



UODSS & Your Pension Benefits

University of Dundee Superannuation and Life Assurance Scheme (UODSS)

Factsheet 11 – Pension Increases

Once in payment, your pension will increase each year to provide protection against the effects of inflation. This factsheet sets out details of how your pension will increase.

HOW WILL MY PENSION INCREASE?

After it comes into payment your pension will increase each year on 1 April. The increase applied depends on when your benefits were built up as described in the table below:

When your benefits were built up	Pension increases
From 1 August 2011	In line with the annual increase in the CPI, subject to a maximum of 5% each year
Between 1 August 2009 and 31 July 2011	In line with the annual increase in the RPI, subject to a maximum of 5% each year
Between 6 April 1997 and 31 July 2009	In line with the annual increase in the RPI, subject to a minimum of 3% and maximum of 5% each year
Before 6 April 1997 (in excess of Guaranteed Minimum Pension)	The fixed rate of 3% each year

A part year increase will be applied in the first year that your pension comes into payment. The University may decide under the terms of the Scheme to provide further increases to pensions in payment.

Guaranteed Minimum Pension (GMP)

GMP is divided into two parts, pre '88 GMP and post '88 GMP.

- Pre '88 GMP refers to your GMP and your spouse's GMP earned during your membership of the Scheme to 5 April 1988.
- Post '88 GMP refers to your GMP and your spouse's GMP earned during your membership of the Scheme from 6 April 1988 to 5 April 1997.

After you retire, the Scheme must provide a statutory minimum increase on the post '88 GMP. This statutory minimum increase each year is 3% or the rise in the Consumer Prices Index (CPI) if less.

In addition, if you reached State Pension Age prior to 6 April 2016, the State is responsible for providing the following increases on the GMP:

- if the rise in the CPI is more than 3% in a year, the State provides the balance of any inflationary increase (as measured by the CPI) above 3% on the post '88 GMP;
- full inflationary increases (as measured by the CPI) on the pre '88 GMP.

If you reached State Pension Age after 6 April 2016, you will not receive any increases on your GMP from the state (but you will receive the new State Pension, see [Factsheet 17 – State benefits](#)).

Pension Increase Exchange (PIE)

Shortly before you retire, you may be provided with the option of giving up pension increases in return for a higher pension. The PIE is only applicable on part of your pension built up before 6 April 1997, and in excess of your Guaranteed Minimum Pension.

Full details of this flexibility, should it be available to you, will be provided in your retirement quotation.

AVCs

If you have paid AVCs and purchased an additional pension, the increase applied will be decided when you buy the pension. You can choose whether to have a pension that increases at a flat rate or one which increases in line with CPI or even one with no increases. The type of pension you choose will be reflected in the price and you may wish to consult an Independent Financial Advisor before you make a decision.





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WILL MY PENSION INCREASE AFTER I DIE?

If you die, the pension payable to your dependents will increase in the same way as your own pension would increase (after taking into account any pension increases given up as part of a Pension Increase Exchange).

For further details on the death benefits paid under UODSS please see [Factsheet 12 – Death Benefits](#).

IMPORTANT NOTE

This factsheet provides a summary of your retirement benefits. However, your legal rights are governed by the Trust Deed and Rules of UODSS. 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.

