

For members, for the future

In Touch

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Join the Trustee board

There's a new opportunity for a pensioner member to join the Board of Directors of Universities Superannuation Scheme Limited, the Trustee of the Universities Superannuation Scheme (USS). This director will be appointed by the University and College Union (UCU).

The Board directs the running of USS which has assets of more than £68 billion and approximately 440,000 members spread across 340 employers. If you're currently a USS pensioner member (i.e. you are currently drawing a USS pension or will be by 1 August 2020) and have expertise and capabilities that are proportionate to the Board's role in managing USS, as well as a good understanding of the Higher Education sector and industrial relations and a willingness to engage with UCU, we invite you to apply.

The full role profile is available at www.uss.co.uk/trustee-board-vacancy The deadline for applications is 22 May 2020.

Welcome to In Touch

Welcome to the latest edition of In Touch. It seems strange to write to you about the past year, when we are all experiencing the impact of the global COVID-19 pandemic right now.



Bill Galvin Group CEO

During this challenging time, we're all anxious about the

future and the wellbeing of our loved ones. But let me assure you that you don't need to be anxious about your USS pension.

Your defined benefit pension is protected by law and by the strength of the employers in the UK's higher education sector.

Please also be assured that, at USS, we remain operational and *we will continue to pay pensions* during this period of uncertainty. In line with government advice and to ensure our people remain able to deliver the services you expect from us, we've changed the way we work and are focusing on core activities, including processing contributions.

As such, you may experience some slight disruptions to other services, including telephony, as we prioritise the activities you need most. I apologise for any inconvenience this may cause.

It's important for me to say how proud I am of the USS team. Throughout this challenging time, everyone has stepped up and is really working hard for all our members.

And I've much more to be proud of because against a difficult backdrop, 2019 saw USS

become one of the first UK DC pension schemes to allow members access to private markets' investments.

We also launched our Member Voice Panel and increased our focus on member experience, and in investments, it was a strong year for absolute returns.

As we move into the new financial year, we'll be unveiling other improvements, such as new ways for our members to access guidance and advice. We'll also be looking at our online facilities, so keep an eye out for developments.

For now, though, it looks like we'll all continue to be challenged, as individuals, families and communities, to cope with the consequences of COVID-19. And while the impacts – on the economy and our society – of the actions necessary to protect the most vulnerable are proving pretty profound, I'm grateful that we live in a society where our priority is to protect.

Please take the steps that are necessary to look after yourself and to protect your loved ones. Stay safe and keep visiting our website for updates on **COVID-19** and **USS**.

I'm keen to know what you think about In Touch, so we can give you the content you want. Please complete this short survey. www.surveymonkey.co.uk/r/intouch2020

Bill Galv<mark>in</mark> Group C<mark>hief Executive Officer</mark>

COVID-19

Society hasn't had to deal with anything of the magnitude of the COVID-19 pandemic in living memory.

It's testing our resilience and it's challenging us in many ways, including severely restricting how we interact with our loved ones and go about our daily lives, with many people spending most of their time at home.

While such government advice is focusing on preventing the spread of COVID-19, isolation can have an enormous impact on our mood and mental wellbeing.

Here's a list of 10 things that might help:

- If you're staying indoors, find the right place to stay – if it's possible, you could stay with a friend or family member, but make sure you're aware of the government guidance on self-isolation.
- Eat well and stay hydrated changes to routine often mean changes to diet, and this can impact your mood and energy levels.
- Keep taking any medication that's prescribed to you – the NHS has a mobile app for repeat prescriptions and many pharmacies deliver. Call 111, if you need advice.
- Keep accessing any treatment or support you need – if you're not sure whether appointments will go ahead, or you can't get out and about, check by phone.
- Take care of your environment if you're spending lots of time at home, stay organised and tidy. Keep in mind that your energy costs might go up, if you're staying at home, too. If you're worried about money, the Money Advice Service provides free advice (0800 138 7777).

- Keep caring for loved ones, but don't do it alone – if you're a carer or if you need care, contact your local authority for advice.
- Maintain contact with loved ones you can use the phone or video chat on your mobile, and if you're worried about running out of things to talk about, arrange to watch the same movie or TV show as a friend and then, chat about it.
- Try to stay active plan an exercise routine or just do a little dance while you're dusting your shelves; it will help.
- Get as much sunlight and fresh air as possible – sit in the garden or just open a window.
- Stave off boredom whether it's a book of puzzles or an old classic, or a new hobby like video gaming, try to keep your mind active.

For more advice or information on coping with isolation and for how to reduce the risk of COVID-19, visit www.mind.org.uk www.gov.uk/government/ organisations/public-healthengland

Scams

Please be aware that some fraudsters may attempt to use the COVID-19 pandemic to try to scam you. The most common scams are 'phishing' messages. These are email or texts that might claim to contain information from the government or NHS, or even latest news on how to stay safe during the pandemic.

Once you open the message and click on any links, your device can become infected with a virus that allows the scammers to access your personal data, like passwords and account numbers. If you don't recognise the sender, don't click any links.

In Touch April 2020

Bank of gran and grandad

We're all familiar with the concept of 'Bank of Mum and Dad' – younger family members, who are perhaps struggling to take their first step on the property ladder or to insure their cars, going to their parents for a helping hand.

But according to Santander Mortgages, in recent years, the 'Bank of Gran and Grandad' is becoming the go-to for financial support. In 2017, 8% of first-time buyers turned to their grandparents for financial help. This was a 2% increase on the previous five years.

In a separate report, insurance company Legal & General found that around 22,000 grandparents provided financial support and help for first time buyers.

The Resolution Foundation believes that one of the reasons for this increase is simply that

today's younger generation can't afford the cost of living while saving for their first home.

But it could also be that today's retirees would rather see their loved ones get the most out of their money when they need it, rather than leave it as inheritance.

If this sounds like something you would like to do for your loved ones, there are some considerations and tax implications that you need to be aware of.

If you give one of your loved ones a monetary gift, they won't pay any Inheritance Tax on your gift, as long as you live more than seven years after giving your gift.

There is also the Gift Allowance, which lets you give up to £3,000 to your loved ones without paying any tax. This tax-free

allowance is available to everyone and renews each year.

This £3,000 limit applies as a total annual amount, so if you had already given £2,000 to a family member you could only give up to £1,000 more during that financial year.

However, if you have not used last year's allowance, you can gift £6,000 this year and you still would avoid paying tax. This wouldn't be subject to Inheritance Tax.

Please note neither USS nor your employer can provide you with tax or financial advice. If you are not sure what's best for you, we strongly recommend that you speak to an independent financial adviser (IFA) before making any decision to restrict your pension savings.

Resources

Santander Mortgages research www.santander.co.uk/about-santander/ media-centre/press-releases/one-in-tenfirst-time-buyers-cash-in-on-the-bank-of

Legal & General research

www.legalandgeneralgroup.com/mediacentre/reports/

The Resolution Foundation

www.resolutionfoundation.org/advanced/ a-new-generational-contract/

The Money Advice Service

www.moneyadviceservice.org.uk/en/ articles/gifts-and-exemptions-frominheritance-tax

The Money Advice Service

www.moneyadviceservice.org.uk/en/ articles/choosing-a-financial-adviser



Your opinion matters to us, so we'd like to invite you to join The Member Voice Panel.

Member Voice is a private moderated online community just for our members. It's a way for you to talk to your peers about how they're managing their pension, and for us to hear what you honestly think about USS.

As a member, you'll be free to discuss USS (or anything else), but occasionally we'll ask you to help us out with some research activities.

This might involve us simply starting off a conversation about a particular topic or we might ask you to do things like:

- take an online survey
- try out a process for example, using a benefit calculator
- talk about something you might have seen or done in relation to your pension

Your feedback will directly influence the way we do things – and we'll make sure you're kept up to date about the impact you're having. We'll also offer you the chance to join a monthly prize draw.

We've already tried this out with a small group of members who were approaching retirement. They told us that they'd like us to help them understand the process of retirement a lot better, and as a result we're changing the way we respond to requests for retirement quotes.

If this sounds like something you'd be interested in, join Member Voice today – places are limited, so if you're interested, join via our website.

Resources

Join the Member Voice panel www.uss.co.uk/news-and-views/membervoice

Is your Registration of Potential Dependant Form up to date?



When was the last time you updated your Registration of Potential Dependant Form? It's important to let us know who you'd like to receive your USS benefits should the worst happen. If you've been retired for less than five years, a lump sum may also be payable on death.

If you've not reviewed your Potential Dependant Form for a while or your

circumstances have changed, please visit our website to update this.

Resources

Download a Registration of potential dependant form at www.uss.co.uk/ registration-of-potential-dependant.pdf

Brexit update

While the terms of the UK's future relationship with the European Union are still being negotiated, we cannot say with any certainty what direct (or indirect) impacts there may be on overseas pension payments.

We are taking a proactive approach to planning for the future, and detailed work is being undertaken to prepare for any potential implications.

For more information, see the most frequently asked questions at www.uss.co.uk/brexit-faqs



Changes to your State Pension 2020/2021

From April 2020, the State Pension is set to rise by 3.9%. Check out the table below to see what you can expect to receive. Please note that at the time of writing, the figures have yet to be confirmed.

	2019/20 weekly payment	2020/21 weekly payment	Weekly increase	Annual increase	Annual payment
New State Pension If you reached State Pension Age on or after 6 April 2016	£168.60	£175.20	£6.60	£343.20	£9,110.40
Basic State Pension If you reached State Pension Age before 6 April 2016	£129.20	£134.25	£5.05	£262.60	£6,981

You may get slightly less than the New State Pension amount if you were paying into USS when the scheme was contracted out of the Additional State Pension. This is because you paid less National Insurance into the state system at the time and the New State Pension takes account of that.

This is this case if you were paying into USS between April 1978 and April 1997 and reached State Pension Age on or after 6 April 2016.

But don't forget that when the scheme was contracted out, you were still building your USS pension instead of the Additional State Pension. If this applies to you, details would have been included in your retirement booklet once you started receiving your pension.

The amounts included in the table above should be used as a guide, as the payment you receive depends on your individual circumstances. For example, if you are single and you receive the Basic State Pension, this is how much you can expect, however if you are married you will be entitled to more.

Resources

Get more information on State Pension www.gov.uk/state-pension Contact the Pension Service at www.gov.uk/contact-pension-service State Pensions Changes Breakdown www.which.co.uk/news/2019/10/statepension-to-rise-by-up-to-343-a-yearin-2020/

USS

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