

USS

Main features of Universities Superannuation Scheme

A guide for independant
financial advisers



Main features of Universities Superannuation Scheme

This guide is designed to support Independent Financial Advisers (IFAs) in their work with members of Universities Superannuation Scheme. This document describes arrangements under the USS trust deed and rules (Rules) as they are understood at the date of issue. Whilst every care has been taken in preparing the factsheet, if there is found to be any discrepancy between the document and the Rules, the latter will take precedence.

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Sections of the scheme and eligibility to participate

Retirement Income Builder from 1 April 2016

- Existing active members of final salary and CRB on 31 March 2016
- New members of USS joining on or after 1 April 2016

Investment Builder (defined contribution) from 1 October 2016

- Members earning in excess of the salary threshold (described in the "salary" section below)
- Members paying additional voluntary contributions
- Members who have transferred in benefits since 1 October 2016

Eligibility to join

- Full-time and part-time staff
- Employer participates in USS
- Post is pensionable according to contract of employment (may differ for each employer participating in USS)
- Employees on variable time contracts

For details of the historic sections of the scheme please click [here](#)

Retirement age - current

Retirement age

- Normal Pension Age is 66 for members with service after 5 October 2020, increasing in line with State Pension age (65 prior to 6 October 2020)
- Minimum retirement age from 6 April 2010 is 55 (unless retirement is due to incapacity)
- Exception: If a member has a Protected Pension Age (PPA) they may be eligible to access their pension from age 50. The criteria for a PPA is:
 - If you are aged 50 or more, with five years' service, are made redundant and you have been paying into USS continuously since 5 April 2006, you will be entitled to access your pension from age 50.
 - If you left USS on or before 5 April 2006, aged 50 or more, with five years' service and either left at the request of the employer or were made redundant, you can receive your pension from age 50.
- The retirement ages for men and women were equalised from 1 April 1995
- Details on the dates in which different early retirement factors would apply is available [here](#)

Calculation of pensionable salary - current

Salary – for CRB and Retirement Income
Builder members

- Both sections are Career Average Revalued Earnings (CARE) and benefits are calculated using the member's salary earned during the scheme year, up to the salary threshold
- A salary threshold was implemented from 1 October 2016, starting at £55,000 per year. This is automatically revalued each April in line with increases in official pensions (currently linked to CPI), subject to certain caps (further information can be found in the revaluation section of this guide).
- Following a review of the scheme benefit design, the value of the salary threshold for the scheme year 2022/23 was reduced to £40,000 per year, revaluing annually thereafter
- Following a review of the scheme benefit design, the value of the salary threshold for the scheme year 2024/25 was increased to £70,296 per year, revaluing annually thereafter
- The current value of the salary threshold for the scheme year 2025/26 is £71,484 per year
- Following a review of the scheme benefit design, an additional one-off uplift of £215 pension and £645 lump sum was added to member's CARE accrual in the 2023/2024 scheme year

Member contributions (current)

Retirement Income Builder members – from 1 January 2024

- Members pay 6.1% of salary until age 66 or 40 years' pensionable service is completed, whichever is earlier. At that point the member can choose whether to continue making contributions to the scheme. Employer contributions must also be paid if the member elects to continue. For, service after 1 October 2016, contributions to the Retirement Income Builder are limited to the salary threshold (£71,484 for 2025/26).
- To calculate a member's monthly contribution we use a pension limit of £5,957 (for 2025/26).

Investment Builder members – from 1 January 2024

- Members pay 6.1% of salary and contributions of 6.1% relating to salary above the threshold are invested in their individual Investment Builder account
- 13.9% of employer contributions in respect of the same salary are also invested in the members Investment Builder account
- A member can enhance retirement savings by making Additional Voluntary Contributions.

Investment Builder & Retirement Income Builder members – from 1 January 2024

- Member contributions pay to 6.1% of salary and contributions of 6.1% relating to salary above the threshold are invested in their individual USS Investment Builder account.
- Employer contributions increased to 14.5% of salary. Up to the salary threshold, all of this is invested for Retirement Income Builder benefits, while 13.9% in respect of the same salary above the salary threshold is invested in the member's Investment Builder account.
- A member can enhance retirement savings by making Additional Voluntary Contributions.

For details on the previous contribution rates please see [here](#)

Standard pension on normal retirement – current

Retirement Income Builder members

- From 1 April 2024, 1/75th of salary up to the salary threshold.
- The annual accrued pension amount and any benefits built up before 1 April 2016 are revalued (see below) to the date at which the benefits become payable.

Revaluation and pension increases

Retirement Income Builder annual revaluation whilst in or when first leaving active membership

- Accrued annual pension and lump sum benefits are not revalued until the end of the following benefit year (or earlier if the member retires or leaves active membership part way through the following benefit year – see below). Annual revaluations will then be applied each April. For example, any benefits accrued from 1 April 2024 to 31 March 2025 will receive their first increase in April 2026.
- Under the scheme's rules, Retirement Income Builder benefits (including any final salary or CRB benefits built up before 1 April 2016) are revalued in line with 'official pensions' (currently linked to CPI) subject to certain caps detailed in the following points. The rate of increase of official pensions is set out in an annual Pensions Increase Review Order (Increases Order) published by HM Treasury.
- For benefits built up from 1 October 2011, certain caps apply. USS will match official pension increases up to 5%. Where the increase exceeds 5%, one-half of the excess above 5% will be taken into account with an upper ceiling to the total increase applied of 10% in all cases.
- Where a member retires or leaves active membership part way through a year (i.e. any day other than 31 March), proportionate revaluation applies to their Retirement Income Builder benefits (including any final salary or CRB benefits built up before 1 April 2016) accrued to the prior 31 March and is based on the Increases Order that came into force immediately before a member leaves active membership. This is based on the number of months worked after 31 March of the relevant benefit year, rounded up to a full month. E.g. if a member leaves or retires on 1 August 2025, they would receive 5/12 of the rate from the Increases Order 2025. This approach wouldn't apply if a member leaves the Scheme on 31 March. E.g. if a member leaves or retires on 31 March 2026, they would receive a full year's increase (12/12 of the increase) based on the Increases Order 2026 for their Retirement Income Builder Benefits*. However, if they leave or retire on 30 March 2026, they would get 12/12 of the increase based on the Increases Order 2025.

*Any CRB benefits built up during a member's final benefit year would however not be increased as an active member as these benefits would have only just been earned (and would not therefore receive any inflation protection).

- Particular revaluation treatment applies if a member has paid additional contributions to purchase more benefits under a contract entered into before 1 April 2016 where the contributions continued after that date, and/or they transferred benefits into USS after 31 March 2016 but prior to 1 October 2016. Should more information be required, the IFA should get the member's authority to contact us at 0333 300 1043.

Revaluation and pension increases (continued)

GMP

- USS allows for GMPs to be revalued at the full rate in accordance with Section 148 orders
- For service accrued before 1 October 2011, USS pensions are increased in the same way as 'official pensions'
- For service accrued from 1 October 2011, USS pensions are increased in the same way as 'official pensions' subject to the caps as detailed in the revaluation section above
- If a member leaves active membership part way through a year (i.e. any day other than 31 March) the 'official pensions' increase is applied in a proportional way to reflect that.
- The official pensions increase used is taken from the Pensions Increase (Review) Order, made by the Government, that comes into force in April of each year. It currently provides a rate of increase in line with the prior September-to-September increase in the Consumer Prices Index (CPI), pro-rated for leavers during the relevant year. It does so using tables which state the increase to be applied, based on where a member's leaving date falls within 12 monthly date ranges or bands. These bands vary each year, so if a member leaves part way through a month, the increases that apply could also vary, depending on when in the month the member leaves active membership.
- Some examples of how this interacts with revaluation of benefits for the part of the year where the member was in active membership (see above) are set out below. Please note these examples assume that the monthly date bands do not change from those used in the Increases Order 2025.

If a member left the Scheme or retired on 31 May 2025:

- they worked and actively paid in to USS in two months of the 2025-26 benefit year, so a proportionate increase of 2/12 of the rate from the Increases Order 2025 would apply to the Retirement Income Builder benefits they had built up, up to and including 31 March 2025. (The two months' benefits built up after 31 March 2025 would not receive any inflation protection at that time.)
- They would also get revaluation of 10/12 of the rate from the Increases Order 2026, applied from April 2026 to all of their Retirement Income Builder benefits.
- They would then receive annual increases at the annual rate under the following Increases Orders thereafter.

Revaluation and pension increases (continued)

Pension increases (for deferred and pensioner members)

If a member left the scheme or retired on 1 May 2025:

- They worked and actively paid in to USS in two months of the 2025-26 benefit year, so a proportionate increase of 2/12 of the rate from the Increases Order 2025 would apply to the Retirement Income Builder benefits they had built up, up to and including 31 March 2025. (The benefits built up after 31 March 2025 would not receive any inflation protection at that time.)
- They would get revaluation of 11/12 of the rate from the Increases Order 2026, applied from April 2026 to all of their Retirement Income Builder benefits.
- They would then receive annual increases at the annual rate under the following Increases Orders thereafter.

If they left on 31 March 2025, after having worked and paid in to USS for a full benefit year, immediately before leaving or retiring:

- As they worked and actively paid in to USS for the full 2024-2025 benefit year, an increase of 12/12 of the rate from the Increases Order 2025 would apply to the Retirement Income Builder benefits they had built up, up to and including 31 March 2024.
- They would get revaluation of 12/12 of the rate from the Increases Order 2026, applied from April 2026 to all of their Retirement Income Builder benefits.
- They would then receive annual increases at the annual rate under the following Increases Orders thereafter.

All of the above increases would be subject to the caps detailed in the revaluation and pension increases section of this guide.

Standard cash lump sum on retirement

Retirement Income Builder members

- Standard annual accrued pension, as described above, multiplied by three
- The tax-free cash at retirement is in addition to pension

Investment Builder members

- Savings in the USS Investment Builder can be taken with benefits from the Retirement Income Builder
- Funds previously held with Prudential can be converted to pension. All other Investment Builder funds can only be taken as cash up to HMRC limits.
- Alternatively these savings may be accessed using DC flexibilities; such as UFPLS (uncrystallised funds pension lump sum), or purchasing an annuity on the open market
- Withdraw some or potentially all as a tax free cash lump sum

Commutation options on retirement

- Reduce tax-free cash sum (to as low as zero) to increase pension
- Reduce pension to maximise tax-free cash sum (up to a maximum of 25% of the value of accrued benefits)

Note: Maximum tax-free cash from 6 April 2006 cannot exceed 25% of Lifetime Allowance

Tax Charges

Lifetime Allowance (LTA), Lump Sum Allowance (LSA) & Lump Sum and Death Benefit Allowance (LSDBA)

- The LTA was introduced with effect from 6 April 2006.
- Up until 5 April 2023 a member's excess benefits from all sources over the LTA will be subject to a recovery charge at 55% on lump sums and 25% on pensions.
- From 6 April 2023 until 5 April 2024 the LTA tax charge was abolished. Tax is paid on benefits in excess of the LTA based on the member's marginal tax rate
- From 6 April 2024 LSA was introduced and is the limit on the amount of tax-free lump sum benefits that can be received across all pension schemes, before paying tax at marginal rate
- The current LSA limit is £268,275
- From 6 April 2024 LSDBA was introduced and is the limit on the amount of tax-free lump sum benefits that can be received across all pension schemes, before the individual or beneficiaries, pay tax at marginal rate
- The current LSDBA limit is £1,073,100

Annual Allowance (AA) limit

- This is a maximum limit for the tax approved benefits which an individual may accrue in any one year. Any growth in benefits in excess of the AA will be subject to a recovery charge on the excess
- The current AA limit is £60,000
- Members may have a personal AA lower than the standard AA if they are subject to the AA taper
- Members who flexibly access pension benefits from a money purchase arrangement are subject to a Money Purchase Annual Allowance (MPAA) The pension input period (PIP) runs from 6 April to the following 5 April, subject to HMRC regulations
- The AA limit does not apply on the death of a member or to the PIP in which total incapacity retirement occurs

Benefits payable on death-in-service

Retirement Income Builder and Investment Builder members

Lump Sum:

- Greater of:
 - 3 x annual salary
 - aggregate of lump sum accrued for each year of pensionable service up to age 65 (subject to a maximum of 40 years) plus any deferred lump sum from a prior period of membership (benefits are not limited to the salary threshold)
- Refund of savings in respect of voluntary member contributions (excluding the employer match) invested in the Investment Builder
- Refund of savings in respect of transferred-in benefits invested in the Investment Builder
- No refund of Retirement Income Builder contributions.
- Lump sum is paid in addition to spouse's/civil partner's/dependant's pension

Spouse's/Civil Partner's/Dependant's Pension:

- $\frac{1}{2}$ of accrued pension for each year of pensionable service but based on full salary, up to age 65 (subject to a maximum of 40 years)
- If the member is over age 65, pension based on member having retired on the day before death; $\frac{1}{2}$ accrued pension at date of death, but based on full salary, plus a late retirement factor (subject to a maximum of 40 years).

Benefits payable on death-in-deferment

Final salary members until 31 March 2016

Lump Sum:

- Three times value of annual pension at date of death
- No refund of contributions

Spouse's/Civil Partner's/Dependant's Pension:

- 1/160th of pensionable salary for each year of pensionable service up to date member left USS, plus indexation from date of leaving to date of death

Retirement Income Builder and Investment Builder members

Lump Sum:

- Three times value of annual pension at date of death
- Refund of Investment Builder account
- No refund of Retirement Income Builder contributions

Spouse's/Civil Partner's/Dependant's Pension:

- $\frac{1}{2}$ of annual accrued pension up to date of member leaving USS, plus indexation from date of leaving to date of death

Benefits payable on death-in-retirement

Final salary members who retired prior 31 March 2016

Lump Sum:

- Possible lump sum benefit (in addition to the lump sum paid to the member upon retirement) should death occur within five years of retirement. If the member retired on total incapacity grounds and is under age 65 at date of death a lump sum may be payable even if retirement was more than five years prior to death

Spouse's/Civil Partner's/Dependant's Pension:

- 1/160th of pensionable salary for each year of pensionable service up to date of member's retirement, plus indexation from date of retirement to date of death

Retirement Income Builder and Investment Builder members

Lump Sum:

- Possible lump sum benefit (in addition to the lump sum paid to the member upon retirement) should death occur within five years of retirement. If the member retired on total incapacity grounds and is under age 65 at date of death a lump sum may be payable even if retirement was more than five years prior to death
- Refund of Investment Builder account

Spouse's/Civil Partner's/Dependant's Pension:

- $\frac{1}{2}$ of annual accrued pension up to date of member's retirement, plus indexation from date of retirement to date of death

Information on beneficiaries following a member's death

Eligible child annuities

- Payable as of right if the child is under the age of 18 or until the child attains the age of 23 years if undergoing full-time education approved by the trustee company;
- Payable beyond the age of 23 years if the child is physically or mentally incapable of being self-supporting
- Annuities can be paid to any number of eligible children up to a maximum equivalent in total of:
 - Three-quarters of the pension the member would have received, based on service to age 65 (death-in-service) or
 - Three-quarters of the pension the member was in receipt of at date of death (death after retirement/death-in-deferment)
- If only one child is eligible the amount payable is equivalent to three eighths of pension

Information on beneficiaries following a member's death

Dependants' benefits

- May be payable if a member is not married or has not entered into a civil partnership at date of death, whether in service, during deferment or after retirement
- The total amount of pension payable to a dependant cannot exceed the amount which would have been payable to a spouse. The amount payable to a dependant can be divided amongst more than one dependant
- A dependant is someone who, in the opinion of the trustee company, was either wholly or partly financially dependent on the member at the time of death or dependent because of any physical or mental disability

Transfers

Transfers in

- Transfers in to USS are permitted at the discretion of the trustee and are only available to active members of USS
- Transfers in are made to the Investment Builder (the DC section) and are typically available for most UK registered schemes and overseas arrangements that qualify as Recognised Overseas Pension Schemes (ROPS)
- All transfers will be paid into the Investment Builder.
- Further details regarding equalisation of benefits, guarantee periods, and actuarial reduction can be found on the USS website

Transfers out

- All members (including active members) are eligible to transfer out their Investment Builder and/or any Prudential AVCs to a registered pension scheme
- Deferred members may transfer their Retirement Income Builder benefits out to a registered pension scheme if they are under Normal Pension Age (currently 66)

Limitation introduced by Finance Act 1989 on pensionable remuneration in an occupational pension scheme for both benefit and contribution purposes. Applies in particular to final remuneration. Relevant only for post-89 members, and pre-87 and 87-89 members who have taken the post-89 option.

Tax Year	Earnings Cap
1989-90	£60,000
1990-91	£64,800
1991-92	£71,400
1992-93	£75,000
1993-94	£75,000
1994-95	£76,800
1995-96	£78,600
1996-97	£82,200
1997-98	£84,000

Tax Year	Earnings Cap
1998-99	£87,600
1999-00	£90,600
2000-01	£91,800
2001-02	£95,400
2002-03	£97,200
2003-04	£99,000
2004-05	£102,000
2005-06	£105,600
2006-07	£108,600

The earnings cap is removed with effect from 6 April 2006 but the USS rules will allow employers the option of retaining a scheme specific cap with the consent of the employee. The scheme specific cap will be calculated in accordance with the mechanism used to calculate the statutory earnings cap as per ICTA 1988 590c.

Tax year	LTA	AA*	Scheme cap
2006-07	£1.5m	£215,000	£108,600
2007-08	£1.6m	£225,000	£112,800
2008-09	£1.65m	£235,000	£117,600
2009-10	£1.75m	£245,000	£123,600
2010-11	£1.8m	£255,000	£123,600
2011-12	£1.8m	£50,000	£129,600
2012-13	£1.5m	£50,000	£137,400
2013-14	£1.5m	£50,000	£141,000
2014-15	£1.25m	£40,000	£145,800
2015-16	£1.25m	£40,000	£149,400
2016-17	£1.00m	£40,000	N/A
2017-18	£1.00m	£40,000	N/A
2018-19	£1.03m	£40,000	N/A
2019-20	£1.055m	£40,000	N/A
2020-21	£1.0731m	£40,000	N/A
2021-22	£1.0731m	£40,000	N/A
2022-23	£1.0731m	£40,000	N/A
2023-24	£1.0731m	£60,000	N/A

*Effective date is 1 April with effect from 1 April 2007

Tax year	LSA*	AA	Scheme cap
2024-25	£268,275	£60,000	N/A
2025-26	£268,275	£60,000	N/A

*LSA formally replaced LTA on 6 April 2024

Start Date	Salary Threshold
1 Oct 2016	£55,000
1 April 2017	£55,550
1 April 2018	£57,216.50
1 April 2019	£58,589.70
1 April 2020	£59,585.72
1 April 2021	£59,883.65
1 April 2022	£40,000.00
1 April 2023	£41,004.00
1 April 2024	£70,296.00
1 April 2025	£71,484.00

Pension increase factors

Year	% Increase
1997	3.00*
1998	3.60
1999	3.20
2000	2.10**
2001	3.30
2002	1.70
2003	1.70
2004	2.80
2005	3.10
2006	2.70
2007	3.60
2008	3.90
2009	5.00
2010	0.00
2011	3.10***
2012	5.2****
2013	2.2
2014	2.7
2015	1.2
2016	0.00
2017	1.00
2018	3.00
2019	2.4
2020	1.7
2021	0.5
2022	3.1
2023	10.1****
2024	6.7****
2025	1.7

*Includes a discretionary increase of 0.90% awarded by USS

** Includes a discretionary increase of 1.00% awarded by USS

*** Change to CPI

**** Subject to USS cap for post 1 October 2011 service (1/2 of excess of 5%, limited to 10% overall)

The table below shows the percentage of pension and lump sum to be allowed in the event of a member retiring early. The spouse's pension should not be reduced on early retirement.

Factor to be applied from 1 October 2024		
Number of years of early retirement	Male %	Female %
1	94.8	94.8
2	90.0	90.0
3	85.5	85.5
4	81.4	81.4
5	77.5	77.5
6	74.0	74.0
7	70.6	70.6
8	67.5	67.5
9	64.6	64.6
10	61.8	61.8
11	59.3	59.3
12	56.8	56.8
13	54.5	54.5
14	52.4	52.4
15	50.3	50.3

Notes

1. The factors should be interpolated for partial years of early retirement.
2. The same factor applies irrespective as to whether the member retires from active employment or deferred status.
3. These factors are subject to review following each triennial actuarial valuation.

Pension Converted to Lump Sum

Age	Unisex
55	18.959
56	18.657
57	18.349
58	18.033
59	17.71
60	17.379
61	17.038
62	16.687
63	16.324
64	15.95
65	15.565
66	15.168
67	14.76
68	14.343
69	13.917
70	13.898
71	13.046
72	12.603
73	12.155
74	11.704
75	11.247

Lump Sum converted to Pension

Age	Unisex
55	23.41
56	22.93
57	22.45
58	21.96
59	21.47
60	20.97
61	20.46
62	19.95
63	19.43
64	18.9
65	18.36
66	17.81
67	17.25
68	16.68
69	16.12
70	15.54
71	14.97
72	14.4
73	13.82
74	13.25
75	12.68

Sections of the scheme and eligibility to participate - historic

Final salary until 31 March 2016

- Existing active members of USS on 30 September 2011, including those who left on or after 1 October 2011 and re-joined USS within a period of 30 months
- Members who left USS before 1 October 2011 and re-joined before 31 March 2014
- Deferred members with service prior to 1 October 2011 will have final salary benefits ending on their last day of service

Career Revalued Benefits (CRB) until 31 March 2016

- New members of USS joining on or after 1 October 2011
- Members who were active members of USS on 30 September 2011 who left on or after 1 October 2011, and re-joined USS after a period of 30 months
- Members who left USS before 1 October 2011 and re-joined after 31 March 2014

Retirement ages and calculation of pensionable salary - historic

Retirement ages

- If an early retirement factor is applied to benefits, in most instances the following deductions will apply:

Service before 17 May 1990 (unless member's contractual pension age is lower)

Men: 65

Women: 60

Service from 17 May 1990 to 31 March 1995

Men: 60

Women: 60

Service from 1 April 1995 to 30 September 2011 (unless member's contractual pension age is lower)

Men: 63 ½

Women: 63 ½

Service from 1 October 2011

Men: 65

Women: 65

Service from 6 October 2020

Men: 66, increasing in line with State Pension age

Women: 66, increasing in line with State Pension age

Retirement ages and calculation of pensionable salary - historic

Pensionable salary

– only relevant to final salary members and members with a transfer in to the Retirement Income Builder

- The below are calculated to the earlier of date of ceasing membership and 31 March 2016, increased in line with the scheme revaluation (further information can be found in the revaluation section of this guide):
- Pensionable salary is calculated at the date of ceasing employment as follows:
 - The salary a member has earned whilst a member of USS for each of the 13 years previous to the date on which pensionable salaries to be calculated is noted
 - Each year's salary is indexed up to the date of ceasing employment in accordance with movements in the Index of Retail Prices over the period
- Pensionable salary is then the higher of:
 - The highest yearly indexed amount received in any one year out of the last three years
 - The highest yearly indexed amount averaged over any three consecutive years out of the last 13 years
 - For members who joined USS on or after 1 June 1989, the Finance Act 1989 imposes a limit on the amount of salary 'the earnings cap' that may be taken into account in this calculation; this value increases each year in line with the Retail Price Index
 - The earnings cap is removed with effect from 6 April 2006 but the USS rules will allow employers the option
 - of retaining a scheme specific cap with the consent of the employee. The scheme specific cap will be calculated in
 - accordance with the mechanism used to calculate the statutory earnings cap as per ICTA 1988 s590c

Member contributions (historic)

Final salary members

– prior to 1 October 2011

- Members paid 6.35% of salary until age 65 or 40 years' pensionable service was completed, whichever was earlier. At that point the member and the employer could choose whether to continue making contributions to USS. Employee contributions could be paid without the employer's contributions, however the employer's contributions could only be paid if the employee's continued
- A member could pay up to an additional 15% of salary as AVCs to purchase additional service in USS
- A member could pay up to 100% of the balance of earnings to the Prudential Money Purchase AVC scheme

Final salary members

– from 1 October 2011 to 31 March 2016

- Members paid 7.5% of salary until age 65 or 40 years' pensionable service was completed, whichever was earlier. At that point the member could choose whether to continue making contributions to USS. Employer contributions must also have been paid if the member elected to continue
- A member could pay up to an additional 15% of salary as AVCs to purchase additional service in USS. This option ended from 1 November 2015 but existing arrangements continue (unless stopped)
- A member could pay up to 100% of the balance of earnings to the Prudential Money Purchase AVC scheme

CRB members

– until 31 March 2016

- Members paid 6.5% of salary until age 65 or 40 years pensionable service was completed, whichever was earlier. At that point the member could choose whether to continue making contributions to USS. Employer contributions must also have been paid if the member elected to continue
- A member could pay up to an additional 15% of salary to an existing AVC arrangement to purchase additional pension and lump sum in USS. This option ended from 1 November 2015 but existing arrangements continue (unless stopped)
- A member could pay up to 100% of the balance of earnings to the Prudential Money Purchase AVC scheme

Contracting-out

Retirement Income Builder members

– from 1 April 2016 to 31 March 2019

- All USS members were contracted-out of the State Second Pension (S2P) until 5 April 2016
- Members paid 8% of salary until age 65 or 40 years' pensionable service is completed, whichever is earlier. At that point the member could choose whether to continue making contributions to USS. Employer contributions must also have been paid if the member elects to continue.
- For service after 1 October 2016, contributions to the Retirement Income Builder are limited to the salary threshold (£55,000 for 2016 then reviewed every year).
- A member could continue to pay up to an additional 15% of salary to an existing AVC arrangement to purchase additional pension and lump sum in USS (new arrangements could not be made after 1 November 2015).

Investment Builder members – from 1 October 2016 to 31 March 2019	<ul style="list-style-type: none">• Members paid 8% of salary and contributions relating to salary above the threshold are invested in their individual USS Investment Builder account• 12% of employer contributions in respect of the same salary were also invested in the members USS Investment Builder account• A member can enhance retirement savings by making Additional Voluntary Contributions. The first 1% of contribution was matched by their employer if the member selects the match.
Retirement Income Builder members – from 1 April 2019 to 30 September 2019	<ul style="list-style-type: none">• Members paid 8.8% of salary until age 65 or 40 years' pensionable service is completed, whichever is earlier. At that point the member could choose whether to continue making contributions to USS. Employer contributions must also have been paid if the member elects to continue.• For service after 1 October 2016, contributions to the Retirement Income Builder are limited to the salary threshold (£55,000 for 2016 then reviewed every year).• A member could continue to pay up to an additional 15% of salary to an existing AVC arrangement to purchase additional pension and lump sum in USS (new arrangements could not be made after 1 November 2015).
Investment Builder members – from 1 April 2019 to 30 September 2019	<ul style="list-style-type: none">• Members paid 8.8% of salary and contributions relating to salary above the threshold are invested in their individual USS Investment Builder account• 12% of employer contributions in respect of the same salary were also invested in the members USS Investment Builder account• A member can enhance retirement savings by making Additional Voluntary Contributions. The first 1% of contribution was matched by their employer if the member selects the match.
Retirement Income Builder members – from 1 October 2019 to 30 September 2021	<ul style="list-style-type: none">• Members paid 9.6% of salary until age 65 or 40 years' pensionable service is completed, whichever is earlier. At that point the member can choose whether to continue making contributions to the scheme. Employer contributions must also be paid if the member elects to continue.• For service after 1 October 2016, contributions to the Retirement Income Builder were limited to the salary threshold.

Investment Builder members – from 1 October 2019 to 30 September 2021	<ul style="list-style-type: none">Members paid 9.6% of salary and contributions relating to salary above the threshold are invested in their individual Investment Builder account12% of employer contributions in respect of the same salary are also invested in the members Investment Builder accountA member can enhance retirement savings by making Additional Voluntary Contributions
Retirement Income Builder members – from 1 October 2021 to 31 March 2022	<ul style="list-style-type: none">Members paid 9.8% of salary until age 66 or 40 years' pensionable service is completed, whichever is earlier. At that point the member can choose whether to continue making contributions to the scheme. Employer contributions must also be paid if the member elects to continue. For, service after 1 October 2016, contributions to the Retirement Income Builder are limited to the salary threshold
Investment Builder members – from 1 October 2021 to 31 March 2022	<ul style="list-style-type: none">Members paid 9.8% of salary and contributions relating to salary above the threshold are invested in their individual Investment Builder account12% of employer contributions in respect of the same salary are also invested in the members Investment Builder accountA member can enhance retirement savings by making Additional Voluntary Contributions.
Investment Builder & Retirement Income Builder members – from 1 October 2021 to 31 March 2022	<ul style="list-style-type: none">Member contributions increased to 9.8% of salary and contributions relating to salary above the threshold are invested in their individual USS Investment Builder account.Employer contributions increased to 21.4% of salary. Up to the salary threshold, all of this is invested for Retirement Income Builder benefits, while 12% in respect of the same salary above the salary threshold is invested in the member's Investment Builder account. The remaining 9.4% above the salary threshold is paid towards deficit contributions.A member can enhance retirement savings by making Additional Voluntary Contributions.
Retirement Income Builder members – from 1 April 2022 to 31 March 2024	<ul style="list-style-type: none">Members pay 9.8% of salary until age 66 or 40 years' pensionable service is completed, whichever is earlier. At that point the member can choose whether to continue making contributions to the scheme. Employer contributions must also be paid if the member elects to continue. For, service after 1 October 2016, contributions to the Retirement Income Builder are limited to the salary threshold (£41,004 for 2023/24).To calculate a member's monthly contribution we use a pension limit of £3,417.00 (for 2023/24).

Investment Builder members
– from 1 April 2022 to 31
March 2024

- Members pay 9.8% of salary and contributions of 8% relating to salary above the threshold are invested in their individual Investment Builder account
- 12% of employer contributions in respect of the same salary are also invested in the members Investment Builder account
- A member can enhance retirement savings by making Additional Voluntary Contributions.

Investment Builder & Retirement Income
Builder members – from 1 April 2022 to
31 March 2024

- Member contributions pay to 9.8% of salary and contributions of 8% relating to salary above the threshold are invested in their individual USS Investment Builder account.
- Employer contributions increased to 21.6% of salary. Up to the salary threshold, all of this is invested for Retirement Income Builder benefits, while 12% in respect of the same salary above the salary threshold is invested in the member's Investment Builder account. The remaining 9.6% above the salary threshold is paid towards deficit contributions and to keep benefits revaluing at the same rate
- A member can enhance retirement savings by making Additional Voluntary Contributions.

Standard pension on normal retirement - historic

Final salary members until 31 March 2016

- 1/80th of pensionable salary for each year of pensionable service

CRB members until 31 March 2016

- 1/80th of salary. The annual accrued pension amount is revalued to the date at which the benefits become payable

Retirement Income Builder members until 31 March 2024

- Between 1 April 2016 to 30 September 2016, 1/75th of salary.
- From 1 October 2016, 1/75th of salary up to the salary threshold.
- From 1 April 2022, 1/85th of salary up to the salary threshold

The annual accrued pension amount is revalued to the date at which the benefits become payable.

This publication is for general guidance only. It is not a legal document and does not explain all situations or eventualities. USS is governed by a trust deed and rules and if there is any difference between this publication and the trust deed and rules the later prevail. Every effort has been made to present accurate information at the date of publication. Members are advised to check with their employer contact for latest information regarding the scheme, and any changes that may have occurred to its rules and benefits. Any references to the Trustee in this document means Universities Superannuation Scheme Limited, the trustee company of Universities Superannuation Scheme and any references to the scheme or USS means Universities Superannuation Scheme. For a glossary of our terms please see more information on our key names and important information page. <https://www.uss.co.uk/about-us/how-were-governed/key-names-and-important-information>