

Contents:

1. USS scheme changes

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UCU members voted by a ratio of 2 to 1 vote to accept revised proposals for benefit modifications. In accordance with this mandate, UCU representatives consented to the changes at the USS Joint Negotiating Committee (JNC) on 29 January 2015.

The process is now that a formal specification of the proposal will be the subject of a statutory consultation. The consultation will be conducted through the employers. Every scheme member will be able to comment on the proposals. It is envisaged that the consultation will open on 16 March 2015 and will run for 60 days.

Branches should arrange to meet with their employers during the consultation period. UCU will send branches a note of points for inclusion in any consultation response.

On closure, the USS board will consider the responses and, if it wishes, can make recommendations to JNC.

What are the main changes?

It is anticipated that on 1 April 2016, a new hybrid scheme will be introduced

and all active members of USS will be placed into it. There are 2 parts to the scheme design.

A new Career Revalued Benefit (CRB) will have a salary threshold of £55k, which will be revalued annually in line with CPI (with caps). This will have a 1/75th accrual rate with a lump sum three times the annual pension. Each year 1/75th of your earnings up to the threshold will be placed into a fund and annually revalued as it was in the original USS CRB section.

The defined contribution pension (DC) is based on your salary above the salary threshold of £55k. You will pay 8% of salary with your employer contributing 12%. This will be paid into your DC account and invested in your select funds. In addition all members of USS can opt to pay an extra 1% of their salary which will be matched by 1% of employer's contributions and will be paid into the members DC account. Both the DC and the matching contributions are illustrated on UCU modeller on the website. UCU has selected a low rate of return given the present economic situation.

What happens to my final salary pension?

On 31 March 2016, this will be closed to future accrual. No more service will be added.

The final salary that USS will use for calculation purposes will be the highest of the best consecutive 365 days in the last 3 years or the 13-year look-back with salary enhanced by price increases and the best consecutive 3 years averaged. This final average salary will then increase annually in line with CPI (with thresholds).

What happens to my AVC's

The current Added Years AVC's facility will cease on 31st March 2016. All purchased service will be credited. There will be no further contracts issued. Members who made regular contributions will be given the option of purchasing additional pension benefits in the CRB section.

Members with Money Purchase AVC have the right to purchase service in the final salary section up to 31st March 2016.

Protection

If you were 55 years' of age by 1st October 2011 your protection will be honoured. You will still be able to take your pension unreduced when you reach your contractual age below 65 years of age, or from the age of 60 onwards, you will be able to ask your employer to release your pension unreduced and they cannot 'unreasonably' refuse.

Valuation methodology

Branches and members will know that UCU has consistently challenged the valuation methodology used to calculate the scheme's funding position. The employers have agreed to a joint review of this and we are meeting with our actuarial advisers to develop further our materials challenging the way that USS calculates the fund deficit.

Teachers' Pensions' Scheme is changing April 2015.

TPS is changing. If you were within 10 years of your normal pension age in your scheme on 1 April 2012, then nothing is changing. If you are in the scheme, it is likely that you will be affected! If you were 50 years of age in the scheme by 2007, and 55 years if in the scheme from January 2007 onwards, TPS considers you to be a protected member

If you were close to the 10 year threshold but less than 13.5 years from your normal pension age then you will move into the new scheme but not on 1st April 2015. TPS calls you a tapering member.

Check your birthday here to see when you will move in. On www.teacherspensions.co.uk website Pension changes and on the member hub select 'Understanding which member you are' and look at tapering member and click on the link.

If you are in neither of these groups then you will move into the new scheme on 1 April 2015.

How much will I pay?

From April 2015, your contribution will be based on your actual earnings not the full-time equivalent salary of the last 3 years. This is good news and is an improvement UCU won for part-time staff who are likely to see their contributions reduce.

Annual earnings	Contribution rates
Up to £25,999	7.4%
£26k - £34,999	8.6%
£35K - £41,499	9.6%
£41,500 - £54,999	10.2%
£55k - £74,999	11.3%
£75k over	11.7%

What will happen to your present pension?

On the day, you move into the new scheme, your old will stop accruing service, (unless you are completing Past Added Service contracts) but whilst you remain in TPS it will be linked to whatever is your future final salary either when you draw your pension or leave the scheme. IN this way, the pension that you have built up should retain its value.

What is the new scheme? It is a career average revalued scheme (CARE). This means that 1/57th of your annual earnings will be put into a pot and every year they will increase by CPI + 1.6% whilst you are in scheme. Each of the years will be added together when you retire.

See the video and factsheet on Teachers Pension website.

If you cease paying into the scheme then it is revalued by CPI only.

When can I take my pension?

Your new pension is tied to your state pension age. The old part of the scheme is tied to either 60 or 65 years, depending on which scheme. You can take your pension when you are 55 years old but both will be actuarially reduced as you are taking them early.

If you have passed your final salary pension age and are still teaching then you have to draw both pensions. However, if you have stopped teaching then you can draw your final salary and leave your CARE benefit, if you take it this part will be actuarially reduced.

If you take phased retirement you might only want to draw your final salary particularly if there is no reduction due as you are over its normal pension age.

Can I build more pension in the scheme?

Yes, you can through:

- Buyout that is paying for the actuarial adjustment on the years after 65 years to enable you to draw your new pension unreduced at 65. You have to opt to do this within 3 months of joining the scheme or if you are an existing member, you will be given a one off option, when you move into the new scheme.

- Faster accrual, a month before the start of every financial year you can opt to purchase at a faster accrual instead of 1/57th you can for that year have 1/55th, or 1/50th or 1/45th depending what you opt to do it will cost you more in contributions.

You can still purchase additional pension benefit in blocks of £250, which sit on top of the annual pension, the cost is worked out actuarially so there is no cost to the scheme

On the website, there is more details of these option.

How will I know what is in my CARE pension?

You will receive annual benefit statements and ultimately you will be able to see it on line correct to one month, from April 2018.

National Briefings on Teachers Pensions Scheme for 1 April 2015 at Regional Locations.

Branches from FE, Post 92 universities, Adult Education, adult, penal and land based institutions are invited to send an officer on this training. It is to familiarise branch officers with the changes, to enable them to answer initial questions and direct them to Teachers' Pensions website.

The training will cover:

- What happens to me? Do I join the CARE scheme or when do I join
- What contributions do members' pay and what happens if there is backdated pay award or promotion?
- What is CARE?
- What do members need to do on 1 April 2015?
- When can members retire?
- How can they improve their pensions?
- What happens to members AVC's?

Regional Locations

- **London - Thursday 12 March UCU Carlow Street, conference hall coffee 10am training 10.30 -12.30**
- **Birmingham – Thursday 19 March UCU Birmingham Office, 2nd Floor Alpha Tower 10am - 1pm finish**
- **Darlington – Thursday 26 March Deeside site at Darlington College 1-3pm**
- **Manchester – Wednesday 29 April 1-3pm Mechanics Institute.**
- **Exeter – Friday 12 June 1-3 pm UCU Exeter office**

Interested? Let pensions@ucu.org.uk know your name, branch and which briefing.

Contact **UCU Pensions Department**
The contact person is Geraldine Egan: (e) pensions@ucu.org.uk
(t) 0121 634 73878