



# The retirement process

## Video transcript

So here we're going to look at the retirement process. From getting a quote from USS to getting your first pension payment. And this section will focus on the retirement process for members who are still contributing.

For members who are no longer contributing to USS, the process is similar, but you can request a retirement quote directly from USS, but this can only be requested no earlier than six months in advance of your proposed retirement date.

So you've done your retirement planning and now you're thinking about actually starting the retirement process. If it's more than 12 months before your planned retirement date, you can use the Benefit Calculator projection tool in My USS to provide an estimate of the Retirement Income Builder benefits you'll receive and any Investment Builder savings you could access in retirement.

Then as an active member, you can request a retirement quote from USS or through your employer up to 12 months before your planned retirement date to understand what your benefits might be. And this is six months before your retirement date if you're a deferred member.

Your retirement quote will outline your benefits and savings as well as your options. And then you can use the information in that retirement quote within the Benefit Calculator in My USS to explore options like how much cash and pension to take.

I'm just going to go into the **Use your retirement quote** tool here to have a look. Once you're in here, enter the figures from your retirement quote into the boxes and then click this **Continue to my options**. If we go in here, that's where you can explore further options with your benefits.

The default projection shows the maximum level of tax-free cash lump sum you can take, but you can change this to see how taking less tax-free cash can affect your savings and retirement income. You can also look at what choices you can make if you've got defined contribution (DC) savings. Then at around three to six months before your retirement date, to kick off the process, contact your employer because you'll need to agree your retirement date with them. Then your employer will submit a retirement form to USS on your behalf.



Once USS receive the form from your employer, they'll send your retirement quote back to your employer who should then share that with you. If you've had a quote before agreeing your retirement date with your employer, this might be a second quote from USS, but you'll be able to use the figures again in the Benefit Calculator in My USS to explore your options.

Then at around two months before your retirement date, once you've considered your options and you know how you want to take your benefits, you can return your completed form. You can either return this via your employer or directly to USS.

But the earlier you return the form, the better, because it's going to help ensure your benefits are paid at your preferred date. And it's especially important if you're taking any Investment Builder or Prudential savings too, because USS will need to disinvest your savings and will need a little more time to process this.

Once your benefits have been processed, you'll receive a settlement letter from USS confirming your benefits, which is usually sent within two weeks leading up to your retirement date or within a few days of USS processing your benefits if your form was not returned on time. Then it's your retirement date!

The process that I've gone through here is if you'd be retiring from USS as an active member, which means you're still contributing to USS right up to when you retire. But if you leave USS before you retire, then you'll be contacted by USS a few months before your Normal Pension Age (NPA), or you can contact USS yourself if you want to retire earlier than your Normal Pension Age (NPA).

Then you'll send your forms back directly to USS. The first working day after your retirement date, you'll typically receive your one-off lump sum, if you've chosen to take one, straight into your bank account. It could be later if your form was not returned on time.

And then after your retirement date, you'll typically receive your first pension payment on the 21st day of the month following the month that you retire, and then each month after that. So for example, if you retire from your role on 10 August, meaning your pension start date is 11 August, your first pension payment will actually be on 21 September.

But your first pension payment would also include the arrears back to your retirement date where necessary. So in this example it would be for the period 11 August to 31 August for those arrears.

You might be taxed on the monthly pension income that you receive, depending on the total level of your own income. If you want to know more, you might want to watch the **Tax and your Pension webinar**. Then you receive a letter from USS each year outlining your pension increase. You can also view your payslips and P60s in My USS to keep track of your income.