



# Planning ahead for your retirement

## Video transcript

Hello and welcome to this webinar on planning ahead for retirement. My name's Rebecca Dodd and I'm a pensions consultant from Mercer. The aim of today's presentation is to help give you a better understanding of how you can plan for retirement and the retirement options that you might have even though you may be a few years away from it.

You might not have thought much about your retirement and taking your pension benefits yet, but we'll look at a few things to consider to start you off. For example, when would you like to take your benefits? And will taking them at a particular age impact how much you'll receive?

Should you take all of your USS benefits at the same time or just take some now and some later? And will that impact what will be paid on your death to your loved ones? Another question might be what will your benefits look like — would you prefer for more tax-free cash or would you rather a higher guaranteed income payable for life?

How might your benefits be taxed in payment? You might be taxed on the monthly pension income that you receive depending on the total level of your income. Some of these decisions will be determined by what pension and other income sources you have and what lifestyle you'd like to have in retirement, so what you can afford and how much income you think you'll need.

Whilst much of this will be very personal to you, we'll look at next what those different options are so that then you can use that information as you plan for your retirement. This webinar is therefore focused on members who are planning ahead and giving you guidance on information you should or you could gather and tools that you can use.

For members who are already ready to access their pension benefits in the next 12 to 18 months, you might prefer watching the Approaching retirement webinar which is more detailed and sets out the USS retirement process itself. For today though, to help with your planning, this is what we're going to go through.

Firstly, I'll give you a brief overview of what different benefits USS provides. Then go through a reminder of how USS works so you can see how your benefits are building up. Then we'll have a look at when you might take your USS benefits and what your USS benefits might look like on retirement.



We'll look at some of the calculators and tools that you might find helpful with your planning to better understand what you have from USS and what you could have at your retirement date. And finally, we'll cover some general guidance on key things to think about as part of any retirement planning.

Here we'll go through an overview of your USS pension. A pension is a simple way for you to save for your future and USS is your workplace pension which means that you and your employer can pay in. When you pay in to USS, you'll build up benefits in the Retirement Income Builder.

That's the defined benefit (DB) part of USS and that'll provide you with a guaranteed income for life when you retire. And USS will also provide you with a one-off tax-free cash lump sum, up to certain limits, on retirement of three times your pension. In addition to your Retirement Income Builder benefits, you'll build up savings in the Investment Builder which is a defined contribution (DC) scheme, if you earn above a certain level known as the salary threshold.

There is some flexibility with your benefits and savings, both in terms of when they can be taken and also in what form. If you become ill and are no longer able to work, you may be eligible for early retirement where your USS pension might start earlier. USS also provides benefits when you die, whether that's before or after retirement, and if you die whilst paying in to USS, these benefits are known as life cover.

Your contributions to USS are generally paid tax-free which means you do not pay income tax on your pension contributions. You can, if you want to, top up your savings in USS by paying additional contributions which could also benefit from tax relief. Any additional contributions that you pay will go into the Investment Builder, the defined contribution (DC) part of USS.

And finally, all the benefits that you receive from USS are paid in addition to any benefits you might receive from your State Pension. With USS, you'll be able to view your Retirement Income Builder benefits and any Investment Builder savings that you have in My USS, which is your secure online portal. You can access My USS from the USS website at [uss.co.uk](https://uss.co.uk) on any device so your laptop, your tablet, or your smartphone.

Let's take a look at how your benefits and savings in USS can build up. There's two main types of pension in the UK; the defined benefit (DB) and defined contribution (DC), and USS has got both these types of benefits. Defined benefit (DB) means that your benefits on retirement are based on a predetermined formula.

In USS, the pension that you build up depends on the salary that you earn each year up to a certain threshold, the years that you've been working and a pension build-up rate. The pension that you build up is not directly connected to how much you or your employer's paid in; what matters is your formula. The defined benefit (DB) part of USS is called the Retirement Income Builder.

There's also a defined contribution (DC) part of USS which is called the Investment Builder. In a defined contribution (DC) arrangement, any money paid in by you or your employer goes into your pot. Then at retirement, your benefit is based on the value of your pot of money so it's completely dependent on how much has been paid into your pot and how it's grown over the years.



In general, you tend to have more flexibility in how and when you can take defined contribution (DC) savings. In the defined contribution (DC) part, the Investment Builder, you can choose where your money's invested if you wish to, from a range of investments that USS offers, or USS can invest these for you. For the defined benefit (DB) part, the Retirement Income Builder, USS makes those investment decisions on behalf of all members so that you receive your specific level of benefit.

We're going to have a look at these in more detail now and show some examples of how the benefits are calculated. In USS everyone builds up Retirement Income Builder, defined benefit (DB), benefits on their salary up to the salary threshold. And the salary threshold from 1 April 2026 is £74,208.

If you earn above the salary threshold, then you'll also build up Investment builder savings, or defined contribution (DC) savings, on your salary above that threshold. If your earnings fluctuate around the salary threshold, any contributions to the Investment Builder section will stop and restart as appropriate automatically. Now just having a closer look at how the Retirement Income Builder works.

In the Retirement Income Builder, you build up a block of pension equal to a 75th of your salary for each year that you're a member of the scheme. The salary used in this formula though is only up to a maximum of the salary threshold which is currently £74,208. So you will build up a block of pension for each year that you're paying into the scheme.

Then annual increases are applied to the block of pension between the time it's earned and the time it's eventually paid, and these increases are currently linked to the Consumer Prices Index, or CPI measure inflation, up to certain limits. If we add all those blocks together with those annual increases, we get your total annual pension and you'll also get a tax-free cash lump sum of three times your total annual pension, which is a one-off payment paid at the point of retirement paid in addition to your annual pension.

You can exchange some of your pension for a higher tax-free cash lump sum on retirement and vice versa, so you could even take no tax-free cash and take a higher pension for life. You make that decision when you come to retire. Then once in payment, your pension will increase each year — again these increases are currently linked to the Consumer Prices Index, or CPI measure of inflation up to certain limits.

And so that you can keep a track of how much you're building up, you'll receive details from USS each year in an Annual Member Statement which can be accessed on the member portal, My USS. Just having a look at how the Investment Builder works, if you're earning above the salary threshold, then 20% of the value of your salary above this threshold is paid into the Investment Builder.

This comes from the contributions that you and your employer are already paying in to USS and it's at no further cost to you. The contribution rate that you pay is 6.1% of your total salary. In this section, we're going to have a look at considering when you might take your benefits. You can start to draw your Retirement Income Builder benefits or your savings from your Investment Builder from the minimum pension age which is set by the government. And the minimum pension age is currently aged 55, but it is rising to age 57 from April 2028.

To take your benefits from your Retirement Income Builder, you need to retire from your job fully or take flexible retirement which is where you reduce your hours and take a proportion of your Retirement

**Planning ahead for your retirement — April 2026**



Income Builder benefits whilst continuing to work. But there's more options when it comes to your Investment Builder savings. You do not have to take your Investment Builder savings at the same time as your benefits from the Retirement Income Builder.

And you do not have to retire from your job or even cut down your hours. You can take your Investment Builder savings earlier than your Retirement Income Builder as long as you've reached the minimum pension age. Or you might retire from your job and take your Retirement Income Builder benefits but leave your Investment Builder savings invested.

You can then choose what to do with them later. But let's just focus first on the different times you might take your Retirement Income Builder benefits and the impact that might have on them. The various types of retirement in USS are normal, early, late, flexible, and ill health retirement.

It's important to consider the age at which you take your benefits as this will impact what level of benefits you receive. The Benefit Calculator in My USS can be used to get an idea of what these different options might look like for you, and we'll have a look at each of these options now. Normal retirement is where benefits are taken at your Normal Pension Age.

The Normal Pension Age is currently aged 66 for those still contributing to USS and it's the age at which your Retirement Income Builder benefits become payable in full. At your Normal Pension Age, you'll get the benefits that you've built up to that date and your pension will become payable for your retirement for life, alongside a one-off tax-free cash lump sum.

Just to note though, the Normal Pension Age for USS changed in October 2020 from age 65 to age 66, and that was in line with the government's increase in the State Pension age at that time. But this only applies to the benefits built up after October 2020. But you do not have to wait until your Normal Pension Age to take your benefits though, and you might decide to take early retirement.

The earliest age that HMRC usually lets people take their pension benefits is from that minimum pension age, which is currently age 55 but it is rising to age 57 from April 2028. You can only start taking your pension in full as long as you retire completely from your job with a USS employer. If you do start taking your pension early though, then your Retirement Income Builder benefits might be reduced for early payment because they'll be paid for a longer period than expected.

Alternatively, you might want to keep working and contributing to USS after age 66 and take late retirement. You can continue to contribute and delay taking your Retirement Income Builder benefits up to age 75 if you still pay in to USS. This age limit does not apply to any Investment Builder benefits you have though.

Once you decide it's time to retire, your benefits might be increased as they'll be paid to you from a later age than expected. Flexible retirement is where a member keeps working and just takes some of their benefits.

As long as you reduce your hours and salary by at least 20% on a long term basis, you can take up to 80% of your USS Retirement Income Builder benefits via flexible retirement. But the reduction in hours and salary does not have to match the percentage of pension that you're taking. But there are some rules to



follow for flexible retirement, including reducing your working hours and salary by at least 20%, and these hours should not increase in the following 12-month period.

A maximum of two flexes can be taken, totalling no more than 80% of your Retirement Income Builder benefits. After you've taken 2 flexes, or the full 80% of your benefits, your next step will be full retirement with all your remaining Retirement Income Builder benefits. And you will need to retire then from your USS eligible role in full.

Finally, whilst it's not something any of us can plan for, you might be able to take your USS benefits under ill health if this applies to you and you meet the criteria. If you want to know more about these different retirement options, there's more information on the USS website. What we've just looked at there is when you might take your Retirement Income Builder benefits.

But when it comes to taking your Investment Builder savings, you do not have to take them at same time as your benefits from the Retirement Income Builder, and you do not have to retire from your job or even cut down your hours. You can take your Investment Builder savings earlier than your Retirement Income Builder as long as you've reached the minimum pension age. Or you might retire from your job, take your Retirement Income Builder benefits but leave your Investment Builder savings invested.

You can then choose what to do with them later. Here we're going to look at your options in terms of pension and cash amounts. This is important because in order to be able to prepare for your retirement, you need to understand how you can take your Retirement Income Builder and Investment Builder benefits, so what your benefits might look like.

There are a few different ways you can access your USS benefits, with more options if you also have Investment Builder savings. We'll look at taking the maximum tax-free cash from USS, and taking the maximum pension from USS, and both these are options whether you have Investment Builder savings or not. Having Investment Builder savings mean that you can access these either at the same time as taking your Retirement Income Builder benefits, or earlier, or later, and we'll look at the different options available for accessing these benefits.

But we'll start with taking your Retirement Income Builder benefits and your Investment Builder savings at the same time. To show you how things work, here's an example of someone who's been a member of USS for some years and has Retirement Income Builder benefits and Investment Builder savings at retirement. Our example member here has a Retirement Income Builder annual pension of £15,000 a year, and under the USS rules they get a tax-free cash lump sum of £45,000 which is three times the annual pension.

Our example member also has an Investment Builder pot of £20,000. Now based on your own benefits there's a maximum level of tax-free cash that you can take. Under the HMRC tax rules, you can take 1/4 of the overall HMRC value of the benefits as tax-free cash.

For those of you that want to know how to work out the overall HMRC value of your benefits, it's just 20 times pension plus any cash that you're entitled to. The amount therefore depends on your Retirement Income Builder benefits and your Investment Builder pot. USS will work out what the maximum tax-free cash amount is for you though at your retirement date.



The maximum tax-free cash will generally be some amount higher than the standard tax-free cash amount of three times the pension from the Retirement Income Builder.

In this particular example looking at the member's Retirement Income Builder and Investment Builder benefits, the maximum tax-free cash amount for this member given their overall benefits will be just over £90,000. If you fully retire and take all of your benefits from your Retirement Income Builder and Investment Builder at the same time, USS allows you to combine your Retirement Income Builder and Investment Builder benefits together, where possible, to be able to use your Investment Builder pot as tax-free cash up to the maximum tax-free amount allowed under HMRC rules given your benefits.

For our example, we'll move the Investment Builder savings across to be combined with the Retirement Income Builder tax-free cash. Our member would be able to use their entire £20,000 Investment Builder pot as tax-free cash here. This is because when combining with the standard amount of tax-free cash from the Retirement Income Builder, plus the Investment Builder pot, it's still within that maximum tax-free cash amount available for this member.

However, combining your Investment Builder pot and your Retirement Income Builder cash might not always be within the maximum tax-free cash allowed by HMRC, so you might not be able to take all of your Investment Builder tax-free; it depends on the overall level of your benefits. But for this example though, they've decided to combine their Investment Builder pot with their Retirement Income Builder benefits so now they're up to £65,000 in tax-free cash. There's still room to take even more tax-free cash though because the member is still below that maximum amount in this case.

If they did want to take more tax-free cash though, they'd have to give up some annual pension in exchange. It's also possible instead to exchange some or all of your Retirement Income Builder tax-free cash for extra annual pension. Just to note, in most circumstances though it's not possible to buy extra pension in the Retirement Income Builder with your Investment Builder pot. Buying additional pension from the Investment Builder is only available if you have Money Purchase AVCs (MPAVCs) with Prudential including any that you would already switched into the Investment Builder.

Now just going back to those standard benefits again here. Just to note that when taking your Retirement Income Builder benefits, you cannot take your pension and one-off tax-free lump sum at different times. However, if you do not want to, you do not have to take all of your Investment Builder pot at the same time as you take your Retirement Income Builder benefits.

When you choose to take your Investment Builder savings, there's four main ways to do this. You can of course take your savings at the same time as your Retirement Income Builder benefits as a tax-free lump sum up to certain limits as we've just described. If you do not want to though, you do not have to take all of your Investment Builder pot at the same time as you take your Retirement Income Builder benefits. That might be because you want to access your Investment Builder savings before you retire. Or it might be because you did not take some of your Investment Builder savings when you took your Retirement Income Builder benefits.

If you want to take your Investment Builder benefits separately, you could take some or all of your Investment Builder pot as a cash lump sum. Or you might want to leave your Investment Builder savings invested until you're ready to use them. And if you do not take all of your Investment Builder savings, they

**Planning ahead for your retirement — April 2026**



would pass on to your beneficiaries after your death. Or you could transfer your Investment Builder savings to another provider outside of USS to access other ways of using your pot of money.

We're going to have a look at taking your Investment Builder pot separately from your Retirement Income Builder benefits now in a bit more detail. If you've got an Investment Builder savings pot, one option available to you is to draw it out as a one-off cash sum, or make a series of withdrawals of cash. These cash sums are known as **Uncrystallised Funds Pension Lump Sums**, or UFPLS for short.

To take cash payments from your Investment Builder separately from your Retirement Income Builder benefits, you just need to be at or above the minimum retirement age which is currently age 55 but rising to age 57 from April 2028. If you're taking cash payments from your Investment Builder pot separately from your Retirement Income Builder benefits in this way, you would only be able to take up to 1/4, or 25%, of each cash payment tax-free subject to HMRC limits; the remainder would be taxed as income.

And just to note that your Retirement Income Builder pension or any other pension is classed as income. Now it's really important to note though if you take your Investment Builder pot as cash at the same time as your Retirement Income Builder benefits though, you might be able to take more than 1/4 of your Investment Builder pot as tax-free. Whether you'd be able to do that or not will depend on the level of your Retirement Income Builder benefits compared to the value of your pot at retirement and your individual circumstances.

With USS if you're going to take these individual cash payments, you can take up to four cash payments each year from your Investment Builder pot. And each payment though must be a minimum of £2,000 each unless you're taking your entire pot to finish off your cash payments. Also, there's no charge for taking these cash payments with USS.

You do need to be aware of though that taking cash from your Investment Builder in this way that's not tax-free, might push you into a higher tax band so it's especially important to consider if you take the whole pot as cash in one go separately from your Retirement Income Builder benefits. Also taking any cash payments from a defined contribution (DC) arrangement, such as the Investment Builder before you retire, can restrict the amount you can pay into a defined contribution (DC) arrangement going forward. This is known as the Money Purchase Annual Allowance (MPAA) and more detail can be found on this on the USS website.

There's some other things that you can do with your Investment Builder savings, but you'd need to transfer your Investment Builder savings out of USS to another provider in order to access them. You can transfer your Investment Builder savings at any time, even if you're still building up benefits with USS. You might want to do something such as providing a flexible retirement income, which is also known as flexi-access drawdown (FAD), or just drawdown.

Drawdown is a way of leaving your savings invested and building up investment returns but taking money out to provide an income for you to live on until the pot runs out. Or you might want to buy an annuity which gives you a regular guaranteed retirement income for the rest of your life. Or you just might want to be moving your Investment Builder savings to a different provider to USS. It's your choice if you want to transfer out your Investment Builder savings.

**Planning ahead for your retirement — April 2026**



Alternatively, you could choose to leave some or all of your Investment Builder pot invested in USS. You can take cash payments at a later date, you can choose to transfer all of your Investment Builder pot to another pension arrangement at a later date, or you can leave some or all of it to be paid to your loved ones when you die. I'll just mention here though that in the Autumn 2024 Budget, the government announced that from 6 April 2027, most unused pension funds and death benefits will form part of a person's estate for inheritance tax purposes.

So if you're considering leaving some of your benefits to your loved ones or think you might be impacted by the changes announced, we do recommend that you seek independent financial advice. Finally in this section, a word of caution. We've discussed that you can take your Investment Builder savings earlier with or after your Retirement Income Builder benefits — so before, at the same time or after you fully retire.

If you take any cash payments from your Investment Builder savings before you fully retire or transfer your savings out to another provider, it might result in a reduction to your life cover in ill health benefits. It would only affect these if any of your Investment Builder benefits were built up from your earnings though above the salary threshold. And if you take a cash payment from the defined contribution (DC) scheme like the Investment Builder, and that might be as a cash lump sum or a drawdown payment, it will trigger the Money Purchase Annual Allowance (MPAA).

This is the total limit you and your employer can pay into defined contribution (DC) schemes each year on your behalf and still get tax relief. It applies to all defined contribution (DC) schemes of which you are a member, including the Investment Builder and any that you join in the future. For more information about this, please do visit the USS website.

USS recommends that you seek guidance and/or take financial advice to work out what's best for you. If you are aged 50 or over, you might be eligible for a free Pension Wise call to discuss the options that you have with any defined contribution (DC) savings. Pension Wise is a government service from MoneyHelper that offers free impartial pensions guidance about your defined contribution (DC) options; not specifically about USS benefits.

And of course, there's lots of information on the USS website about how you can start taking your savings in the Investment Builder, and you'll find this on the **using your Investment Builder pot** page. Here we'll have a look at how to find out what you saved with USS and what you might get in retirement. We'll also look at how you go about saving more with USS by paying additional contributions if you want to.

My USS is the main source to find information about your personal benefits and you'll find My USS on the USS website at [uss.co.uk](https://uss.co.uk). In there, it'll show you what you've built up to date and give access to calculators to allow you to estimate what you might have at a future date. So that you can keep a track of how much you're building up, you'll receive details from USS each year in an Annual Member Statement which can be accessed from **My documents** in My USS.

Your Annual Member Statement lets you know what you've already built up in USS at the previous 31 March. But if you want to see what your benefits might look like in the future, there's the Benefit Calculator which can be found in the **calculators and tools** menu here. The Benefit Calculator can be used to get an instant estimate of what you could get in the future, so it can be helpful at various stages throughout your journey with USS though, and it'll be already prepopulated with your information.

**Planning ahead for your retirement — April 2026**



It can also be used to estimate what your benefits might look like if you take your Retirement Income Builder benefits and your Investment Builder savings combined. Or to look at taking your Retirement Income Builder or Investment Builder separately. And it is possible to vary the pension and tax-free cash amounts that you can take from USS.

We'll go into the projection tool here and show you what the Benefit Calculator looks like. Once you're in the calculator if you scroll down the page, you can use it to make quick changes to things like your salary, the age that you want to retire at, and to see what impact that has on your estimated benefits.

You can also make further changes to look at the impact on what you might get by clicking on this **View options** button here. So if we go into there, you can also model how making changes like saving more by paying additional contributions for example, or transferring in, leaving USS or taking a career break or taking flexible benefits could impact what you get. Note that if you model paying additional contributions or transferring in pension benefits from another scheme though, they'll be added to your Investment Builder savings pot as part of those projections.

The Benefit Calculator will also let you see what combinations of pension and cash you might be able to take on retirement. The default projection shows the maximum 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.

After you've considered what your benefits might look like, you might decide that you want to save some more. If you do want to save some more, first of all you can have a look in the **Contributions & Tax Calculator** to see what difference it would make to your take home pay by making additional contributions because your pension contributions will be taken from your pay packet before you're taxed, so you'll only pay income tax on the remainder of your wage.

There are some limits to this but for most people tax relief is available on contributions which can make contributions to a pension a tax efficient way of saving. Then if you do decide you want to save some more in USS by paying additional contributions, you'll need to set these up in My USS. To set up additional contributions, you would go into the Investment Builder menu here because additional contributions go into the Investment Builder.

Then you go into **view or manage savings** here and then you'll see any investment savings that you already have and to set up paying additional contributions, scroll down to this **Manage your additional contributions** button here. Once in here, you can pay monthly contributions or a one-off payment in additional contributions and payments can be monetary or a percentage of your pay.

Now, just to note that you'll see the option of **The Match** in here. The Match is just one way to make additional contributions to save more. You can choose to pay an additional 1% of your salary every month into the Investment Builder under The Match.

If you paid The Match between October 2016 and March 2019, you would have received an extra 1% contribution from your employer as well. But from 1 April 2019, the employer element of The Match was removed. You can still choose or may still have The Match but your employer will no longer match that 1%.



In this section, we'll highlight some general guidance on key things to think about as part of any retirement planning. Your retirement income does not all have to come from your workplace pension. You might be eligible for a State Pension from the government too. And you might have other sources of income or savings that could supplement your retirement income.

You might want to take this into account as part of your retirement planning as it could form part of your income in retirement. Of course there's lots of things to think about for your retirement and much of it will be very personal to you, but I'm going to mention three key areas of planning today: reviewing your finances, budget planning and target setting.

In brief, reviewing your finances is about what you have. Budget planning is about how much you think you'll need. And target setting is about when you might want to take your benefits and what actions you might need to do to achieve your target. We're going to look at each of these now and I'll show you where you can get some extra information to support your planning as well.

When reviewing your finances and thinking about what you have in the way of benefits, you could consider — do you know what benefits you've built up in USS and what you're likely to build up? You can find this out by logging onto My USS and using the calculators. Are you going to be receiving any state benefits and how much will they be? The new full rate of the new State Pension is currently £241.30 a week, however your amount could be different.

Do you have any other pensions from previous employments or personal pensions? You would need to contact the administrators of any other schemes that you're a member of to gather details about your benefit entitlements. Or if you're unsure what you have, you could use the Pension Tracing Service on the government website. And what about any other income or savings that you might have such as property or investments?

And if you have a partner, it's important to consider what income, savings, pension entitlements they may have and when they might come into payment. We're going to have a look at budget planning. A useful starting point for you might be to think about what sort of lifestyle you want when you retire. That could be anything from going on holiday a couple of times a year, to just paying your bills and having the occasional treat.

The Pension and Lifetime Saving Association (PLSA) has created these retirement living standards and the idea of these is to give an idea of what life could look like at three different levels of income with an overview of how spending habits might be covered. Everyone's retirement will be different though, and other costs do need to be factored in depending on your circumstances and living arrangements.

Just going through the three living standards. The amounts indicate the expenditure required to achieve a given living standard, so the amount you would receive or the amount you would need to receive after tax. The minimum level is estimated to be £13,400 a year for one person and £21,600 for two people. This is expected to cover your basic needs with a little leftover for socialising and extras such as a UK holiday each year, dining out once a month and affordable leisure activities around twice a week.

A moderate level is estimated to be £31,700 a year for one person and £43,900 a year for two people. This is expected to lead to a more financial secure and flexible retirement and ability to do more, such as an



annual holiday abroad and dining out a few times a month. A comfortable level is estimated to be £43,900 a year for one person and £60,600 for two people.

That's expected to offer opportunities for more spontaneous spending and luxuries, with a foreign holiday and UK mini breaks each year, subscription to a streaming service and regular beauty treatments. Remember, these figures are the amounts of expenditure required to achieve a given living standard.

Finally having a look at target setting. Once you've reviewed your finances, worked out what you have and how much you think you'll need, what's your plan to make it happen? It's important to think about when you want to retire, so will you have enough at the point you would like to retire for your plans? If not, could you consider the age that you plan to retire and whether you may take all the benefits at the same time or over a period of time?

You can also consider further building up your benefits by paying additional contributions to help reach your target which could benefit from tax relief. Or you could build up other non pension savings.

There's a number of tools and resources available on the USS website that you can use to help with your planning, including the USS Contributions & Tax Calculator so you can factor in any additional contributions you're thinking of paying into the Investment Builder. And estimate how much you'll contribute and how much you might save in tax, and see how much you could save in National Insurance with salary sacrifice if your employer offers that.

You can use the USS Benefit Calculator to help you estimate your USS benefits in retirement and see how your benefits might look if you access them at different ages. Or use any of the flexible options with your Investment Builder pot. You can use that estimate alongside your State Pension forecast and other savings and income details to help with your retirement planning.

You can also look at the government's Midlife MOT tool. It asks you a series of questions about your finances and budgeting plans and provides guidance on potential next steps appropriate to your answers. If you are not sure what's right for you or want to check your plans with someone, then you could think about taking independent authorised financial advice.

USS recommends that you seek guidance and or take financial advice to work out what's best for you. And you can find out more about guidance and financial advice on the USS website.