlight some key activities to look out for in the coming months.

Spotlight on closing the final salary section

On 31 March 2016 the final salary section of USS will come to an end. This feature explains what happens to the benefits you have earned in the final salary section up to that date, how USS will calculate the value of those benefits, and how we shall look after them going forwards.

Importantly the benefits you have built up until 31 March 2016 are secure.

Recent updates

• You’ll have received the Important information about your pension leaflet;
• The revised Guide for Members is now available providing an overview of the scheme;
• If you’ve ever paid AVCs to Prudential you should take a look at this recent update;
• Take a look at the recently updated frequently asked questions page;
• This handy benefit illustrator will help you estimate how the changes will affect you.

What to expect next month

Your pension scheme will change

You will become a member of the new section of the scheme the USS Retirement Income Builder (please note, this was previously know as the USS final salary benefits scheme (FS) and the USS career revalued benefits scheme (CRB) so all current members are affected by this change).

Read more on USS For the future

For a short while some of our services may be affected

USS and your employer will be running two pension administration systems until the summer as we formally close the old final salary and career revalued benefits sections of the scheme and transfer all the data into the new system. This means some non-urgent processes may take a little longer to complete than usual as we will be prioritising urgent work, such as processing bereavements.

You do not need to do anything yet

If you are remaining in the scheme, and you’re not making any changes to your pension arrangements, you don’t need to do anything. The benefits you have built up to date will remain within the scheme and from 1 April you will automatically start to earn benefits within the new USS
Retirement Income Builder. Later in the year you will need to register for online services, we’ll write to you nearer the time.

Important dates

31 March 2016 – the final salary and existing CRB sections close;

1 April 2016 – the new USS scheme opens;

1 April 2016 – your contributions increase and your employer’s contributions increase;

5 April 2016 – Lifetime Allowance reduces to £1.0 million, you can read more about the impact on retirement saving on the USS website;

6 April 2016 – Government changes to State Pension take effect, your National Insurance contributions will go up;

14 April 2016 – your next member update will be issued;

May 2016 – if you have a money purchase AVC arrangement USS will write to you.