



Annual Review 2024

Welcome to your Annual Review

“ This year has been busy and challenging but also exciting. We’ve been working on SAUL’s full financial health-check, also known as the Actuarial Valuation. We’ve been able to make some positive changes to SAUL to benefit members and employers and make sure SAUL stays healthy in the long term. You can find out more about SAUL’s financial health on page 4. ”



Louise Lindsay
Chair

SAUL is in good shape for the long term and that means we need to think carefully about investing SAUL’s money responsibly for the long term too. So we need to take account of such factors as climate change and ethics, including making sure the investments and companies we deal with are aligned with our objectives and values. There’s lots of information about our investments in this review, starting on page 8.

While we’ve focused on some big projects this year, I’d also like to thank the team who work so hard every day to support SAUL members and employers. That team has been led by Sue Applegarth, who has retired after 10 years as a wonderful CEO for SAUL. It’s been a privilege

to work with Sue and to see her commitment to putting SAUL members at the heart of the decisions we make about the Scheme. I’ll really miss working with her and know she’ll be missed by the whole team here.

As we wish Sue well for her retirement, I’m delighted to welcome Rob Orr to his new role as CEO. Rob has worked at SAUL for many years and understands the challenges and opportunities we face. He’s also focused on making sure SAUL works for you – SAUL members. I’m looking forward to working with Rob in his new role and know he’ll be a fantastic leader for our pension Scheme. You can find out more about Rob on page 12.

Louise



I'm sad to be leaving SAUL but so proud of everything we've achieved together in my 10 years as CEO.

As well as making sure SAUL stays healthy, we've always focused on listening to your views so we can deliver what matters most to you. You can find out how we've responded to feedback from our last member survey and our recent focus groups on page 14. We'd love you to take part in this year's survey – there's a link on the same page.

I'd like to thank the Trustee, our advisers and the whole SAUL team for their friendship, support and commitment to SAUL. I know they'll continue to keep SAUL members at the heart of everything we do now and in the future.

Sue

Measuring SAUL's financial health

Every three years, SAUL's Defined Benefit plan has a full financial health-check – also known as an Actuarial Valuation – to make sure we've got the money we need to pay the pensions we've promised, now and in the future.

Our latest full health-check measured SAUL's health on 31 March 2023.

What the health-check measures

The health-check looks at two things:

- The money in SAUL compared to the pensions members have built up, to make sure we have enough money to pay the pensions we've promised
- The money being paid into SAUL by members and employers compared to the cost of building up future pensions.



The 2023 health-check shows SAUL is in good shape

The health-check results show that on 31 March 2023 SAUL was in good shape with:

- more than enough money to pay the pensions we've already built up – an extra £134 million, and
- enough being paid in by members and employers to cover the cost of future pensions. As employers have paid 21% of members' salaries and members paid 6%, we have 7.7% more from salaries than we need to pay future pensions.

This is great news for members and employers because it means we can make sure SAUL stays healthy in the long term. And it means we can afford to make some positive changes to the plan now because we have more money than we need to pay promised pensions now and in the future.

We're making three positive changes to SAUL

Because we have more money than we need, we can afford to improve SAUL now. That's why we're making three changes – one to benefit members, one to make SAUL more affordable for employers and one to help protect SAUL's long-term health.

1 Pensions that members build up in future will be better protected against inflation

The pensions we pay SAUL members increase to help your money keep its spending power. Pensions built up since 2016 increase in line with the Consumer Prices Index (CPI) capped at 2.5%. CPI measures inflation by looking at the goods and services people typically buy.

Capping the increase at 2.5% means that if inflation is more than this, the value of members' pensions decreases over time.

We want to better protect your pension against inflation. So, pensions built up from 1 April 2025 will increase in line with CPI, capped at 5%, once we start paying them.

2 Employers are paying less into SAUL

After the last health-check, employers started paying more into SAUL. The amount they paid went up from 16% of members' salaries to 19%, and then to 21%. They agreed to pay more to help secure SAUL pensions and make sure they could still offer a really valuable pension to their employees.

Now that there's more money than we need being paid into the Scheme, we can use some of this to reduce the amount employers are paying in. This makes it more affordable for them to offer SAUL membership to their employees. From 1 September 2024, employers are paying 19% of salaries into SAUL.

3 SAUL's investments will take less risk

The money paid into SAUL is invested to help it grow to make sure we can pay the pensions we've promised. The more money we need to make, the more risk we take in our investment strategy.

Because we now have more money than we need, we can afford to invest in a way that takes less risk. This will help secure the plan in the long term by making SAUL less vulnerable to changes in the financial markets.

Having more money than we need means we can afford to improve SAUL

We always base the changes we make to SAUL on the needs of our members and employers. And we work as a team – making sure everyone's interests are represented – when we make decisions about our pension plan.

Because we have more than enough money to pay the pensions we've promised now and in the future, we can afford to make these positive changes to SAUL to benefit members and employers and to protect SAUL's financial health.

What's happened since the health-check

We also checked SAUL's health on 31 March 2024 to see how things had changed since the last full health-check. Our Actuary checks SAUL's health every year.

On 31 March 2024, SAUL had £243 million more than we need to pay the pensions we've promised. This means SAUL is in a really strong financial position.

What we have to tell you about SAUL every year by law

We have more money than we need to pay the pensions already promised to members.

We haven't paid any of this extra money – known as a surplus – to SAUL employers in the last 12 months.

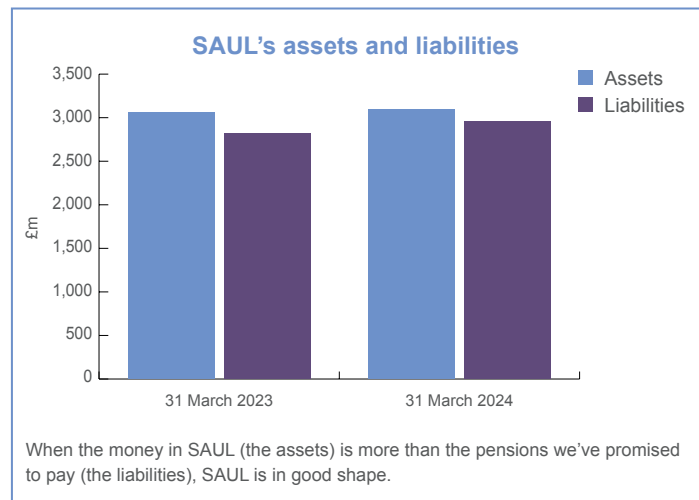
The Pensions Regulator makes sure pension schemes are properly run and fulfilling all their responsibilities to members. If the regulator has concerns about a pension scheme, it can make changes, including to the amount of money being paid in. The regulator has not made any changes to SAUL in the last 12 months.

Even though we know that SAUL is in a strong financial position, as part of our health-checks we have to tell you what would happen if SAUL had to close in the future. We don't expect SAUL to close. We have to give you this information every year by law.

Every year, we work out how much money an insurance company would need to pay all the pensions and lump sums already promised to members. This overstates the value of SAUL because, unlike SAUL, insurance companies need to account for the risks they are taking on and their profit margins in their costs.

On 31 March 2024, the cost was £3,427 million compared to the money in SAUL, £3,058 million. This means SAUL has 89% of the money needed if we had to ask an insurance company to pay SAUL pensions. This is up from 85% on 31 March 2023.

If we had to close SAUL – also known as 'winding up' – because employers became insolvent, your pension would be protected. The Pension Protection Fund would pay you compensation.



The money in SAUL on 31 March 2024

We've taken these figures from our Annual Report and Financial Statements. If you'd like to find out more about SAUL's finances, you can download a copy on our [website](#) or get in touch to request a paper copy.

PricewaterhouseCoopers LLP – who audit our Annual Report – believe our financial statements give a true and fair reflection of SAUL's finances over the year.

Money in SAUL
on 31 March 2023



£3,092 million

+

Money paid in over the
year from members,
employers, investments
and other income



£254 million

-

Money paid out over the
year as pensions and
when members retire, die,
leave SAUL or transfer
their pension to another
scheme, plus investment
fees and other costs



£112 million

-

The decrease in
SAUL's investments



£176 million

=

Money in SAUL
on 31 March 2024



£3,058 million



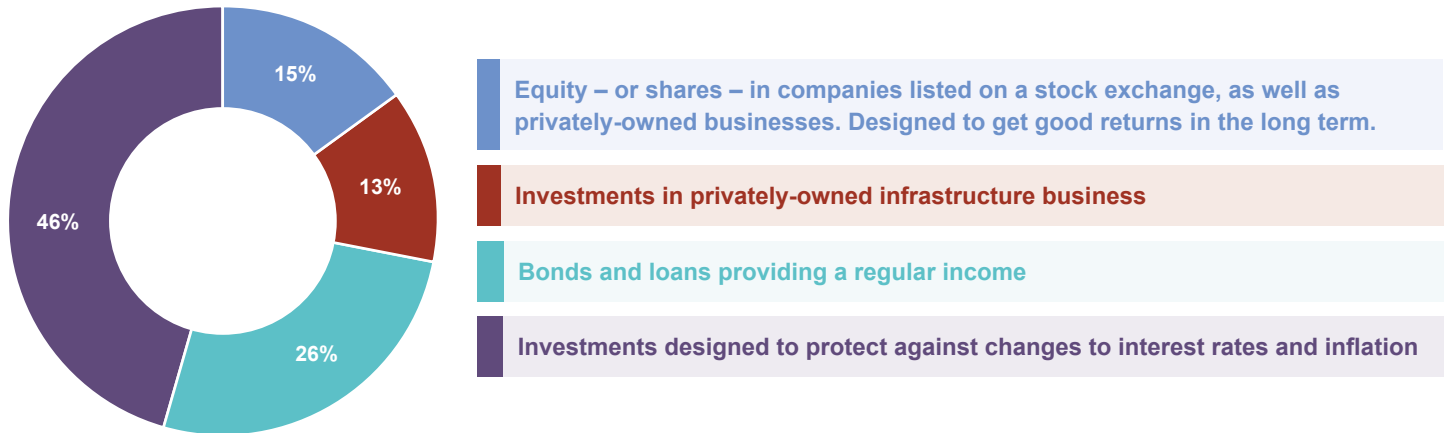
The money in SAUL – our assets – has fallen over the year. But the cost of paying the pensions we've promised to SAUL members – also called our liabilities – has fallen more. So, SAUL remains in good shape.

Where SAUL's DB money is invested

The money in SAUL's Defined Benefit plan is invested to make sure we have enough to pay the pensions we've promised.

You don't have an individual pension pot. Instead, the Trustee decides where to invest all SAUL's money and – when you retire, we use some of SAUL's money to pay your pension.

Here's where SAUL's money was invested on 31 March 2024:



The Trustee asks investment managers to look after the day-to-day running of SAUL's investment portfolio. The Trustee monitors the investment managers to make sure they're investing SAUL's money in a way that matches our investment strategy and aligns with our approach to responsible investment.

Investing SAUL's money responsibly




The Trustee manages climate-change risk in SAUL's investments and the impact our investments have on the planet. As part of this, the Trustee set a target to have a net-zero investment portfolio by 2050, or sooner if we can. You can find out about our progress towards this target in our latest **climate-change risk management report**. If you'd like a paper copy of any of our publications, please get in touch.

But investing SAUL's money isn't just about tackling climate change. It's considering wider issues – such as working conditions at the companies in which we invest and diversity, equity and inclusion – too.

That's why the Trustee's Responsible Investment Working Group is considering what more we can do to manage these risks as well as whether we should exclude certain investments. The working group will make recommendations to the Trustee later in the year and we'll tell you more about this soon.

If you'd like to know more about SAUL's investments, you can find lots of information on our website including our:



-  **Statement of Investment Principles** – with details of our responsible investment approach in section 9
-  **Investment Beliefs** – including our approach to environmental, social and governance factors, and
-  **Responsible Investment policy.**

If you have any questions about SAUL's investments, please get in touch.

Who looks after SAUL?

SAUL has a Trustee Board made up of 12 Trustee Directors who help make sure the pension Scheme is well-run and well-managed. They're made up of:

- five employer representatives
- two union representatives from UNISON and two from Unite, and
- three independent professional pension trustees.

The Board is structured like this to make sure we're listening to views from everyone with an interest in SAUL when we make decisions about the Scheme.

The Trustee is responsible for making sure:

- we have enough money to pay the pensions we've promised
- we deliver excellent service to SAUL members
- we pay the right pension to the right person at the right time, and
- SAUL provides value for money.

Each Director serves on the Board for five years and they can apply to stay for longer if they want to. This year, two of our Directors, Phil Harding and Inder Dhingra, were reappointed to the Board for another five years.



(From left to right): Steve Large (King's College, London), Peter Fraser (Unite), Bill Causon (UNISON), Donna Dalrymple (University College, London), Steve Balmont (independent), Louise Lindsay (Chair, Imperial College London), Inder Dhingra (Deputy Chair, independent), Glyn Baker (Unite), Rachel Croft (independent), Angela Jelfs (UNISON), Phil Harding (University nominee), Matt Lee (London School of Hygiene and Tropical Medicine).

We've also welcomed two new Directors.



Donna Dalrymple

Donna Dalrymple joined on 1 April 2024. Donna is an employer Director, representing University College London. She is UCL's Chief People Officer and joined UCL in 2016. Donna is passionate about diversity and inclusion. She founded the Accelerate to Leadership scheme for BAME future leaders.



Rachel Croft

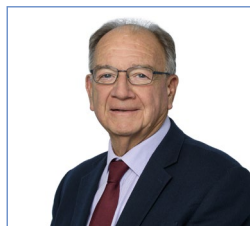
Rachel Croft is a new independent Trustee Director. She joined on 1 July 2024 and has many years' experience as a professional pension scheme trustee. Rachel is the Head of Co-Trusteeship at Independent Governance Group – a professional trustee company.

We look forward to working with Donna and Rachel.



Penny Green

Rachel replaces Penny Green who retired from the Board in June. Penny was our CEO from 1998 to 2014 before joining the Board as an independent Trustee Director. Penny has made a significant contribution to SAUL over the last 26 years and we wish her a happy retirement.



Dr Dennis Buckley

We were saddened to learn of the death of Dr Dennis Buckley in June. Dennis was the Chairman of the Board and the Investment Committee from 2002 to 2021. Dennis was hugely knowledgeable and universally respected. He was a fantastic Chairman and he is fondly remembered by everyone at SAUL.

Meet our new CEO

Rob Orr is our new CEO – taking over from Sue Applegarth who retired at the end of September. Rob joined SAUL in 2010 and has worked as our Head of Technical and Communications for most of that time. Rob has lots of pensions industry experience, and we know he'll be a fantastic new CEO for SAUL because he understands our Scheme and is really committed to helping members get the most out of their pension.



We asked Rob to tell us a bit about himself and his plans for SAUL.



How are you feeling about your new role?

It's a privilege to be CEO of SAUL. I'm honoured to have been chosen and excited about the future.



What have the first few weeks been like?

I found out I'd got the job in May – so I've had a few months to settle in before taking over from Sue at the start of October. During that time, I've been working closely with Sue and with our Trustee Board. I've also been talking to SAUL employers and the unions because it's really important that we continue to listen to everyone and work together to make sure SAUL is giving you – our members – what you need from your pension Scheme.



What are your priorities for SAUL?

My biggest priority is continuing to deliver a strong pension Scheme with pensions and service that meet members' needs and that you can rely on and value. We've got lots of exciting work coming up from improving online pension accounts to running online presentations to help you get the most out of your SAUL membership. And, as always, we'll be keeping a close eye on SAUL's financial health to make sure we've got the money we need to pay the pensions we've promised now and in the future.



What would you be doing if you didn't work in pensions?

I wanted to be an academic when I was much younger, so I suspect I'd still be working in Higher Education in some way.



What do you like doing outside of work?

Getting the run-around by my family – my wife and I have two children – motorbiking, and running. I've run a few marathons in recent years, including the Manchester marathon in April. It's the biggest marathon in the UK after London and I managed to knock five minutes off my personal best!



How would your friends describe you?

They'd say I'm calm, loyal and supportive. And they'd probably also tell you that I have a sweet tooth – especially where chocolate is concerned!



What's your message for SAUL members?

We always want SAUL members to be at the heart of what we do and we really value your feedback. If there's anything you'd like to know more about or anything we can do to improve the service we offer, please get in touch. We're here to help.



Your feedback really matters to us

We're always happy to hear from you if you have a pension question or want to give us feedback on our service. When you share your views with us, you're helping us improve what we do and making sure we're focusing on what matters most to you.

Last year, over 1,000 members completed our annual survey. You told us it was easy to get in touch when you had a question, and you value SAUL – especially the money employers pay in.

You told us...

You'd like to know more about the benefits of SAUL membership



So we...

Created **quick guides** to key pension topics so you can find the information you need easily and put more information about what you'll get from SAUL into this newsletter

What we'll do next...

Send more emails when you reach a pensions milestone like joining or when you're old enough to retire

Plan online presentations so you can find out more about SAUL and ask our team questions

You told us...

You want to be sure your SAUL pension is secure



So we...

Told you about SAUL's financial health and how the Trustee looks after the Scheme in this newsletter

What we'll do next...

Keep you up to date with news about SAUL's health on our website

You told us...

You want to access your pension details online



So we...

Added some extra steps to registration to confirm your identity so we could re-open registration with improved security

What we'll do next...

Consider how to improve online accounts

We always listen to your feedback and use it to help shape the work we do. Our latest survey is **open now** – please take 10 minutes to tell us about your SAUL experience.

Thank you to our focus groups

This year, we also ran some focus groups to hear your thoughts about SAUL in more detail.

Thank you so much to everyone who took the time to chat. We learnt so much from your feedback about what you'd like from us including:

- more communication at key ages and other significant milestones
- bitesize content with short, simple messages
- more face-to-face communication – like pension surgeries and presentations.

We'll use all the insight we've gained from the focus groups, along with our survey results and other feedback, to help improve how we do things. And we'll keep you updated along the way.



Use your online account to see what you'll get from SAUL

Your SAUL pension is based on your salary and how long you've been a member. It doesn't depend on how an individual pension pot performs. Instead, the Trustee promises to pay you a pension and what you'll get is set out in the SAUL Rules.

The easiest way to see the value of your SAUL pension, and what you might get when you retire, is to log on to your online account.

You can use our modeller to get an estimate of what you might get when you retire. And you can choose your retirement age and lump sum amount to get an estimate that suits your circumstances.

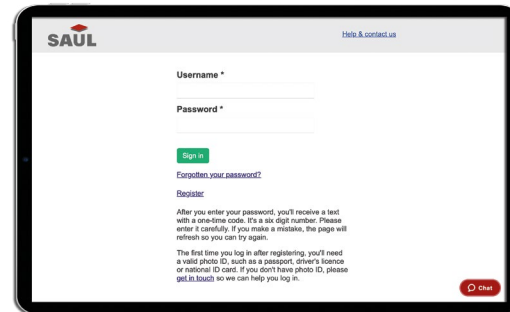
If you have any questions about online access, you can start a web chat with our team. We're available 9am-5pm, Monday to Friday.



If you haven't registered yet, or it's been a while since you logged in, just go to **login.saul.org.uk** to get started.

We'll need to verify your identity the first time you log in after registering with valid photo ID. You'll also need to take a selfie so it's best to use a smart phone or tablet. We've added this extra verification to help keep your pension secure.

Once you're logged in, you can update your address, tell us who you'd like to get money from SAUL if you die, and see a copy of your annual statement.



When you can retire

Most SAUL members can retire at age 55. If you joined before 6 April 2006, you can retire from age 50.

But if you joined SAUL on or after 4 November 2021 and you retire on or after 6 April 2028, the law is changing and you'll need to wait until you're 57.

SAUL's Normal Pension Date (NPD) – the date you can retire without any of your pension being reduced for early payment – is currently the last day of the month before your 66th birthday. If you retire before NPD, we'll reduce your pension because we're paying it early.

If you built up SAUL pension before 1 April 2020, you'll be able to take that part of your pension from age 65 without it being reduced.

And if you were a member before 1 July 2012, some of your pension will be payable at age 60 without reduction.

You don't have to retire on your Normal Pension Date – the latest you can retire from SAUL is age 75. If you wait to retire, we'll increase your pension because we're paying it later than planned.

Not sure what this means for you? You can find out more in our quick guide to retiring on our website. Or if you'd like to chat to someone about your options, please get in touch. We're here to help.

Colleen, SAUL member,
King's College London



“The death-in-service lump sum isn’t something you think about but, with the cost of insurance now, it’s good to know that loved ones would have something to keep them going. It’s about looking after yourself and looking after others.”

We're updating how we work out pensions

The pension and lump sum you get from SAUL is set out in our Rules. But we also need to consider SAUL's financial health and market conditions, as well as assumptions about how these might change in the future. These affect the pension you get if you retire early or late or choose a different amount of lump sum when you retire.

The Trustee reviews this every year, based on advice from the Actuary, and decides:

- how much to reduce your pension if we're paying it early
- how much to increase it if we're paying it late, and
- how much lump sum we can pay when you retire.

From 1 December 2024, the Actuary has recommended that we make some changes. These mean that if you retire from SAUL after that date:

- you'll get a slightly lower pension if you retire early
- you'll get more pension if you retire after SAUL's Normal Pension Date – the last day of the month before your 66th birthday
- you'll get a slightly higher pension if you choose not to take a lump sum from SAUL when you retire but a slightly lower pension if you do, and
- you might have the option of getting a one-off lump sum from SAUL instead of a pension. If you choose this option, you'll get a slightly lower lump sum.

If you'd like to know more about what these changes mean for you – especially if you're thinking of retiring from SAUL soon, please get in touch.



What happens to your pension if you die

SAUL doesn't just give you an income when you retire. We'll also pay your loved ones if you die.

If you die while you're paying into SAUL, we'll pay a tax-free lump sum of four times your salary to your loved ones.

You can tell the Trustee who you'd like to get lump sums from SAUL if you die in your online **pension account** or by completing a **letter of intent**.

The Trustee will decide who to pay but will consider your wishes when deciding. It's really important to keep your wishes up to date, especially if your circumstances change.

SAUL can also pay pensions to:

- your spouse or civil partner, or
- another adult who shares living expenses with you, and
- any eligible children.

You can find out more about what happens to your pension if you die in the **quick guide** on our website.



Helen, Beneficiary pensioner

“My husband hadn't been in SAUL for long...and I couldn't believe I got a bit of pension. They said, “you've got a pension and it's for life.” It was a lovely surprise actually. A sort of thank you to him for having made this provision.”

Protect yourself from pension scams

Do you know how to protect yourself from pension scams?

Research by the insurance company LV= found that 1 in 7 adults in the UK have been targeted by pension scammers in the last 12 months through unsolicited calls, texts and emails. Almost four million people lost money to scammers over the same period.

We look out for pension scams to help protect SAUL members from losing their money – our team are trained in the danger signs and we warn you about scams whenever we think there's a risk.

If someone contacts you out of the blue promising high investment returns or access to your money earlier than SAUL allows, it's highly likely to be a scam.

Legitimate companies never cold-call about pensions or rush you into making decisions. So it's always a good idea to stop and think before making any pension decisions. If you're worried about a potential scam, please get in touch.

You can find out more about protecting yourself from pension scams at **MoneyHelper**.



You can get in touch with us by...



Email: gen@saul.org.uk



Phone: 020 7776 4340



Post: 1 King's Arms Yard, London EC2R 7AF



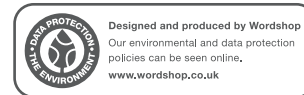
Web chat: www.saul.org.uk

And don't forget you can log in to your online account at login.saul.org.uk

If you'd like a large-print version of this newsletter, please get in touch.

The SAUL Rules tell us what we can pay you. If there's any difference between the information in this Review and the SAUL Rules, we'll pay what's set out in the Rules.

You can find lots of information about SAUL on our website including the Annual Report and Accounts and the reports on our full and mini health-checks.



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