

## USDAW Staff Superannuation Fund (the Fund) – Pension modeller User guide

All figures produced by the modeller are approximate and are for illustrative purposes only and do not form a guarantee. Your benefits which are paid will be calculated by our administration team in accordance with the Fund rules using your up-to-date salary and service information, using the retirement factors in force at the time of your retirement. If you are thinking of retiring, please contact the administration team. The factors are subject to change and could go up or down. In the event of any discrepancy between the figures produced by the modeller and the Fund rules, the Fund rules will apply.

### Who is the modeller for?

The pension modeller is for active members of the Fund.

When you first join the Fund, you will first be able to use the modeller once you receive your first Annual Benefit Statement, which will have an effective date of the next 6 April after you join. Benefit statements are usually issued within six months of the statement date.

If you are a deferred member of the Fund, you can contact the Fund administrators to obtain an estimate of your pension, using the [Contact Us](#) page on the Fund [website](#).

### What does the modeller show me?

You can use the modeller to get an immediate illustration of the benefits you might receive from the Fund when you retire.

All you need to use the modeller is your latest Annual Benefit Statement. The Fund administrators send you a benefit statement each year, usually within six months of the statement date of 6 April.

Your Annual Benefit Statement shows you:

- the pension you have built up so far, to 6 April of that year, and
- the pension you will have built up if you stay an active member of the Fund up to your Normal Retirement Age i.e. your 65th birthday.

You can use the modeller to recreate your benefit statement. You can then change the following details, and see how this might affect your benefits:

- Final Salary
- Additional Voluntary Contributions (AVCs)
- Retirement Date

The modeller calculates an illustration of your benefits assuming you remain in pensionable service until, and then retire from, the Retirement Date that you input.

## How do I use the modeller?

There are only five inputs needed to use the modeller, to make it as easy to use as possible.

### **Modeller ID**

This is used to identify you. You can find it on your Annual Benefit Statement.

### **Date of Birth**

Your date of birth.

### **Final Salary**

This is the salary figure used to calculate your pension.

Please enter your average Pensionable Salary in the 12 months before your Retirement Date. Your Pensionable Salary is your salary, including London weighting, but not including overtime payments, expenses or the value of a Union car.

If you are a part-time employee, please enter your full-time equivalent Pensionable Salary rather than your part-time Pensionable Salary.

### **Additional Voluntary Contributions (AVCs)**

As an active member you have the option to pay AVCs to Royal London to enhance your benefits. If you don't currently pay AVCs to Royal London, then please enter 0 in this field. If you have AVCs with Royal London, then please enter an estimate of what your AVC fund value will be at your Retirement Date.

The modeller assumes that you will take these AVCs as a tax-free cash lump sum at your Retirement Date.

If you have any Pension Builder Contributions (PBCs) with Standard Life, then please do not include these here. PBCs are in a separate arrangement to the Fund.

### **Retirement Date**

This is the date that the illustrated benefits would be payable from.

Your Annual Benefit Statement shows you an estimate of your benefits at your Normal Retirement Age, which is your 65th birthday. The modeller shows you an illustration of your benefits at the date you input. If the Retirement Date you input is before your 55th birthday or after your 75th birthday, then the figures shown will be calculated at your 55th birthday or your 75th birthday respectively.

Your Appropriate Reduction, if applicable, is deducted from your pension once you reach your [State Pension date](#). Please note that, if you retire on or after your State Pension date, then your Appropriate Reduction will be deducted from your pension immediately when you retire, but the figures produced by the modeller do not reflect this. For more information, please [Contact Us](#).

For more information about the benefits in the Fund, please see the Fund [booklet](#).

## Modeller output

The results of the modeller are in the same layout as your Annual Benefit Statement, like the example given below.

If you would like to see other results, you can simply change the inputs, and press the Recalculate button.

At retirement, you will be given the choice of taking your full 'basic' pension, or to swap some of your pension for a tax-free lump sum, up to a maximum amount. The modeller shows you illustrations of both the full pension option, and the maximum tax-free lump sum option. The maximum tax-free lump sum option illustrated by the modeller assumes that you also give up the future pension increases on the swapped pension, in order to achieve the highest lump sum available (on current terms).

If you have any feedback on the modeller or any questions, we'd love to hear from you – please contact us using the [Contact Us](#) page on the Fund [website](#).

Pension benefits at chosen Retirement Date **		
	Built up so far to 6 April 2022	Built up to Retirement Date
<b>Basic pension</b>	£970 per annum	£3,390 per annum
<b>+ Basic cash sum</b>	£0 lump sum	£0 lump sum
<b>OR</b>		
<b>Reduced pension</b>	£600 per annum	£2,110 per annum
<b>+ Max cash sum</b>	£4,060	£14,060
<b>Appropriate Reduction</b>	£0 per annum	
** If your chosen Retirement Date is before your 55th birthday or after your 75th birthday, then the figures shown will be calculated at your 55th birthday or your 75th birthday respectively.		
Benefits payable on death		
	Before retirement	After retirement
<b>Lump sum payable upon death</b>	£120,000 This four times salary lump sum death benefit would only be payable if you are survived by a dependant. If there is no dependant, the lump sum would be one times salary. A refund of contributions may also be payable.	A lump sum may be payable in certain circumstances, and subject to the discretion of the Trustee.
<b>Partner's pension payable upon death</b>	£1,820 per annum	The amount payable would be half of your pension before any reduction for tax-free cash is taken into account.

### Example modeller results