



## University of Dundee Superannuation and Life Assurance Scheme (UODSS)

### Factsheet 1 – Definitions

You will find several words and phrases which are used throughout the accompanying Members' Guide and Factsheets which you may not have encountered before. This factsheet includes definitions of the key words and phrases used.

#### ANNUAL ALLOWANCE

This is an allowance for the amount of contributions and/or benefits that you can build up each year tax efficiently. The maximum you can pay personally into all of your pension arrangements and receive tax relief on each year is 100% of your UK earnings, up to the Annual Allowance. The Annual Allowance for the current tax year can be found on the following website:

[www.gov.uk/government/publications/rates-and-allowances-pension-schemes/pension-schemes-rates](http://www.gov.uk/government/publications/rates-and-allowances-pension-schemes/pension-schemes-rates)

#### CAREER AVERAGE REVALUED EARNINGS (CARE)

Benefits accrued from 1 August 2011 are calculated on a CARE basis. CARE benefits consist of blocks of pension and cash built up in a particular year which are then increased until retirement in line with inflation.

#### CONSUMER PRICES INDEX (CPI)

This is the Government's Index of Consumer Prices and is a measure of inflation. Some of your benefits will increase in line with the CPI.

#### FINAL PENSIONABLE SALARY

This is the greater of:

- your highest basic earnings (before any Salary Sacrifice and excluding any special pay such as (but not restricted to) bonus, commission or non-contractual overtime, but including any contractual overtime) received during any 12 consecutive months in the three Scheme Years ending with the Scheme Year immediately before you retire or leave Pensionable Service.
- your basic earnings (before any Salary Sacrifice and excluding any special pay such as (but not restricted to) bonus, commission or non-contractual overtime, but including contractual overtime) received during the 12 months ending on the date you retire or earlier date of leaving Pensionable Service.

Final Pensionable Salary is rounded to the next £1.

#### GUARANTEED MINIMUM PENSION ("GMP")

This is the minimum pension which the Scheme has to provide for you (and your spouse) for any Pensionable Service completed before 6 April 1997 while you were contracted-out of SERPS.

#### INCAPACITY

This means physical or mental deterioration of health which in the opinion of the Trustees prevents the Member from following his normal employment or severely impairs his earning capacity. It does not mean simply a decline in energy or ability.

#### LIFETIME ALLOWANCE

This is an allowance for the total value of pension benefits you can build up tax-efficiently during your lifetime. When you take any benefits from the Scheme, their value will be checked against your available Lifetime Allowance. The Lifetime Allowance for the current tax year can be found on the following website:

[www.gov.uk/government/publications/rates-and-allowances-pension-schemes/pension-schemes-rates](http://www.gov.uk/government/publications/rates-and-allowances-pension-schemes/pension-schemes-rates)

#### NORMAL PENSION DATE

This is your 65th birthday.

#### PENSIONS OFFICE

All enquiries relating to the Scheme should be referred to the Pensions Office at the following address:

Pensions Office  
University Pensions Office  
University of Dundee  
Dundee  
DD1 4HN

#### PENSIONABLE SALARY

This is determined each time you receive a payment of earnings from your Employer and is the amount of your basic earnings (excluding any special pay such as (but not restricted to) bonus, commission or non-contractual overtime, but including contractual overtime) on that date.

Where Pensionable Salary is used to calculate benefits payable on death in Pensionable Service, it will be the annual rate calculated as at the date of your death, before any Salary Sacrifice.





# UoDSS & Your Pension Benefits

## PENSIONABLE SERVICE

This is the period of service you complete with the Employer after you join the Scheme. It normally ends on your Normal Pension Date, or when you leave the Scheme if earlier. You can be treated as continuing in Pensionable Service while you are temporarily absent from work, although this is normally at the Employer's discretion. Pensionable Service can be continued for up to 10 years; or longer if you are absent due to ill-health.

**Note:** If you are covered for a death in service benefit before you qualify for full membership you are treated as being in Pensionable Service only for the purpose of qualifying for death benefit. This service does not count towards your pension once you become a full member.

For more information please see [Factsheet 12 – Death Benefits](#).

## RETAIL PRICES INDEX (RPI)

This is the Government's Index of Retail Prices and is a measure of inflation. Some of your benefits will increase in line with the RPI.

## SALARY SACRIFICE

This is a method of making savings on National Insurance contributions by reducing the amount of contractual pay. Employees give up a proportion of their salary equal to the amount of their pension contribution and the University makes additional contributions to the Scheme of the same amount. The reduction in salary means that the national insurance contributions paid by both the employee and employer are reduced. As a result, an employee's take home pay is usually increased.

## SCHEME

This is the University of Dundee Superannuation & Life Assurance Scheme (UODSS).

## SCHEME YEAR

This is a period of twelve months commencing on 1 August each year.

## SPOUSE

This is your husband, wife or civil partner at the date of your death. References to marriage and divorce also apply in relation to civil partnership or dissolution of civil partnership respectively.

## STATE PENSIONABLE AGE

This has traditionally been 65 for men and 60 for women. However, State Pensionable Age was harmonised for men and women at age 65 in November 2018. The State Pensionable Age will rise in the future and further rises over and above those legislated for by the Government are expected. If you would like to find out your State Pension Age, you may wish to use the calculator provided by the Government available at:

[www.gov.uk/state-pension-age](http://www.gov.uk/state-pension-age)

## TRUSTEES

The Trustees are responsible for the management and administration of the Scheme and also for the safekeeping of the money and investments used to pay benefits. Some of their other duties and powers are described in various sections of the booklet.

A number of the Trustees are appointed by the Employer. However, legislation requires that at least one third of the Trustees are nominated by the Scheme's active and retired membership. These Trustees are known as Member Nominated Trustees. If you would like further information about this, or wish to know the names of the current Trustees or how to contact them, please ask the Pensions Office.

## IMPORTANT NOTE

This factsheet provides a summary of the definitions of technical terms you may encounter in the Members' Guide and Factsheets. 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.

