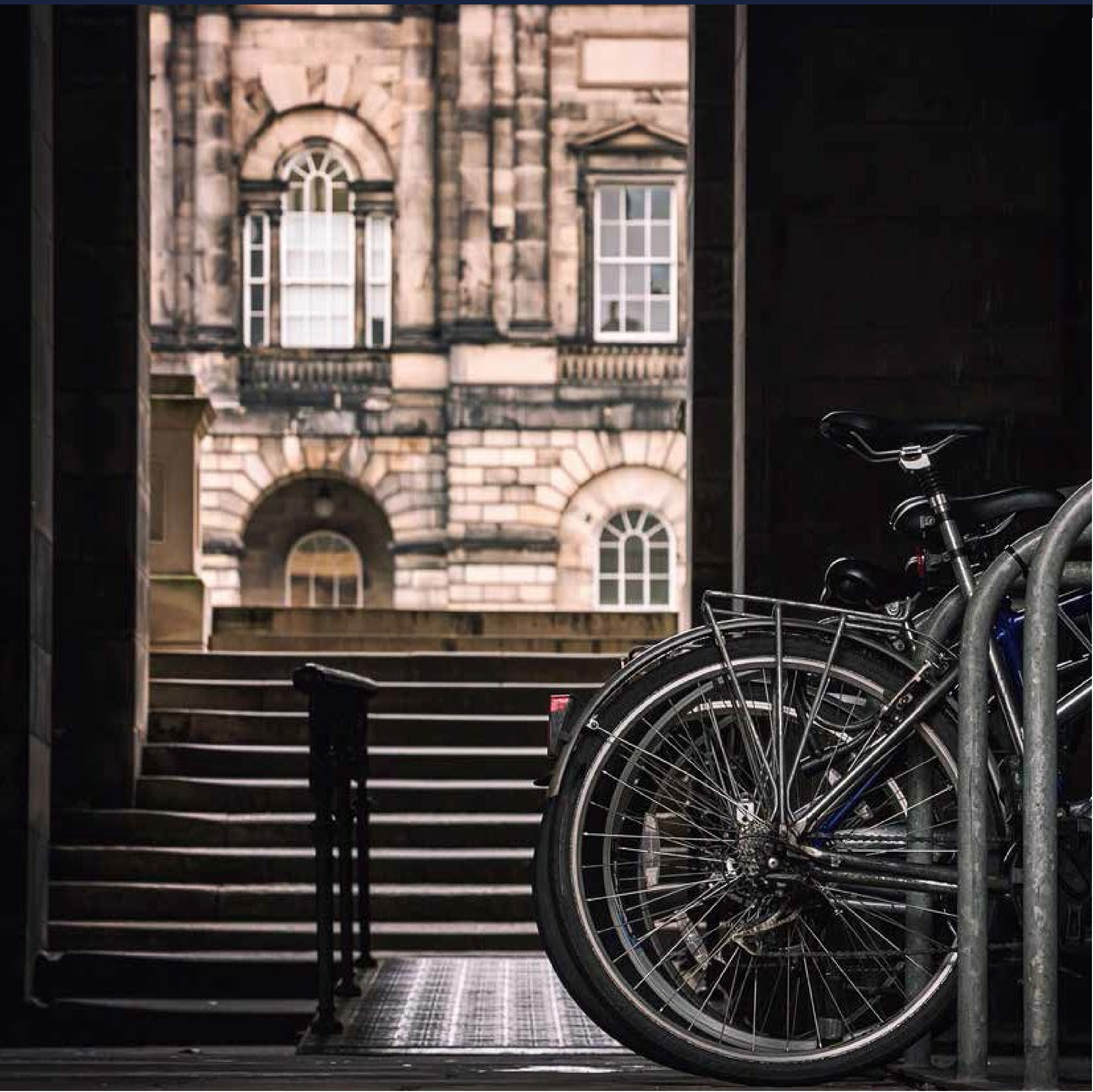
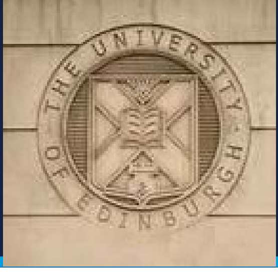
Helping you save:

Your guide to the University of Edinburgh Staff Benefits Scheme

August 2019





Introduction

You may have just started your career, or you may be thinking about retiring soon. Either way, it's important that you think about how you will support yourself when you retire and no longer have an income from a job.

The University of Edinburgh Staff Benefits Scheme ("the Scheme") is provided to help you save for the future as well as offering additional benefits to support you and your family. This guide explains how it works, what's on offer for you and where you can find out more information.

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Glossary
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This booklet is intended to be a simplified guide to the Scheme. It outlines the main benefits and explains how the Scheme works. Full details are set out in the Scheme Trust Deed and Rules, the legal documents which govern the Scheme and which will always overrule this booklet should any question or difference of interpretation arise. Although every effort has been made to ensure the accuracy of this booklet, it is intended only as a guide and is not a legal document. The information contained in this booklet is relevant to all active members as at August 2019 and thereafter unless modified by changes to the Scheme rules or legislation.

About the Scheme

This section provides a basic overview of how the Scheme works. Additional detail on how the Scheme works and other aspects of pensions that you need to be aware of are included in the subsequent sections of this guide.

What is the Scheme?

The Scheme is a Defined Benefit ("DB") pension scheme. This means that you and your employer regularly pay money into it during your time as an employee at the University of Edinburgh ("the University"). In return, you are eligible to receive an income based on a formula from the Scheme after you retire as well as a one off cash lump sum payment.

A group of individuals called "the Trustees" are responsible for running the Scheme in the best interests of all its members and ensuring that the relevant regulation and laws are adhered to.

Overview of how the Scheme works

You make a tax-free payment into the Scheme each month from your salary

Your employer pays into the Scheme each month on your behalf

You build up benefits in the Scheme each year of your employment based on your salary

During your employment at the University

You can take a one off tax-free cash lump sum payment when you retire and will receive an income for the rest of your life

During your Retirement

How much do I pay into the Scheme?

As a member of the Scheme, you pay 9.1% of your pensionable salary each month into it. Your pensionable salary for this purpose is your basic current earnings from the University plus any additional allowances that may have been agreed in your contract. For most members, your payments into the Scheme will be taken out of your salary before any tax is deducted from them, which reduces the amount of tax you pay (see 'How do I pay into the Scheme?' overleaf for details).

How much does the University pay into the Scheme?

The University pays the balance of the amount required to meet the cost of benefits provided under the Scheme.

At least once every three years, a professional adviser to the Scheme, called 'the Scheme Actuary', evaluates the cost to the Scheme of providing benefits to members. The Trustees then agree with the University how much the University needs to contribute to support the Scheme.

About the Scheme

How do I pay into the Scheme?

Unless you choose otherwise, your monthly contributions to the Scheme will be taken out of your salary through a system called 'Pensions Plus'. The Pensions Plus process means that payments are taken from your salary before Income Tax and National Insurance Contributions are deducted. This means that you pay less tax and get to keep more of your monthly income.

This type of system is called a 'salary sacrifice' arrangement which is designed to allow you and the University to pay less tax and National Insurance. Under Pensions Plus the University pays your 9.1% contributions on your behalf directly into the Scheme. In return, you agree to a corresponding reduction in your salary.

Pensions Plus does not affect other benefits you may receive from the University that are based on your salary. Your entitlement to other benefits is based on your salary before any Pensions Plus reductions are made.

You can find out more information on Pensions Plus at:
http://www.ed.ac.uk/finance/pensions/pensions-plus

How much will I receive when I retire?

When you retire, the amount of pension (income) that you receive from the Scheme and the cash lump sum you will be entitled to will depend on a number of factors, including the number of years you have worked at the University and your salary during those years.

The rules of the Scheme have changed over the years so the way your pension is calculated will be different for different periods of time. This is covered in detail in the following section, 'At retirement', starting on page 6.

When can I retire?

The normal retirement age for members of the Scheme is broadly linked to your State Pension Age (set by the Government), after which you will be able to retire and receive your cash lump sum and pension from the Scheme. If your State Pension Age does not fall on your birthday, your normal retirement date will be your birthday before State Pension Age.

More precisely, your normal retirement age will be the later of:

- age 65, and
- your State Pension Age (or your birthday before your State Pension Age, if it does not fall on your birthday)

You may want to retire later than this and under certain circumstances you may be able to retire earlier than this. More detail on when you can retire is included on page 8.

Who can join the Scheme?

The Scheme is open to all University staff on grades UE01 – UE05 who are under age 65 working either part time or full time.

How do I join?

If you are not already a member, you can print and complete a Pension Scheme Application Form obtained from the pension website at www.ed.ac.uk/pensions. You will need to send your completed form to the Pensions Office at:

Pensions Office
Charles Stewart House
9-16 Chambers Street
Edinburgh
EH1 1HT

Email: P1ensionsmanager@ed.ac.uk

Can I change my mind after joining?

Membership of the Scheme is voluntary and you can choose to opt out at any time, providing you give the Pensions Office at least one month's notice in writing (see above for contact details).

If you opt out of the Scheme, the Trustees have discretion to decide whether you can re-join. If you are thinking about opting out, please consider your decision carefully and, if necessary, seek appropriate financial advice.

Please note that if you opt out of the Scheme, you will not be covered by the additional benefits it offers (see page 10).

At retirement

The Scheme will provide you with an income for life in retirement (your pension) as well as allowing you to take a tax-free cash lump sum payment when you retire. This section explains how in broad terms your pension and cash lump sum will be calculated, as well as how you can increase the amount you receive and when you can retire. The next section will look at the additional benefits that the Scheme offers you.

How is my pension calculated?

Your pension in retirement is calculated using a formula. The formula has changed over the years so your pension may be calculated in different ways based on how long you have been a member of the Scheme. There are three periods that have different rules for calculating your pension and these are explained in the table below.

In broad terms, the formula involves benefits for active members being calculated based on:

- earnings near to retirement and the time spent as an active member for service up to 31 December 2010, and
- career average revalued earnings for service built up from 1 January 2011, meaning that benefits build up year on year based on a proportion of pensionable pay for each year, as increased in order to help keep pace with inflation.

How your pension is calculated

For all pensionable service up to 31 December 2010
Your pension will be 1/60th of your Final Pensionable Salary when you retire or leave, multiplied by the number of years you were a member of the Scheme up to 31 December 2010.

For pensionable service between 1 January 2011 and 31 December 2016
Your pension will be based on 1/60th of your Annual Salary each year between 1 January 2011 and 31 December 2016 added together. This will be revalued (increased) each year in line with inflation as measured by the Retail Prices Index (RPI) while you remain in pensionable service until you retire, leave or die.

For pensionable service from 1 January 2017
Your pension will be based on 1/75th of your Annual Salary each year added together. This will be revalued (increased) each year in line with inflation as measured by the Consumer Prices Index (CPI), up to a limit of 5% per year, while you remain in pensionable service until you retire, leave or die. You will also build up an entitlement to receive an additional tax-free cash lump sum payment at retirement. This will be based on 3/75ths of your Annual Salary each year added together. As with your pension, this will be revalued (increased) each year in line with inflation as measured by the Consumer Prices Index (CPI), up to a limit of 5% per year, while you remain in pensionable service until you retire, leave or die.

There is an opportunity to take more tax-free cash than the additional tax-free cash lump sum payment at retirement described in the table. In total, you may take 25% of the value of your benefits as tax free cash and you will be able to exchange part of your scheme pension to take additional tax-free cash up to this limit.

Example
Janet joins the Scheme at age 30 and has a **pensionable salary** of £18,000.

As Janet's years of **pensionable service** continue, the pension benefits she has earned will be increased each year to protect their value from inflation. For illustration purposes, Janet's pension is revalued at the rate of 2% a year in the following example.

If we assume that Janet will receive an annual salary increase of 3%, for the first four years of Janet's **pensionable service**, her Scheme pension and cash lump sum will build up as follows:

Year of Scheme membership	Pensionable Salary	Pension and cash earned over the year	Plus pension and cash earned from earlier years including annual increases of 2%	Pension and cash earned from 1 January 2017
Year one	£18,000	Pension: 1/75 x £18,000 = £240 Cash: 3/75 x £18,000 = £720	N/A	Pension: £240 Cash: £720
Year two	£18,540	Pension: 1/75 x £18,540 = £247 Cash: 3/75 x 18,540 = £742	Pension: £245 Cash: £734	Pension: £492 Cash: £1,476
Year three	£19,096	Pension: 1/75 x £19,096 = £255 Cash: 3/75 x £19,096 = £764	Pension: £502 Cash: £1,506	Pension: £757 Cash: £2,270
Year four	£19,669	Pension: 1/75 x £19,669 = £262 Cash: 3/75 x £19,669 = £787	Pension: £772 Cash: £2,315	Pension: £1,034 Cash: £3,102

Janet's pension will continue to build up until, by her 35th year of **pensionable service at normal retirement date**, her Scheme pension will be £19,543 a year and the tax-free cash lump sum payment will be £58,629.

What is the cash lump sum?

When you retire, you will be able to take some of your pension as a one off tax-free cash lump sum payment. There are two periods that have separate rules for how much of your pension you can take as a cash lump sum.

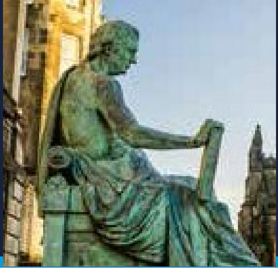
For all pensionable service up to 31 December 2016

You can choose to take up to 25% of the value of your pension built up before 31 December 2016 as a tax-free cash lump sum. If you do this, you will receive a reduced pension depending on how much cash you decide to take.

For pensionable service from 1 January 2017

You will automatically receive a tax-free cash lump sum payment as described in the table [above]. You will also be able to take an additional amount of your pension as a tax-free cash lump sum on top of this. The combined value of the automatic cash lump sum and any additional cash lump sum you take must not exceed 25% of the value of your pension built up from 1 January 2017.

Depending on certain circumstances, such as the amount of time you are a member of the Scheme, your pension may be fairly small when you retire. If this is the case, it may be appropriate to convert your entire pension into a one-off cash payment when you retire. If this applies, you will be sent details when you are approaching retirement.



At retirement

Can I save more with the Scheme?

You can save more with the Scheme by paying Additional Voluntary Contributions (AVCs).

You can pay up to 100% of your earnings, less your ordinary contributions to the Scheme into a savings arrangement that the Scheme has arranged with an investment company, Standard Life. This is a Defined Contribution ("DC") arrangement that works differently to the Scheme, which is a DB arrangement (see page 17). In a DC arrangement, you choose where to invest your savings and the amount you have to spend in retirement is based on the performance of the investments you choose. They may also depend on the amount of contributions paid and any cost of converting benefits into pension income, along with the cost of exercising any right to transfer the benefits to another arrangement (should you wish to do this), any charges payable and the age at which benefits are accessed. Please note that member contributions in any tax year are subject to the Annual Allowance (see page 14 on Tax).

Further details of your AVC options are available from the Pensions Office.

When can I retire?

The normal retirement age for members of the Scheme is linked to your State Pension Age (set by the Government). Once you reach normal retirement age, you will be able to retire and receive your cash lump sum and pension from the Scheme.

More precisely, your normal retirement age will be the later of:

- age 65, and
- your State Pension Age (or your birthday before your State Pension Age, if it does not fall on your birthday).

You should note, however, that any benefits earned before 1 January 2017 will continue to be calculated by reference to a normal retirement age of 65.

You can find out your current State Pension Age at https://www.gov.uk/state-pension-age/y/age. If the Government decides to raise State Pension Age in the future, your normal retirement age under the Scheme will also increase. While your State Pension Age may not be a full year (e.g. 66 years and 7 months), your retirement age under the Scheme will always be a full year value (e.g. 66 years) and will be your birthday before you reach State Pension Age if it is not a full year as explained above.

In addition to this, members of the Scheme who were in Pensionable Service on 31 March 1994 may also retire from age 60 without the need for employer consent. Members of the Scheme who were in pensionable service prior to 1 January 2017 and have a normal retirement age which is later than age 65 may retire from age 65 without the need for employer consent.

Retiring later than your normal retirement age

You can continue working after your normal retirement age. If you choose this option, you will continue to build up benefits under the Scheme until you actually retire.

Retiring earlier than your normal retirement age

With the agreement of the University, you may be able to retire early and start to draw your pension at any time from age 55 (this is the current minimum retirement age set by the Government and will be subject to change).

If you retire early, your pension will be calculated in the same way as at your normal retirement age, but based on the pension you have built up until your actual date of retirement. Your pension will also be reduced because it will be paid for longer.

You will also have the option to exchange part of your pension for a tax-free cash lump sum. If you do, the amount of pension you can exchange will depend on your age at retirement.

Retiring early due to ill health

If you are unable to work due to illness, you may be entitled to receive an ill health pension immediately with employer consent. The terms of your ill health pension will depend on whether you are suffering from total incapacity or partial incapacity. If you have completed less than five years pensionable service, your ill health pension will be the same as for partial incapacity.

Total incapacity is when you have, to the satisfaction of the Trustees after considering medical evidence they receive, no ability to earn a meaningful salary in the future because of a long-term illness or an accident.

If you have to retire early because of total incapacity and you have completed at least five years pensionable service, part of your ill health pension will not be reduced for early payment and may be enhanced up to the level you might have expected, had you continued working until normal retirement date.

Partial incapacity is when your earning potential is significantly damaged, but not destroyed, as a result of a long-term illness or injury.

If you have to retire early because of partial incapacity or you have completed less than five years pensionable service, your ill health pension will be calculated based on your completed pensionable service on your date of retirement and part of this will not be reduced for early payment.

Notes on ill health pensions

- If you are awarded an ill health pension, the Trustees may ask you to provide information about your state of health and any earnings from time to time. You may also be asked to have a medical examination by one of the Trustees' approved physicians.
- If you retire before age 55 on the grounds of total or partial incapacity, the Trustees are subject to an additional statutory check that they must obtain medical evidence that you are (and will continue to be) incapable of carrying on your occupation because of physical or mental impairment.
- If you make an unsuccessful application for an ill health pension and, within 12 months, you make another unsuccessful application, you will be charged for any medical costs incurred.
- If you are receiving an ill health pension and the Trustees determine following review that your health improves to the point where you no longer suffer from either total or partial incapacity, the Trustees may reduce or suspend your pension. If your condition worsens again, the Trustees would be able to reinstate your ill health pension.

Your State Pension

When you retire you will also be entitled to receive a State Pension. You can obtain a quote of your State Pension by going to www.gov.uk/check-state-pension. In addition, the Government has issued various factsheets to help you calculate your State Pension, which are available at https://www.gov.uk/government/publications/state-pension-fact-sheets.

Additional benefits from the Scheme

This section explains the additional benefits you receive from the Scheme while you are employed as well as what happens when you retire or leave the Scheme.

What are my benefits while I'm working?

Is my family protected if I die before retirement?

The Scheme not only helps you save for retirement, but it also makes financial provisions by providing a range of benefits for your family and dependants if you die while a member.

In the event of your death in pensionable service, the following benefits will be paid:

- A cash lump sum equal to three times your pensionable salary at the date of your death.
- A refund of the contributions you have paid, including the value of any AVCs not used to provide additional benefits and contributions paid on your behalf through Pensions Plus.
- A pension for your Spouse equal to half of the pension you would have received at normal retirement date had you stayed in pensionable service.

A Spouse is your husband, wife or registered Civil Partner at the date of your death. At the discretion of the Trustees, a death in pensionable service pension may also be payable to a dependant, who for this purpose, is a partner who you were living with when you died and was financially interdependent with you (you both relied on your joint income) at your death.

Due to overriding legal requirements, a surviving registered Civil Partner or same sex spouse may not receive a Guaranteed Minimum Pension (if payable) relating to all periods of service built up in the Scheme.

If you do not leave a Spouse, or you leave a Spouse who subsequently dies, in certain circumstances a pension may be paid to a child. Children's pensions are paid until the youngest child reaches 18 or age 23 if in full-time education or vocational training or who is otherwise dependant on you because of physical or mental impairment.

Can I give up part of my pension for a dependant?

You may, with the consent of the Trustees, give up part of your pension to provide additional pension to your Spouse or your named dependant, payable on your death. Full details are available from the Pensions Office.

Expression of Wish Form

To ensure that the lump sum benefit detailed above can be paid quickly and free of Inheritance Tax, the Trustees have discretion to decide who should receive it. Although the Trustees will take your wishes into account, they are not legally obliged to follow them. To guide the Trustees, please complete and return an Expression of Wish form. To help the Trustees make a fair decision, remember to complete and submit a new form if there is any change in your personal circumstances, for example marriage, divorce or if you have children.

Temporary absence

If the University agrees to you taking a period of unpaid leave, your Scheme membership will be suspended until you return to paid employment. It may be possible to continue to make pension contributions during your leave to maintain continuous service. You can find out more from the Pensions Office (see page 5 for contact details).

What if I go on maternity/paternity/shared parental leave?

You will continue to be a member of the Scheme while you are on paid leave and your entitlement to pension and life assurance benefits will continue as if you were working normally. You need only pay contributions on the pay you actually receive while away from work and the University will pay the balance between this and what you would normally pay if you were at work.

If you do not return to work after your maternity/ paternity/ shared parental leave, you will be treated as having left and your options will be the same as if you leave the University.

If you are entitled to and take adoption leave, your Scheme membership will continue on the same basis as the provisions above. The Scheme benefits that you build up during that period will depend on whether or not you continue to be paid and contribute to the Scheme.

What if I am too ill to work?

Your Scheme membership will continue until you are considered able to return to work or, if earlier, you retire due to ill health.

If you continue to receive pay during any illness-related absence, contributions will continue based on your pensionable salary immediately before your absence. During your absence, your life cover will continue and will be based on your pensionable salary immediately before your absence started.

What are my benefits once I retire?

Pension payments

Your pension will be paid monthly in arrears (i.e. at the end of a month period, not the start). Income tax will be deducted from your pension, using the Pay As You Earn (PAYE) system, where appropriate, and payments will be paid by direct credit into your nominated bank or building society account.

Pension increases

Your pension payments in respect of pensionable service from 1 January 2017 will increase each year whilst in payment in line with the rise in the Consumer Prices Index (CPI), up to a maximum of 5%.

If you have any pension built from pensionable service before 1 January 2017, different increases will apply. The Trustees have discretion to grant higher increases if there is sufficient funding, provided this would not affect the security of members' benefits.

What happens on my death after retirement?

If you die within five years of retiring, a lump sum equal to the balance of your pension payments for the first five years of retirement will be paid. The Trustees have discretion as to who receives the lump sum for the same reasons explained in the Expression of Wish Form section on page 10.

Your Spouse will also receive a pension equal to half of your pension at retirement, before any exchange for a tax-free cash lump sum and including any pension increases granted since your retirement.

A Spouse is your husband, wife or registered Civil Partner at the date of your death. At the discretion of the Trustees, a pension on your death after retirement may also be payable to a dependant, who for this purpose, is a partner who you were living with when you died and was financially inter-dependant with you (you both relied on your joint income) at your death.

Additional benefits from the Scheme

What happens if I stop working for the University?
Your benefits on leaving employment with the University will depend on the length of your pensionable service.

If you have less than two years of pensionable service
If you have opted out of Pensions Plus, and leave after less than three months' pensionable service, you will be paid a refund of your contributions, including any Additional Voluntary Contributions (AVCs), less tax, currently at 21%.

If you participate in Pensions Plus, and leave after less than three months' pensionable service, the University will pay you a sum equal to the refund that the Scheme would have paid (see above), less any tax and National Insurance deductions.

If you have completed between three months' and two years' pensionable service, you can choose to transfer the value of your Scheme benefits to another registered pension scheme instead of taking a refund.

If you have two or more years of pensionable service
You can either keep a deferred pension in the Scheme until retirement or may be able to transfer the value of your benefits to another pension arrangement. You should be aware that, in certain circumstances, if you wish to transfer scheme benefits to another arrangement which provides benefits in a different form to those payable under the Scheme, you may be required to take independent financial advice before the transfer can be made.

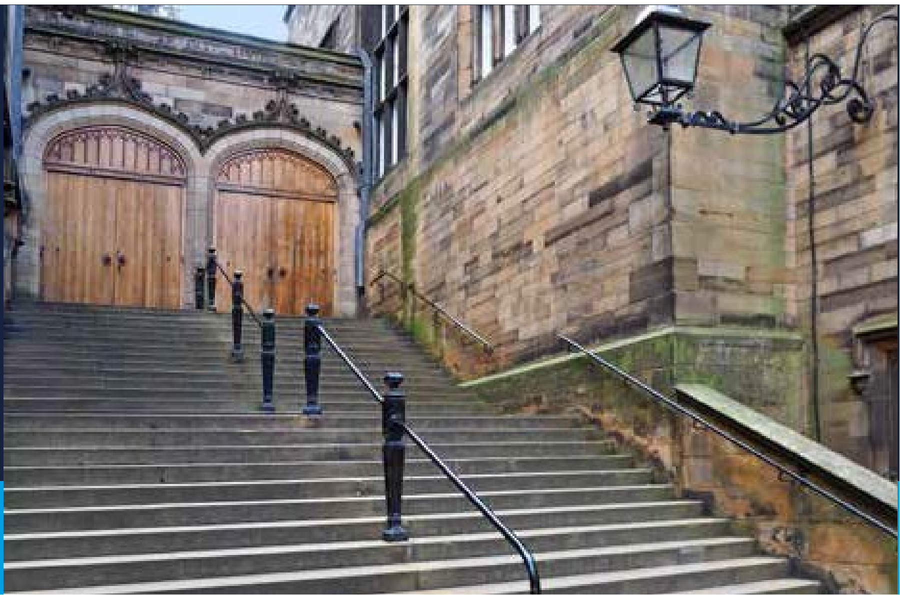
What is a deferred pension?
If you stop working at the University, you can choose to leave your benefits in the Scheme until you retire. If you do this, you will receive a deferred pension at retirement. Your deferred pension will be calculated in the same way as a normal pension, but based on the pension you earned each year up to the date you stopped working at the University, revalued (increased) annually up to the date of your retirement.

You may be able to take your preserved benefits early by notifying the Trustees of your plans in writing and with employer consent. If benefits are taken early, they will normally be reduced to reflect that they are being paid early.

Can I transfer my pension into another scheme?
As an alternative to leaving your benefits in the Scheme when you stop working at the University, you can apply to transfer the cash equivalent value of your deferred pension to another pension arrangement.

The transfer payment is calculated based on the current cash equivalent value (based on a complicated calculation by the Scheme Actuary) of your deferred pension. You have the right to request a statement of the cash equivalent transfer value every 12 months. In some circumstances, transfer value payments can be made only if both schemes are suitable and the Trustees of both schemes agree.

If you have made Additional Voluntary Contributions (AVCs), you must transfer the value of your AVC benefits out of the Scheme at the same time as your deferred pension. More details on this will be sent to you if you leave the Scheme.



Special Provisions

What if I work part-time?

If you work part-time, or have worked part-time for some of your Pensionable Service, your pension built up for service before 1 January 2011 will be adjusted to take this into account. Further detail is available from the Pensions Office.

Flexible Retirement

The Scheme operates flexible retirement. This allows members to start to draw some of their benefits while continuing to work. You can take up to 80% of your Scheme benefits, but to do this, you currently need to reduce your working hours and salary by at least 20%. Any benefits taken early will be reduced because they will be paid for longer.

This option is only available if your employer agrees to it and you give sufficient notice to the Trustees. Further details are available from the Pensions Office.

Former Employees of the Biotechnology and Biological Science Research Council (BBSRC)

Some members who transferred employment from the Biotechnology and Biological Services Research Council in Roslin on 1 May 2008 have special terms under the Scheme.

Members in this position may retire early under the Scheme from age 60 without the need for employer consent. In some situations where ill-health early retirement is taken, Pensionable Service under the Research Council's Pension Scheme may count towards any minimum Pensionable Service requirement before special ill-health early retirement terms apply.

Tax

The Scheme is registered with HM Revenue & Customs and provides you with a tax efficient way to save for your future. However, it is important you are aware that the Government imposes limits on how much you can save with a pension scheme without paying an additional tax charge.

There are two limits:

- The Annual Allowance restricts how much you can save each year without incurring an additional tax charge.
- The Lifetime Allowance restricts how much you can save over your entire life without incurring an additional tax charge.

Both limits apply to savings you may have across all UK pension schemes. Defined Benefit ("DB") pension schemes, like the Scheme, are included, as are Defined Contribution ("DC") pension schemes, such as the Scheme's AVC arrangement with Standard Life.

The Annual Allowance

This is a limit on the total amount of tax efficient pension savings across all pension arrangements (both DC and DB) you can make each year. If you exceed it, you may be subject to an additional tax charge for that year. Currently, the Annual Allowance (AA) is normally £40,000 unless your income for the year exceeds a particular level (as explained below). If you exceed the AA in a given year, you will need to pay a tax charge based on the amount of your pension benefits and savings in excess of the AA.

However, if you exceed the AA in any one year, you may offset the potential charge payable by carrying forward any unused AA from the previous three years.

Currently the AA of £40,000 also reduces on a sliding scale for individuals with a total annual income from all sources (not just their employment earnings), including all pension contributions, of over £150,000 (known as "adjusted income").

For every £2 of taxable adjusted income earned over £150,000, the AA of £40,000 will reduce by £1, with a lower limit of £10,000 for people with an adjusted income of more than £210,000.

The Lifetime Allowance

This is a limit on the total retirement benefit amount that you can accumulate across all your pension arrangements over your whole working lifetime before extra tax may be due. The Lifetime Allowance (LTA) is £1.055million as of 6 April 2019.

In some circumstances, you may be able to protect a higher value for your LTA. You can find out more information on your options to do this on the Government website at: https://www.gov.uk/guidance/pension-schemes-protect-your-lifetime-allowance.

How do I know if I am close to the tax allowances?

You are responsible for monitoring your retirement savings against the allowances. Calculating how your benefits in the Scheme compare against the Annual Allowance and the Lifetime Allowance is complicated. To help you, your annual benefit statement includes this calculation.

Getting help with tax

Understanding how pension tax applies to your benefits in the Scheme and across any other pension benefits you may have can be challenging. If you need support to understand how you may be affected, you should consider speaking to a FCA-regulated financial adviser. You can find an adviser in your area at www.unbiased.co.uk. You will need to pay for any advice you receive and should always check the charges and specialist areas of knowledge of an adviser before appointing them.

Further information

How is the Scheme run?

The Scheme is set up and run in accordance with its Trust Deed and Rules. Nothing contained in this booklet can override the Rules.

The Scheme's assets are held entirely separately from those of the University. The Scheme is managed by Trustees in the best interests of its members and their dependants and in accordance with its Rules.

The Scheme is registered and approved by HM Revenue & Customs under the Finance Act 2004.

Where can I get more information about the Scheme?

For general information about the Scheme, or if you have a query about anything contained in this booklet, you can contact the Scheme Administrator at:

UofE Staff Benefits Scheme
Hymans Robertson LLP
20 Waterloo Street
Glasgow G2 6DB

Email: uoe@hymans.co.uk

Your annual benefit statement

Each year, the Trustees send you a statement containing details of your benefits with the Scheme.

Trustees' Report and Accounts

Each year, the Trustees produce the independently audited Report and Accounts of the Scheme. You can request a copy of this from the Pensions Office.

What if I need advice?

Neither the Trustees nor the employer are permitted to give you any form of financial advice. For a list of FCA-regulated financial advisers in your area, visit www.unbiased.co.uk. You will need to pay for any advice you receive and should always check the charges and specialist areas of knowledge of an adviser before appointing them.

What should I do if I have a problem?

If you have a complaint relating to the Scheme, you should contact the Pensions Office.

If the matter cannot be resolved informally, the Scheme has a Formal Disputes Resolution Procedure and a full copy is available from the Pensions Office. Please note that you cannot use this procedure if your dispute is with the University.

At any time during the disputes procedure, you may refer the complaint to The Pensions Advisory Service (TPAS) or the Pensions Ombudsman (see below).

TPAS is available to assist you with any pension queries or any difficulties that you have failed to resolve with the Trustees.

You can contact TPAS at:

11 Belgrave Road
London
SW1V 1RB

Telephone: 0300 123 1047

Website: www.pensionsadvisoryservice.org.uk/

If TPAS is unable to resolve the dispute, you may contact the Pensions Ombudsman who can investigate and determine any complaint or dispute of fact or law in relation to an occupational pension scheme. The Pensions Ombudsman can also be contacted by writing to the above address or by telephone on 0207 630 2200 or at: enquiries@pensions-ombudsman.org.uk

Further information

What if I get divorced or dissolve a civil partnership?

Pension rights are always taken into account as part of your assets when the court is arranging a divorce settlement or a dissolution order of a civil partnership. The Trustees must comply with any order made by the court in divorce or dissolution proceedings and the order may affect your benefit rights under the Scheme, including any benefits payable on your death.

Assigning your Scheme benefits

Your Scheme benefits are strictly personal and cannot be assigned to any other person or used as security for a loan.

Changing or winding-up the Scheme

In line with legal requirements, whilst the University has every intention of maintaining the Scheme the Trust Deed and Rules contain provisions to amend, close or discontinue the Scheme.

Data protection

The Trustees hold personal data provided by you (and where appropriate, by third parties such as the University or medical advisors) and use that data, including sharing it with others (e.g. the scheme administrator) in order to run the Scheme.

The Trustees and the Scheme actuary are data controllers under the UK Data Protection Act 2018 and the EU General Data Protection Regulation, which came into effect on 25 May 2018. The Trustees have taken steps to ensure that they and any party to whom they pass your data complies with the new requirements.

You can read more about how the Trustees use your data in the Scheme's privacy notice, which is available at any time by contacting the Pensions office at pensionsmanager@ed.ac.uk

Other helpful sources of information

The Pensions Regulator (TPR)

The Pensions Regulator (TPR) is responsible for regulating UK pension arrangements. It has power 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:

Napier House
Trafalgar Place
Brighton
East Sussex
BN1 4DW

Telephone: 0345 600 7060

Website: http://www.thepensionsregulator.gov.uk/

The Pension Tracing Service

The Pension Tracing Service, run by the Department for Work and Pensions (DWP), holds details of all occupational pension funds. If you need help to trace pension benefits from previous employment, for example if you leave and lose touch with your employer, you can ask for free help by contacting:

The Pension Service 9
Mail Handling Site A
Wolverhampton
WV98 1LU

Telephone: 0345 6002 537

Website: https://www.gov.uk/find-pension-contact-details

The Money Advice Service

The Money Advice Service is an independent source of information on personal finances, including pensions, available at:

The Money Advice Service
Holborn Centre
120 Holborn
London
EC1N 2TD

Telephone: 0800 138 7777

Email: enquiries@moneyadviceservice.org.uk

Website: www.moneyadviceservice.org.uk

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Additional Voluntary Contributions (AVCs)
Contributions which you choose to make to the Scheme in addition to the contributions that you and the University make automatically.

Annual Allowance
This is a limit on the total amount of tax efficient pension savings across all UK pension arrangements you can make each year. If you exceed it, you may be subject to an additional tax charge for that year.

Annual Salary
The amount of basic earnings from the employer.

Deferred pension
If you are a member of the Scheme and cease employment at the University you change from being an active member to a deferred member. If you are a deferred member, your pension becomes a deferred pension and is no longer adjusted in accordance with changes in your salary.

Defined Benefit ("DB") scheme
A type of pension scheme where a member's benefits in retirement are based on a formula related to their salary and years of service in the scheme. This is also known as a final salary scheme. The Scheme is a DB scheme.

Defined Contribution ("DC") scheme
A type of pension scheme where a member's benefits in retirement are based on the amount a member (and their employer if applicable) contributes into the scheme and the investment growth of the funds that the member's contributions are invested in. This is also known as a money purchase scheme. The Scheme's AVC arrangement with Standard Life is on a DC basis.

Final Pensionable Salary
This is the greater of:

- the highest amount of your basic earnings received from the employer of any 12 consecutive months during the 3 years immediately before you retire, leave the Scheme or die, and
- the highest yearly average of the best 3 consecutive calculations of annual basic earnings from the employer in the 10 years before retirement, leaving service or death.

Guaranteed Minimum Pension
The part of your pension earned up to 5 April 1997 that is roughly equal to the pension that you would have received from the State Earnings-Related Pension Scheme if you had not been contracted out.

Lifetime Allowance
This is a limit on the total retirement benefit amount that you can accumulate across all your pension arrangements over your whole working lifetime before extra tax may be due.

Normal retirement age
The normal retirement age for members of the Scheme is broadly linked to your State Pension Age, which is set by the Government and is explained in more detail in this booklet. It corresponds with your Normal Retirement Date under the Scheme's Rules. Once you reach normal retirement age you will be able to retire and receive your cash lump sum and pension from the Scheme. Under certain circumstances you may be able to retire before your normal retirement age.

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Pensions Plus
This is the process used for paying contributions into the Scheme on your behalf. Pensions Plus ensures that payments are taken from your salary before Income Tax and National Insurance Contributions are deducted.

Pensionable salary
Your pensionable salary is your basic annual salary plus any additional allowances that may have been agreed in your contract.

Pensionable service
Pensionable service is Service in which you are an active member of the Scheme. In the calculation of benefits earned before 1 January 2017, it is the total number of years and days you have been a member of the Scheme, plus any additional pensionable service that may have been granted to you as a result of a transfer payment from a previous pension scheme.

State Pension Age
Your State Pension age is the earliest age you can start receiving your State Pension. You can find out your State Pension Age online at:
https://www.gov.uk/state-pension-age.

Trustees
The Trustees are a group of individuals responsible for running the Scheme in the best interests of all its members and ensuring that the relevant regulation and laws are adhered to.