Take yo ur pick!

The University offers two schemes, giving you choice and flexibility

The CARE section

Vs

The DC Plan

Start saving now for your future

PAS Pension & Assurance Scheme

UNIVERSITY OF LEEDS

CARE section of PAS – a slice of pension every year

The Career Average Revalued Earnings (CARE) section is a Defined Benefit (DB) arrangement which means you have certainty about how much pension you receive at retirement.

In the CARE section you receive a slice of pension and tax-free cash lump sum for each year you are a member, based on your Pensionable Salary in that year.

Each slice is increased by inflation* to make sure it keeps its value as the cost of living rises between now and retirement.

*Increases are based on the Consumer Prices Index – subject to certain limits.

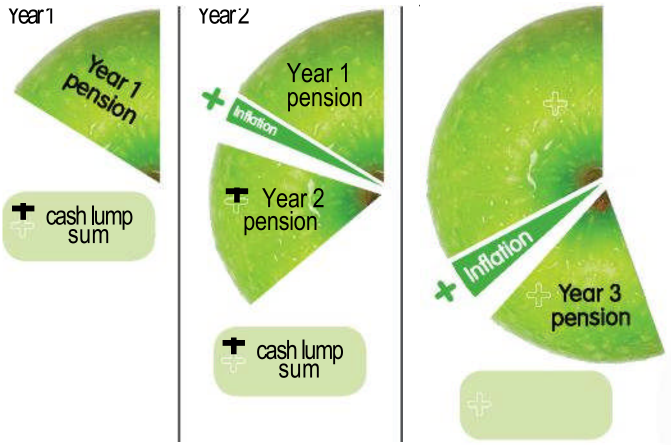


Diagram is based on someone who is a member for three years.

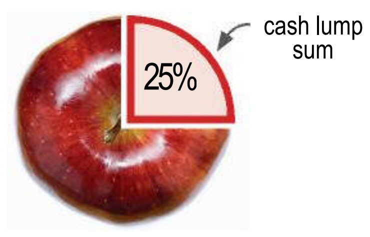
DC Plan – growing your pension

University of Leeds Defined Contribution Pension Plan (DC Plan) is provided by The ple's Pension. In a DC arrangement there is less certainty about how much you will receive etirement – see 'How much pension will you get?' below.

Contributions are paid by you and the University into your individual account.

This is then invested with the aim of helping its value to grow.

When you retire you can take your account as cash or use it to provide a monthly income



You can choose to take up to 25% of your account as a tax-free cash lump sum at retirement, the balance can be taken as a taxable lump sum or used to provide an income.

How much will it cost?

CARE section:

You contribute 6.5% of your Pensionable Salary each month and the University pays the rest of the cost of providing your benefits.

You automatically receive tax savings on your pension contributions. If you join Pensions+, you will make NI savings. This means that the actual cost of the CARE section is a lot less than 6.5% of your Pensionable Salary.

DC Plan:

You choose how much to contribute from a minimum of 3% of your Pensionable Salary and the University also contributes:

You contribute	University contributes	Total contribution
3%	6%	9%
4%	8%	12%
5%+	10%*	15%+

*This is the maximum University contribution.

You receive tax relief on your pension contribution and, if you join Pensions+, you will make National Insurance savings. This means that the actual cost of the DC Plan is a lot less.

How much pension will you get?

CARE section:

You build up an amount of pension each year – and a cash lump sum.

You will get an annual benefit statement showing how much you have built up in the scheme.

DC Plan:

If you wish to use all or part of your fund to provide a pension, the pension you will receive depends on how much you have contributed, how your investments have performed, when you take your benefits and the cost of buying a pension at retirement.

This means it can be difficult to predict what your pension might be in retirement.

When can you take your benefits?

CARE section:

Normal Retirement Age in the CARE section is age 65. This will increase in line with the change in the highest State Pension Age in the future.

DC Plan:

You can choose when you take your benefits, but taking your benefits before your Normal Retirement Age means your account will have less time to grow.

Other benefits (CARE section)

- Benefits for those who depend on you if you die in service A lump sum of 3 x your Pensionable Salary

PLUS

A spouse's/dependant's pension equal to 50% of the pension you would have built up to your Normal Retirement Age, using your Pensionable Salary at the date of your death.

- An ill-health pension in case you are too ill to work

If you can't return to your normal employment, you will receive the pension you have built up to the date you retire, without reduction for early payment.

If you can't work at all, you will receive the pension you would have built up to your Normal Retirement Age, without reduction for early payment.

In the CARE section you can pay extra contributions (AVCs) to increase the benefits payable from the scheme on retirement

Other benefits (DC Plan)

- Benefits for those who depend on you if you die in service

A lump sum of 5 x your Pensionable Salary

PLUS

A spouse's/dependant's pension (or tax-free cash lump sum) using the value of your account at the date of your death.

- An ill-health income in case you are too ill to work

An ill-health income of up to 50% of your Pensionable Salary once you have been a scheme member for over 12 months, and after 26 weeks of absence. This would be payable while you are too ill to work or until you retire.

What is pensionable salary?

Your basic salary excluding overtime and including certain allowances

The choice is yours

By law, from 1 March 2013 the University must enter all employees into a pension scheme if they meet certain criteria*. You can choose which pension scheme you join, but you can only join the CARE section within the first 12 months of your employment. It's a **one-off** opportunity. After 12 months, you will **not** be able to join the CARE section in the future.

Your one-off opportunity to choose CARE

First day of employment

In the first 3 months, if you are eligible for PAS, you can choose to join either the CARE section or the DC Plan.

3 months

If you don't join a scheme within the first 3 months and you meet the criteria you will automatically join the DC Plan.

12 months

After your first 12 months of employment you will no longer have the choice to move to the CARE section.

*Based on age and earnings.

How to join

Please contact the Pensions Department for an application form.

Once you have chosen which scheme you would like to join, you will receive a booklet containing more information about how your scheme works.

Want to know more?

If you need help to make your decision you will be able to attend a pension induction course, provided by the Pensions Department, which will help you to understand your options.

You can also download the CARE section and DC Plan booklets at **www.hr.leeds.ac.uk**.

Opting out

If you decide that you no longer want to be a member of your scheme, you can opt out.

Current legislation means that we must re-enrol you into a workplace pension scheme every three years, so you may have to opt out again in the future. It is important to plan where your income will come from when you retire, so you might want to take independent financial advice before choosing to opt out. You can find an independent financial adviser in your area by visiting **www.unbiased.co.uk**

Please contact the Pensions Department for more information about opting out.

Disclaimer
This leaflet provides only a brief overview of the scheme. More specific information regarding benefits, terms and conditions can be found on the website.

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