



USS



Information for eligible children

This factsheet explains who qualifies to receive a child's pension on the demise of a member.

The following information is based on current HM Revenue & Customs guidelines. It is, therefore, subject to alteration as a result of any future changes in legislation.

Information for eligible children

The trustee has the discretion to pay a pension to, or for the benefit of, an eligible child or children of a deceased member.

Who is classified as an eligible child?

An eligible child is a child (born or unborn) who is the member's:

- Lawful or adopted child;
- Dependent natural child;
- Stepchild;
- Child accepted as a member of the family (and also a dependant); or
- Is the dependent lawful, natural or legally adopted child of a surviving civil partner.

An eligible child must also be:

- Under the age of 18; or
- Over the age of 18 but:
 - (a) unable, owing to ill-health, to be in full-time education or self-supporting or
 - (b) under 23 and in full-time education or training approved by the trustee

What is classed as full-time education or training?

Each case is considered individually, but the following guidelines are in place to determine what can be classed as full-time education or training:

1. A full-time course at an institute of further or higher education in the UK which leads to a first/ undergraduate degree or similar recognised qualification where the course begins within one year of leaving school or college;
2. A one year certificate of education course or similar immediately following a degree course;
3. A second undergraduate degree which commences during or within a reasonable period following the completion of a first degree;

4. A full-time course at an institute of further or higher education in the UK which leads to a higher degree (i.e. a Masters or Doctorate) where the course begins within one year following a first/undergraduate degree;

A qualifying/eligible child's annuity will only be paid during a higher degree course until the age of 23.

If a period of paid employment is undertaken during the course, generally this period will not be considered a period of full-time education and therefore an annuity will not be paid. However, if there are occasional teaching or demonstrating duties connected with the course, these will not ordinarily be regarded as employment. Where there is a compulsory period of work placement during a course, particularly where the level of remuneration is minimal the trustee may deem the year placement to be an integral part of the degree and as such may count it as full-time education.

5. A full-time course of training leading to a professional qualification or full-time vocational training where the course begins during the period after full-time education at school concludes and before a further period of approved full-time education or training is commenced, up until the ages referred to in paragraphs (1) and (2). This period is ordinarily of three to four months duration (e.g. July to October).

Situations not covered by these guidelines will be considered on an individual basis. If an eligible child is under the age of 18, pension payments will be reviewed once the child reaches age 18.

If payment of a pension to a child over age 18 is being considered on the grounds that the child is unable to be self-supporting due to ill-health, the trustee will require a doctor's report providing details of the child's condition and confirming whether there is any possibility of the child becoming self-supporting at any time in the future. Once the trustee has agreed to the payment of such a pension, it may decide to review the child's medical condition periodically to establish whether there has been any change.

If payment of a pension to a child is being considered on the grounds that the child is over the age of 18 but is in full-time education, a 'Verification of full-time education course' form must be completed and signed by the course tutor at the appropriate school, college or university. Payment of this pension will be reviewed on the completion of each course. If the child in question ceases to be in full-time education prior to the completion of the course then the trustee must be informed of this immediately.

If a child is over age 18 then the pension must be paid to his/her own bank account unless there is any reason why this would be inappropriate.

Payment of annuities to children who are dependent on a member due to physical or mental incapacity will continue on the condition that the child was dependent for this reason at the date of the member's death.

The information provided in this leaflet is based on current HM Revenue & Customs guidelines. It is, therefore, subject to alteration as a result of any future changes in legislation. The guidelines are an indication of how the trustee may exercise its discretion in any particular case but they are not binding on the Trustee and each case will be viewed by reference to its own particular facts.

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 latter prevail. Every effort has been made to present accurate information at the date of publication and 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.