

Hybrid Section

Factsheet 17 – Transfers

If you leave University's pension arrangement because you opt out of pension provision or because you leave your Employer you may wish to transfer your benefits into another pension arrangement.

On the other hand you may be a contributing member of the University's pension arrangement and you may have benefits in another pension arrangement that you want to transfer into the arrangement.

If you are thinking of transferring benefits into or out of the University's pension arrangement you should read this factsheet carefully.

WHAT IS A TRANSFER VALUE?

When you retire, your pension from the CUACPS is payable for the rest of your life and in the event that you die a spouse's pension comes into payment. As an alternative to receiving your benefits from the Scheme as and when they fall due, you can transfer your benefits to another approved pension arrangement.

CRB benefits

If you choose to transfer your Career Revalued Benefit (CRB) benefits out of the CUACPS an amount will be paid from CUACPS to your chosen arrangement. This amount is known as the cash equivalent transfer value of your benefits. It is calculated based on advice from the Scheme Actuary and represents the expected cost within CUACPS of providing your benefits.

Defined Contribution (DC) benefits

If you choose to transfer your DC account from the CUACPS with SEI to another provider, the transfer value of your CUACPS account will simply be the value of the account on the transfer date.

Your total transfer value is the value of your CRB benefits plus the value of your DC account. However, you can choose to transfer your CRB and DC benefits separately. For example, you can leave your CRB

benefits in the CUACPS and transfer your DC account to a new arrangement.

Transferring out

If you transfer your CRB benefits out of CUACPS you will give up all of the guarantees provided under the CUACPS Rules. The pension you receive from your new arrangement may be lower or higher than the pension you would have received from CUACPS and the benefits may be payable in a different way – for example pension increases may be different.

If you are considering transferring out of CUACPS it is important that you are aware of pension liberation fraud. If you transfer your benefits into an arrangement which allows you to access your funds before age 55, and not on the grounds of ill-health, then this is pension liberation. Pension liberation fraud can result in serious tax charges and penalties and it is important that you are not misled about the consequences of these arrangements.

For more information please see the Pensions Regulator's website:

www.thepensionsregulator.gov.uk/regulate-and-enforce/pension-liberation

As you would be giving up some valuable guarantees, you may wish to take independent financial advice before you transfer benefits out of CUACPS. If your transfer value is more than £30,000 and you are transferring to a defined contribution pension scheme you will be required to take independent financial advice before you can transfer your benefits out of the CUACPS.

Requesting a transfer value

You can request a transfer value at any time between leaving CUACPS and starting to receive your pension.

Before requesting a transfer you should check that the arrangement you intend to transfer into is both willing and legally permitted to accept a transfer payment.

It may be possible to transfer to an approved pension scheme outside of the UK.

If you are considering transferring out of CUACPS it is important that you are aware of pension liberation fraud. If you transfer your benefits into an

arrangement which allows you to access your funds before age 55, and not on the grounds of ill-health, then this is pension liberation. Pension liberation fraud can result in serious tax charges and penalties and it is important that you are not misled about the consequences of these arrangements. Alternatively you may be promised high levels of guaranteed returns on your investment.

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For more information please see the Pensions Regulator's website:

www.thepensionsregulator.gov.uk/regulate-and-enforce/pension-liberation

If you are thinking about transferring your benefits out of CUACPS and wish to obtain a transfer value quotation please contact the Pensions Section.

Transferring In

If you have pension benefits in respect of a previous period of employment or self-employment with another employer it may be possible for you to transfer these into a separate arrangement operated by the University.

Any incoming transfer values will be paid into the CUADCPS and will increase your DC benefits at retirement.

If you have benefits that you wish to transfer to a University arrangement, please complete the Transfer in Authority form at:

<https://www.pensions.admin.cam.ac.uk/cps>

You may wish to take independent financial advice before you transfer benefits into the CUADCPS.

IMPORTANT NOTE

This factsheet provides a summary of how transfers into and out of University's pension arrangement work. However, your legal rights are governed by the Trust Deed and Rules of the CUACPS and CUADCPS. If there are any differences between the Scheme Rules and this factsheet, the Rules will override the factsheet. A copy of the CUACPS rules can be found using the following link:

<https://www.pensions.admin.cam.ac.uk/cps>

More details on Defined Contribution Scheme manager, SEI, can be found on www.seic.com or by contacting the SEI Master Trust administrator at seic@capita.co.uk.