



The  
University  
Of  
Sheffield.

USPS  
Flexible  
Retirement  
Plan.

## Key features at a glance

### What are the member contribution levels?

Eligibility	All members					Current scheme members	
	2%	4%	6%	8%	10%	7%	9%
Member contribution (% of pensionable pay)	2%	4%	6%	8%	10%	7%	9%
Guaranteed benefit at normal pension age (including member contribution)	10%	15%	20%	25%	27%	23%	28%

### What happens to the benefits built up each year?

- Each year the benefits already built up in the member's Flexible Retirement Plan are re-valued to combat the effects of inflation eroding the cash value.
- The scheme will re-value these accrued benefits in line with the Consumer Prices Index (CPI) up to a maximum of 5% per year.
- The Trustees of the scheme will review the re-valuation rate annually and may amend it to reflect the prevailing economic outlook and forecasts.

### How does the Flexible Retirement Plan link in with the State 2<sup>nd</sup> Pension (S2P)?

- Members of the Flexible Retirement Plan will also build up entitlement to the S2P through their National Insurance (NI) contributions.
- S2P is a valuable addition to the basic state pension and is paid at the state pension age.

### What happens at retirement?

- Members of the scheme are able to take up to 25% of the value of their Flexible Retirement Plan as tax-free cash at the point of retirement.
- The remainder is used to purchase a retirement income for life, called an annuity. An annuity can be tailored to suit the individual member's needs at that time.
- The University will provide support and access to independent financial advisers who will be able to select the most appropriate annuity for each member.
- You can use our on-line modeller to see how much your Flexible Retirement Plan could be worth at retirement. Find it at: [http://businesssystems.dept.shef.ac.uk/usps\\_modeller/index.php](http://businesssystems.dept.shef.ac.uk/usps_modeller/index.php)

### What else does the scheme provide?

- Death-in-service cover of 4 X a member's pensionable pay, plus a refund of the member's contributions, with interest.
- Additional Voluntary Contributions (AVCs) will be possible into a separate defined contribution scheme.
- Normal pension age currently 65, rising in line with state pension age.
- Options for flexible retirement, early retirement and late retirement.
- Ill-health retirement available on the basis of either partial or permanent incapacity.