

Overview of USS

Video transcript

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. 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. You'll also build up benefits in the Investment Builder if you choose to make additional contributions or if you transfer in a pension from elsewhere.

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 into 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. And 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. And you can access My USS from the USS website at uss.co.uk on any device. So your laptop, your tablet or your smartphone.