



Getting your pension from SAUL

Your guide to retirement

April 2025

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SAUL's Vision

A sustainable, affordable and well-managed Scheme, which is valued by all members and employers alike.

Introduction

This booklet gives you information about retiring from the Superannuation Arrangements of the University of London (SAUL).

You can find out about:

- when you can retire
- how we pay your pension and lump sum
- how your pension will increase
- how your pension is taxed
- the Government limits on the amount of lump sum we can pay you and on the pension you build up
- what happens if you go back to work after you retire, and
- what your loved ones will get from SAUL if you die.

This booklet is a summary. You can find full details in the SAUL Rules. If there's any difference between the information in this booklet and the Rules, we'll pay what's set out in the Rules.

We publish a range of information about SAUL. You can find all our publications on our website at www.saul.org.uk or contact us at our address on page 14 to request a copy by post or email.

When you can retire

SAUL's Normal Pension Date (NPD) is the date you can retire without any of your pension being reduced because we're paying it early.

NPD is the last day of the month before your 66th birthday. For any pension you built up before 1 April 2020, the NPD is age 65.

You can retire early

You can retire earlier than NPD but, if you do, we'll reduce your pension because we're paying it earlier than planned.

Most SAUL members can retire from age 55.

If you joined before 6 April 2006, you can retire from age 50.

If you joined after 4 November 2021 and you retire after 5 April 2028, the earliest you can retire is age 57.

If you joined before 1 July 2012, we can pay some or all of your pension from age 60 without it being reduced.

If you'd like to know more about retiring early and what it might mean for you, please get in touch.

You can retire late

You don't have to retire on your Normal Pension Date. You can leave your pension in SAUL after this and we'll increase it because we're paying you later than planned. The latest you can retire from SAUL is age 75.

Retiring because you're too ill to work

If you're too ill to work, you might be able to get your SAUL pension early or, if you're seriously ill, get a lump sum from SAUL instead of a pension. You can find a guide to ill-health retirement on our website.



Your pension and lump sum options

When you retire from SAUL, we'll send you details of the options available to you.

You can choose one of the following options:

Basic pension and lump sum

- an annual pension payable for life, and
- a tax-free lump sum of three times the pension.

If you leave SAUL before you retire, we'll work out your basic pension and lump sum, which both increase between the date you leave and the date you retire. Sometimes, the pension and lump sum increase at different rates. So, it's possible that your basic lump sum will be less than three times the basic pension shown on your retirement form.

Maximum pension

You can choose a bigger pension but you won't get a tax-free lump sum.

Maximum lump sum and reduced pension

You can choose a bigger lump sum, up to the maximum allowed by HM Revenue & Customs (HMRC). If you choose a bigger lump sum, we'll reduce your pension.

You can choose any amount of lump sum, up to the maximum allowed by HMRC, or none at all. If you've got a lump sum amount in mind, just let us know when you contact us about retiring.

Guaranteed Minimum Pension

If you were a member of SAUL between 6 April 1978 and 5 April 1997 part of your SAUL pension is called Guaranteed Minimum Pension (GMP). You might also have transferred GMP from another pension scheme into SAUL. GMP is linked to the State pension and based on the National Insurance contributions you made. We have to pay you a pension at least the same as the GMP you've built up. This might mean you won't get a lump sum from SAUL.

Taking a one-off lump sum instead of a pension

When you retire, we work out the 'cash value' of your benefits as a lump sum, rather than a pension. If the cash value is below a limit set by the Government, we can pay you a one-off lump sum instead of a pension.

You can get a one-off lump sum if you're aged 55 or over and:

- the cash value of your SAUL benefits is less than £10,000, or
- the cash value of your benefits from all pension schemes, except the State pension, is less than £30,000.

If you take this option, you won't get any more payments from SAUL and your loved ones won't get any pensions or lump sums if you die.

When we send your retirement options, we'll tell you if you can get a one-off lump sum from SAUL.

The first 25% of your payment will be tax-free but you'll have to pay tax on the rest of the lump sum.

More pension for your beneficiary

You can choose to provide extra pension for a named person if you die, by giving up part of your pension when you retire. There are limits on the amount you can give up and you can only do this if you're in good health when you retire.

You can also choose to increase your own pension and your spouse's pension by giving up all or part of your lump sum.



Paying your SAUL pension

We pay your SAUL pension on the 24th of each month. If this is at the weekend or on a public holiday, we'll pay you on the last working day before the 24th. In December, we pay your pension early.

Your first pension payment will include the pension due to you between your retirement date and the day we first pay you.

We'll need your bank details at least 10 days before the next pay date to add you to the payroll.

If you choose to take a lump sum, we'll pay it to you within five working days of your retirement date or the date we send your Retirement Statement, whichever is later.

Bank accounts

We can only pay your pension to a bank or building society account in **your** name – this could be a joint account. We can't pay your pension to a Post Office account.

If you live overseas, we can still pay your pension to a UK account. We might be able to pay your pension to an overseas bank account in local currency. **For overseas payments, it may take two to five additional working days for the payment to arrive in your account.**

Payslips

We pay your SAUL pension directly into your bank (or building society) account. We'll send you a payslip when we pay your first pension instalment, whenever your pension payment changes by more than £1, and every April. We'll post a payslip to your home address on the working day before your pension goes into your account.

If your details change

If you move home, change your name or change your bank account, please let us know.

Changing your address

You can tell us about your change of address by writing to us or using the online change of address form on our website at:

www.saul.org.uk/address

Changing your bank account

To safeguard your pension, we can only accept changes to your bank details in writing or if you complete and send us the change of bank details form on our website at:

www.saul.org.uk/bankdetails

Changing your name

If you change your name, you'll need to send the original document confirming the change, such as a marriage certificate or Deed Poll. We'll return original documents by Royal Mail's Signed For service.

Increases to SAUL pensions

How SAUL pensions increase

SAUL pensions increase each April with reference to the Consumer Prices Index (CPI). CPI is the way the Government measures price inflation.

Pensions built up **before 1 July 2012** increase in line with CPI.

Pensions built up **between 1 July 2012 and 31 March 2016** increase in line with CPI, but the increases are capped.

If CPI increases by...	Your SAUL pension increases by...
up to 5%	the same amount as CPI
More than 5% but less than 15%	5% plus half the increase between 5% and 15%
More than 15%	10%

Pensions built up **between 1 April 2016 and 31 March 2025** increase in line with CPI, capped at 2.5%.

Pensions built up from **1 April 2025** increase in line with CPI, capped at 5%.

The Trustee has the power to award extra pension increases.

If we've been paying your pension for less than one year, you won't get the full annual increase.

Guaranteed Minimum Pension

For pension built up before 6 April 1997

If you were a member of SAUL between 6 April 1978 and 5 April 1997 or transferred in benefits you built up in another pension scheme during this time, part of your SAUL pension is called Guaranteed Minimum Pension (GMP). It's linked to the State pension and based on the National Insurance contributions you made. The GMP is equivalent to the State pension you would have built up if you had not been a member of SAUL.

Before age 60 (for women) or age 65 (for men) your GMP increases in the same way as pension built up before 1 July 2012.

From age 60 (for women) or age 65 (for men) SAUL will not pay an increase on GMP built up before 6 April 1988. We'll increase the GMP built up after 5 April 1988 in line with CPI up to 3%.



Going back to work

You can retire at any time from your 55th birthday (or your 50th birthday if you joined SAUL before 6 April 2006). This might mean you choose to go back to work after getting your SAUL pension.

If you accept a full-time job where you'd be entitled to a SAUL pension, the Trustee may cancel, reduce or suspend your pension.

If the Trustee does suspend your pension, we'll start to pay it again when you leave your job along with any pension you've built up since you went back to work.

This only applies if you return to work **full-time for a SAUL employer**. If you work for any other employer or you return to work for a SAUL employer part-time, your SAUL pension won't be affected.

If you're going to return to work for a SAUL employer, you must wait at least one calendar month before starting your new job. Returning to work after a break of less than one month means we'll assume you haven't left SAUL and you won't be able to get your pension while you're working.

Please let us know if you return to work for a SAUL employer. This is important because your employer might not know you're already getting a pension from SAUL.

Going back to work if you're an ill-health pensioner

The Trustee can cancel, reduce or suspend your pension if you retire early from SAUL on ill-health grounds but your health improves or you go back to work.

If the Trustee does suspend your pension, we'll start to pay it again when you stop working. The Trustee will decide how much pension to pay you based on advice from the SAUL Actuary.



Limits on pension saving

The Government sets a limit on the amount of money you can pay into a pension each year and on the amount of lump sum you can receive from a pension when you retire.

The Lump Sum Allowance

The Government sets a limit on the amount of lump sum you can take from all your pension schemes.

The limit is called the lump sum allowance and it's **£268,275**.

We need to ask you about any lump sums you've received from other pension schemes so that we can make sure we can pay you a lump sum from SAUL.

The Lump Sum Allowance is £268,275

The Annual Allowance

The Annual Allowance is the amount of pension savings you can build up in one year in **all** your pension schemes. The Annual Allowance is £40,000 for most people. If you're earning more than £150,000, different limits apply. You might have to pay a tax charge if you build up more than £40,000 of pension benefits in one year.

If you're paying in to SAUL immediately before you retire, or your employer is paying in for you through Salary Sacrifice, we'll test your SAUL pension against the Annual Allowance before you retire.

Very few members will exceed the Annual Allowance. We'll write to you if your pension savings in SAUL exceed the Annual Allowance.

Tax

Your pension payments from SAUL will be taxed under the Pay As You Earn system in the same way as salary.

When you retire, HM Revenue & Customs (HMRC) give us a tax code to apply to your pension payments. We don't get this until after your first pension payment. So when you first retire, we'll deduct tax using the BR code on a week1/month1 basis. This means your whole pension will be taxed at 20% or 40% depending on your income, until the tax office gives us your correct tax code.

If you have any questions about your tax code, you should contact HMRC:

Pay As You Earn and Self Assessment
HM Revenue and Customs
BX9 1AS

Telephone: 0300 200 3300

The tax office's reference number for your SAUL pension is 948/91P. Please give this number if you contact them. You should also tell the tax office your **National Insurance number** and your **SAUL payroll number**.

This is also the address for any general tax queries.

The Department for Work and Pensions (DWP) doesn't take any tax from your State pension, but it *is* taxable. This means any tax due on your State pension may be taken from your SAUL pension. Each April, you might find more tax than you expected has been deducted from your SAUL pension. This is because both your SAUL pension and the State pension increase in April.

Each April we'll send you a P60. It shows your total pay and tax details for the tax year ending on 5 April. Please keep your form P60 safe in case you need to show it to the tax office.



What happens to your pension if you die

If you die, we'll pay:

- a lump sum if you die within five years of retiring, plus
- a pension for your spouse, civil partner or other adult dependant, and
- children's allowances for eligible children.

Lump sum

SAUL pensions are guaranteed for five years. If you die within five years of retiring, we'll pay the rest of the pension that would have been paid to you to your loved ones as a lump sum.

The lump sum is based on the pension you're receiving when you die. We don't allow for any future increases when we work out the lump sum.

The Trustee decides who to pay so that there's no inheritance tax payable on the lump sum.

You can let the Trustee know who you'd like to receive any lump sums from SAUL by completing a Letter of Intent. The Trustee will take your wishes into account when they decide who to pay. If you die, they'll also ask about your personal circumstances and your Will if you have one.

Your spouse's pension will be two-thirds of your pension at the date you died, except in the following circumstances:

- **If you chose to increase your lump sum when you retired**, then your spouse's pension will be two-thirds of the pension you would have received if you hadn't made this choice.
- **If you chose to increase your own pension, but *not* your spouse's pension, when you retired**, your spouse's pension will be two-thirds of the pension you would have received if you hadn't made this choice.

If you were a SAUL member between 6 April 1978 and 5 April 1997, the spouse's pension will be at least the same as the spouse's GMP.



The Letter of Intent tells the Trustee what you'd like to happen to your SAUL benefits if you die.

It's very important that you keep it up to date, particularly if you're not married or in a civil partnership or if your circumstances change.

Civil partner's pension

The civil partner's pension is equivalent to the spouse's pension described on page 11.

The civil partner's pension will be at least the same as the civil partner's GMP.

Adult dependant's pension

If you don't have a legal spouse or civil partner, or you're not living with them, the Trustee may be able to pay a pension to one or more adults who are financially dependent on you.

If your spouse, civil partner or adult dependant is more than 15 years younger than you, their SAUL pension will be reduced.

Children's allowances

If a spouse's, civil partner's or adult dependant's pension *is* payable, then:

- one eligible child is entitled to a child allowance equivalent to half of the spouse's pension, or
- two or more eligible children are entitled to a total allowance equal to the value of the spouse's pension (divided between the eligible children).

If a spouse's, civil partner's or other adult dependant's pension is *not* payable, then:

- one eligible child is entitled to the equivalent of two-thirds of a spouse's pension, or
- two or more eligible children are entitled to a total allowance equal to the value of one-and-one-third times the spouse's pension (divided between the eligible children).

SAUL's definition of children who are eligible for benefits includes:

- your natural or adopted children, and
- any other child who, in the Trustee's opinion, is your dependant.

We pay child's allowances while the eligible children are:

- under age 18, or
- between ages 18 and 23 and in full-time education, or attending a full-time training course approved by the Trustee, or
- over age 18 and permanently unable to support themselves financially because of a disability.

If you'd like to check if a child you're supporting might be eligible for a child's allowance, please contact us (using the details on page 14).

We'll pay a child's allowance to the legal guardian if the child is under age 18. If the eligible child is over 18, we'll arrange payment directly with the child. If they're 18 or over, we'll write to the child or the guardian in September each year to check they're still in full-time education.

The Trustee can choose to pay small pensions as a lump sum. If this option is available, we'll let your beneficiary know when we write to them.

Help and support

Who to contact with your questions

If you have any questions after reading this booklet and you're still working for a SAUL employer, please contact the person dealing with pensions at your employer.

Otherwise, please contact us by:



Webchat on our website www.saul.org.uk. Our team is available 9am-5pm, Monday to Friday.



Email us on gen@saul.org.uk.



Call us
If you haven't retired yet, please call our Administration team on 020 7776 4341.
After you've retired, please call our Payroll team on 020 7776 4342.



Write to us at
SAUL Trustee Company
1 King's Arms Yard
London
EC2R 7AF

When you contact us, please tell us your payroll number or your National Insurance number.

More information

You can get general retirement information from:

- Age UK (www.ageuk.org.uk), which provides information about State benefits and the concessions available to pensioners, and
- Citizens Advice (www.citizensadvice.org.uk).

If you've lost the contact details for a workplace or personal pension, you can use the Government's Pension Tracing Service at:

www.gov.uk/find-pension-contact-details

You can also request contact details from the Pension Tracing Service at:

The Pension Service 9
Mail Handling Site A
Wolverhampton
WV98 1LU

Telephone: 0345 6002 537
From outside the UK: +44(0)191 215 4491
Textphone: 0345 3000 169

You can also claim your State pension through the Government website at:

www.gov.uk/claim-your-state-pension-online

Making a complaint

If you feel there's a problem, you may wish to make a formal complaint. If so, please contact us and ask for a copy of our leaflet, 'How to complain to SAUL' which is also available on our website.

You may ask the Pensions Ombudsman for help at any point. The address is:

Pensions Ombudsman Service
10 South Colonnade
Canary Wharf
London
E14 4PU

Phone: 0800 917 4487

Data protection

SAUL Trustee Company (STC) complies with the principles of the General Data Protection Regulation (GDPR). To protect the privacy of individuals, STC holds and processes personal data for pension scheme administration purposes only.

Full details of your data rights, the types of personal data we hold, how the data is used and who it is shared with are set out in the SAUL privacy notice at www.saul.org.uk/privacy.

You can request a printed copy of the privacy notice by contacting us using the details on page 14.



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