

# Imprint

OSPS

May 2025

## A newsletter from your Trustees

As a new Chair of Trustees of the Oxford Staff Pension Scheme I would like to welcome you to this year's newsletter for current and former members of the Investment Builder section.

I became Chair from 1 November 2024, and I work for a professional independent trustee firm called Vidett Limited. I have acted as a professional trustee for over 15 years, although for many years my primary activity was as a Scheme Actuary and as chairman of an actuarial consulting firm. If you would like to know more about Vidett, or my CV, please visit [www.vidett.com](https://www.vidett.com)

*Continued overleaf*

University of Oxford Staff Pension Scheme ('OSPS' or 'the Scheme')

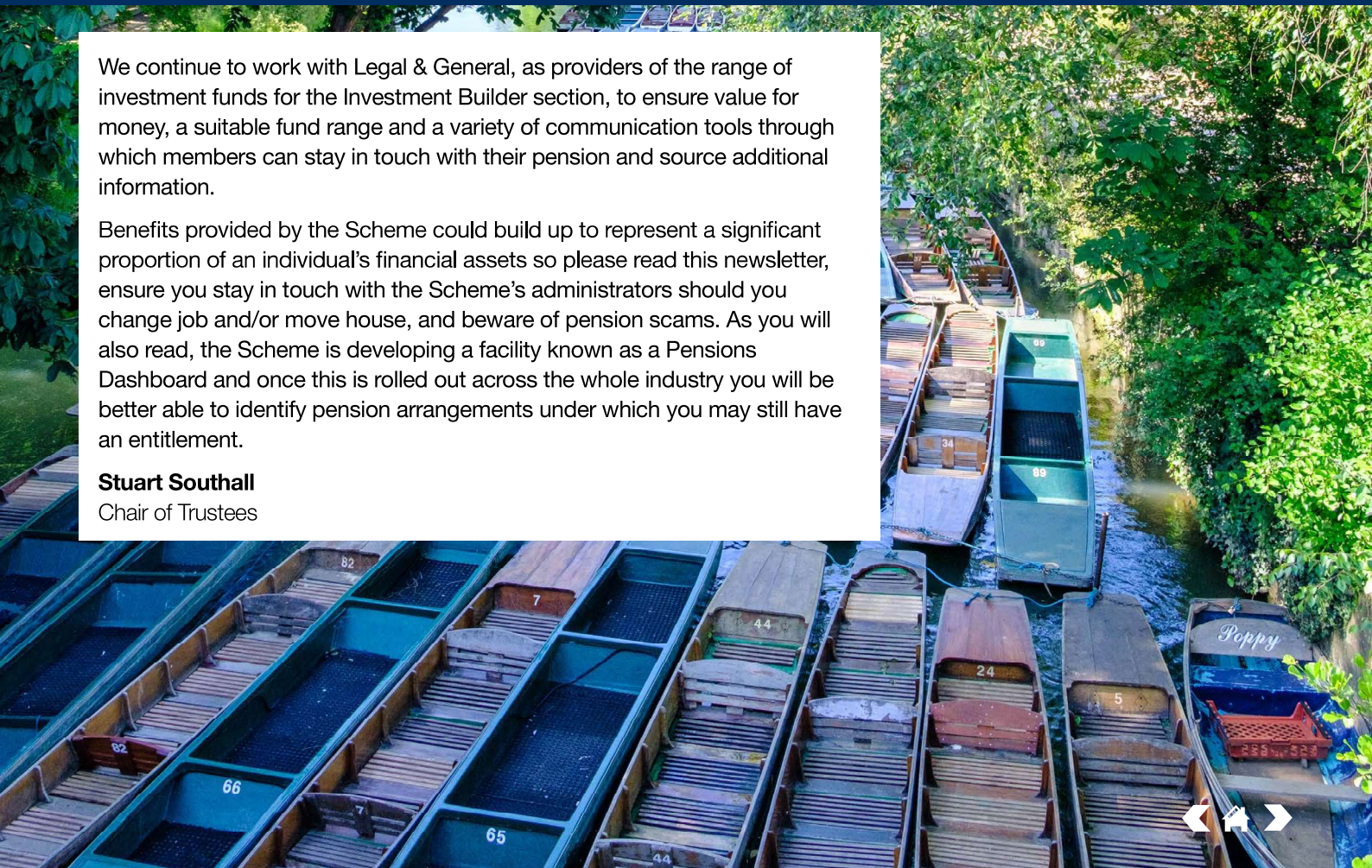


We continue to work with Legal & General, as providers of the range of investment funds for the Investment Builder section, to ensure value for money, a suitable fund range and a variety of communication tools through which members can stay in touch with their pension and source additional information.

Benefits provided by the Scheme could build up to represent a significant proportion of an individual's financial assets so please read this newsletter, ensure you stay in touch with the Scheme's administrators should you change job and/or move house, and beware of pension scams. As you will also read, the Scheme is developing a facility known as a Pensions Dashboard and once this is rolled out across the whole industry you will be better able to identify pension arrangements under which you may still have an entitlement.

**Stuart Southall**

Chair of Trustees



# Facts and figures

## From the accounts

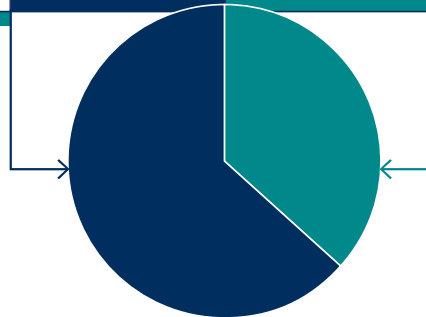
This table gives an overview of Scheme accounts for the year to 31 March 2024. If you are interested in seeing the full accounts, please go to the pension website, and look up the Scheme's Annual Report & Financial Statements in the 'Documents' section (<https://finance.admin.ox.ac.uk/osps-documents>).

	DB section	Investment Builder section	Total
	£000s	£000s	£000s
<b>Income</b>			
Employers' contributions (including salary sacrifice)	17,402	12,970	30,372
Members' ordinary contributions	1,994	1,657	3,651
Members' additional voluntary contributions	58	206	264
Transfers in	-	553	553
Investment income	18,895	42	18,937
<b>Total income</b>	<b>38,349</b>	<b>15,428</b>	<b>53,777</b>
<b>Expenditure</b>			
Pensions	21,655	8	21,663
Cash sums paid when members retired or died	4,836	565	5,401
Payments for members leaving the Scheme	194	579	773
Administration and investment management fees	2,255	625	2,880
<b>Total expenditure</b>	<b>28,940</b>	<b>1,777</b>	<b>30,717</b>
<b>Value of the Scheme's assets at 31 March 2023</b>	<b>895,056</b>	<b>33,496</b>	<b>928,552</b>
The difference between income and expenditure	9,409	13,651	23,060
The change in the market value of the Scheme's investments	3,765	4,471	8,235
<b>Value of the Scheme's assets at 31 March 2024</b>	<b>908,230</b>	<b>51,617</b>	<b>958,847</b>



## Scheme profile

	DB section	Investment Builder section	Total at 31 March 2024	Total at 31 March 2023
Active members – currently contributing and building up benefits	2,092	4,233	6,325	6,214
Deferred members – no longer contributing, but with benefits to take at retirement	7,006	3,717	10,723	9,836
Pensioners (including dependants of members who have died) – now receiving their benefits	4,768	-	4,768	4,613
<b>Total</b>	<b>13,866</b>	<b>7,950</b>	<b>21,816</b>	<b>20,663</b>



# Making the most of Investment Builder

As an Investment Builder member, you choose how much you want to contribute to your account from the three 'tiers' available.

You may recall that in October 2023, employer contributions to all tiers by 4%, meaning that your account – along with every other members will be growing more since then, whether or not you have made any changes to your own contributions.

Check the table below to remind yourself which tier you are in, and the contributions your employer pays as a result:

Percentage of your pensionable salary			
	You pay...	Your employer pays...	Total contribution to your account...
Tier 1	4%	10%	14%
Tier 2	6%	12%	18%
Tier 3	8%	14%	22%

You can see the difference employer contributions can make – for example, if you choose Tier 2, the overall contribution that actually goes into your account is **three times** the amount you pay in yourself.



## Saving more

It is generally seen as a good idea to save whatever you can sensibly afford towards your retirement. Could you go up to a higher tier in 2025?

You normally have two opportunities each year to change your tier: April and October – so you have a few months to think about it before October 2025 comes round (and the Pensions Office will send you a reminder nearer the time).

*Please note: If you are a recent joiner, there is an extra 'window' for you to change tiers if you want to. We currently enrol new colleagues automatically into Tier 2. You have three months from your start date to change to another tier if that is more suitable for you.*

Remember, that the tax relief on contributions means that the real cost to you is lower than the percentage amount going into your account. For example, if you pay basic rate tax of 20%, every £100 of contribution would only cost you £80 from your take-home pay.

## Checking your situation

We appreciate that in the current climate, many people are having to manage their money carefully and that day-to-day expenses can compete with future savings. However, your contribution rate is not a once-only decision. Even if you cannot pay in as much as you would like to now, you might be in a position to do so in future.

Please bear in mind the flexibility Investment Builder offers you, and remember that you can change your tier twice a year. Check your personal and financial circumstances every spring and autumn (at least), so you are ready to make a change if you need to in April or October.

# Investment performance

As an Investment Builder member, you can choose where you would like to invest your account from the range of funds available.

Below, we show performance figures for our fund range up to 31 March 2024. You can keep track of ongoing, up-to-date returns by logging into 'Manage Your Account' on Legal & General's OSPS website.

We have reported the net investment returns in line with current guidance. This states that, for arrangements where the net returns vary with age, such as the L&G PMC Target Date Funds 3, we should give returns for example members aged 25, 45 and 55 at the start of the investment reporting period. For completeness, we have included the net investment returns for all the L&G PMC Target Date Funds 3 'vintages' held over this period.

The tables on these two pages show performance over the past year and, to give a long-term view, the past 5 years. (The 5-year figure is unavailable for some funds, which launched less than 5 years ago.)

Please note that past performance is not a guarantee of future performance.

## Default arrangement – L&G PMC Target Date Funds 3

Age of member at the start of the investment reporting period	Net investment return to 31 March 2024	
	1 year (%)	5 years (% a year)
25	12.0	5.7
45	12.0	4.5
55	8.6	3.9

Source: L&G

## All L&amp;G PMC Target Date Funds 3 and self select funds

Fund name	Net investment return to 31 March 2024	
	1 year (%)	5 years (% a year)
L&G PMC 2070 - 2075 Target Date Fund 3	12.0	Not available
L&G PMC 2065 - 2070 Target Date Fund 3	12.0	5.7
L&G PMC 2060 - 2065 Target Date Fund 3	12.0	5.7
L&G PMC 2055 - 2060 Target Date Fund 3	12.0	5.7
L&G PMC 2050 - 2055 Target Date Fund 3	12.0	5.8
L&G PMC 2045 - 2050 Target Date Fund 3	12.0	5.4
L&G PMC 2040 - 2045 Target Date Fund 3	11.3	4.5
L&G PMC 2035 - 2040 Target Date Fund 3	10.8	4.4
L&G PMC 2030 - 2035 Target Date Fund 3	8.6	3.9
L&G PMC 2025 - 2030 Target Date Fund 3	7.3	3.2
L&G PMC 2020 - 2025 Target Date Fund 3	6.5	2.6
L&G PMC 2015 - 2020 Target Date Fund 3	5.7	1.5
L&G PMC Future World Multi-Asset Fund 3	8.8	4.2
L&G PMC Ethical Global Equity Index Fund 3	23.3	13.7
L&G PMC HSBC Islamic Global Equity Index Fund 3	31.9	16.9
L&G PMC All Stocks Index Linked Gilts Index Fund 3	-6.2	-5.8
L&G PMC Retirement Income Multi-Asset Fund 3	6.5	3.5
L&G PMC All World Equity Index 3	21.7	Not available

Source: L&amp;G

## Value for members

As part of preparing the annual Chair's Statement, the Trustee must assess whether the investment charges and costs members pay represent good value for money.

Currently, pension law does not define "good value" or a fixed way of working this out. So, working with our advisers, Aon, we have developed a 'cost-benefit analysis' framework to establish whether our members receive good value. Although we are not required to give the same level of detail as some other arrangements, we have used the full guidance available when carrying out this assessment.

Following the review, we have no current concerns with the Scheme's costs and charges, governance, investments, administration, member communications and retirement support. The full review is available on request.



# Pensions news

## New lump sum allowances

You may recall that the lifetime allowance – the highest value of pension benefits you could build up overall before paying a tax charge – has now been abolished.

In its place, the Government has introduced two new allowances that are in place from the current tax year, 2024/25:

**Lump sum allowance:** This is the highest amount of tax-free cash you can take when you retire. It is currently £268,275 – that is, 25% of £1,073,100 (the final value of the standard lifetime allowance when it was abolished).

**Lump sum and death benefit allowance:** This is the highest total amount of tax-free cash you can receive when you retire, and your beneficiaries can receive following your death, added together. This figure is set at the same value as the lifetime allowance, £1,073,100 when it was abolished.

Please note – because the new allowances are linked to the lifetime allowance at the point it was abolished, your own allowances may be higher for you if you had any lifetime allowance ‘protection’ arrangement in place.

There were no changes this year to the annual allowance (the highest amount of pension savings you can build up in any tax year). The standard annual allowance remains at £60,000.



## Autumn Budget update

In the recent Budget, the Chancellor announced a key new measure affecting pensions: that inheritance tax would apply to certain scheme payments from April 2027.

If this change goes ahead, it would mean in particular that any unused pension savings or other benefits payable following a member's death will be subject to inheritance tax.

Currently, these amounts are normally payable tax-free, if the member died before drawing their pension(s) before age 75. This is because we, as Trustee, have the final decision over who receives these payments,

so they do not become part of the member's estate. (As you may recall, you fill in an 'expression of wish' form to tell us where you would like the money to go.)

In the 2024/25 tax year, inheritance tax is generally payable on the part of any estate in excess of £325,000 – although there are conditions and exceptions that can affect this amount.

It is important to note that the exact changes and how they would take effect are still subject to a consultation, which is currently in progress. We will report on any developments in future issues.

A couple of other points from the Autumn Budget that may be of interest:

- **Overseas transfers** – From 30 October 2024, the overseas transfer charge (OTC) will start to apply to transfers to qualifying recognised overseas pension schemes in the EEA or Gibraltar. (These were previously exempt.)
- **Scheme administrators** – From 6 April 2026, scheme administrators of registered pension schemes must be UK resident for tax purposes.

## Regulator's General Code

As part of its remit to oversee the running of UK pension schemes, the Pensions Regulator has issued a new 'general code of practice' for scheme trustees to follow.

The Regulator has published a range of guidance notes in recent years, and this new code combines 10 separate documents into one – covering all areas of pension scheme management, including:

- Understanding pensions and investment;
- Working with specialist advisers;
- Deciding our funding, investment and administration approaches;
- Managing risk;
- Giving you, our members, the information you need.

The aim of the general code is to simplify and streamline the information available to trustees, to better support them in meeting the standards the Regulator requires.

We keep our procedures under constant review, and if any area comes to light where we are out of step with the Regulator's guidance, we will update them accordingly.

## Reminders

### Staying safe online

This is a summary of the guidance on the Financial Conduct Authority 'ScamSmart' website in the leaflet 'Don't let a scammer enjoy your retirement'. You can find the full leaflet at <https://www.fca.org.uk/publication/fca/pensions-scams-leaflet-screen.pdf>.

Scammers often create credible websites and materials that are hard to tell from the real thing. Scammers design attractive offers to persuade you to transfer your pension pot to them or to release funds from it.

### Four simple steps to protect yourself from pension scams

**Reject unexpected offers.** If you're contacted out of the blue about your pension, chances are it's high risk or a scam. Be wary of free pension review offers.

**Check who you're dealing with.** Check the Financial Services Register (<https://register.fca.org.uk>) to make sure that anyone offering you advice or other financial services is authorised by the Financial Conduct Authority (FCA).

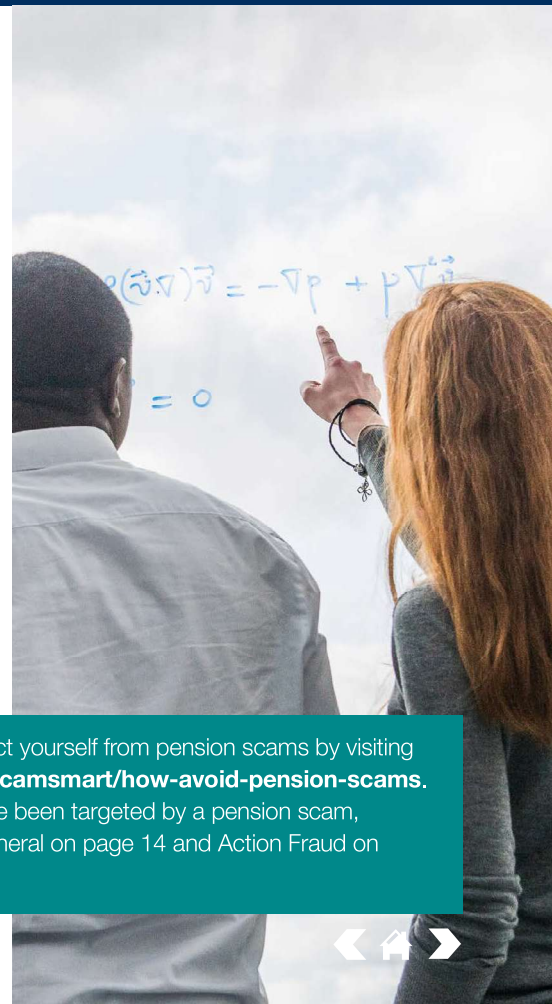
If you don't use an FCA-authorised firm, you won't qualify for compensation if things go wrong.

In particular, check the firm's contact details to see if they match those on the FCA Register.

**Don't be rushed or pressured.** Take your time to make all the checks you need – even if they sound too good to be true.

**Get impartial information and advice.** MoneyHelper ([www.moneyhelper.org.uk](http://www.moneyhelper.org.uk)) provides free, independent and impartial information and guidance.

Learn how to protect yourself from pension scams by visiting [www.fca.org.uk/scamsmart/how-avoid-pension-scams](http://www.fca.org.uk/scamsmart/how-avoid-pension-scams). If you think you have been targeted by a pension scam, contact Legal & General on page 14 and Action Fraud on 0300 123 2040.





## Minimum retirement age increase

Normal Minimum Pension Age (NMPA) is the earliest age you can start drawing your benefits (in good health) without paying a tax penalty. While the NMPA is currently 55, it will increase to age 57 from 6 April 2028. The timing is in line with the increase in State Pension Age to age 67 from the same date. (We expect the NMPA to stay at 10 years below the State Pension Age.)

## Pensions Dashboard

The Pensions Dashboard is a Government project which will provide a single place where you can find information about your pension savings across all schemes, as well as track down any lost pensions.

The original plan was that the Pensions Dashboard would be launched by now. However, the timetable has been pushed back to give the pensions industry more time to prepare.

Our Scheme now has a new deadline of 30 June 2025 to connect to the Pensions Dashboard. We are working closely with Legal & General to get everything ready before then.



# Trustee board

We wrote to you earlier this year to invite you to apply to become one of the University of Oxford Staff Pension Scheme Member Nominated Directors (MNDs).

We are pleased to say we had a good response from members, and the selection panel interviewed a number of excellent candidates last month.

As a result, we have appointed the following members to become the Scheme's MNDs:

**Kevin Valentine**, (Chemistry), existing MND - appointed on 29 October 2024

**Lucille Savin**, (Merton College), existing MND – appointed on 29 October 2024

**Kate Kele**, (Estates Service), existing MND – appointed on 29 October 2024

**Mark Randolph**, (Merton College) – appointed on 1 April 2025

**Nasera Cummings**, (Trinity College) - appointed on 1 April 2025

All MNDs will serve a three-year term starting from their appointment date as above. As Mark's and Nasera's term of office has started in 2025, this means the MND appointments have been staggered so their terms of appointment do not end at the same time.

We would also like to take this opportunity to thank Margaret Hauser who has recently resigned from her role as Trustee Director for her committed and diligent service to the Trustee and the Scheme's members.

Finally, thank you to everyone who participated in this exercise. The management of the Scheme continues to be in good hands.

## Chair of Trustee Update

The Trustee would also like to confirm that the University has appointed Stuart Southall, representing Vidett Trustee Services Limited, to the role of Chair of the OSPS Trustee Board. Stuart's appointment took effect from 1 November 2024 for a three-year term ending on 31 October 2027.



# Finding out more

If you have any questions or need to know more about any aspect of the Scheme, your first port of call should be the OSPS website:

## Pension website

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<https://finance.admin.ox.ac.uk/osps>

You can also link from there to the Investment Builder website, to 'Manage Your Account':

[www.legalandgeneral.com/osps](http://www.legalandgeneral.com/osps)

## Legal & General

Email: [employerdedicatedteam@landg.com](mailto:employerdedicatedteam@landg.com)

Telephone: **0345 070 8686** (Monday to Friday 8.30am to 7.00pm, Saturday 9.00am to midday)

Post: **DC Pensions  
Legal & General  
PO BOX 1560  
Peterborough  
PE1 9AP**

## Legal & General app

L&G have recently launched a mobile app which puts your workplace pension in your pocket, making it easier than ever to manage your pension whenever and wherever you need to

On the app, you are able to:

- See how much your pension is worth;
- See how your investments are performing;
- Keep your details up to date; and
- Boost your financial fitness.

Register for an online account to get started. You can do this at the same time as setting up the app - just follow these simple steps:

- 1 Download the app
- 2 Log in or Register for an online account
- 3 Set up your PIN and any security features

## MoneyHelper

For general guidance on all areas of finance – for example, saving, budgeting, mortgages and loans, as well as pensions – visit the MoneyHelper website:

<https://www.moneyhelper.org.uk/en>

MoneyHelper also includes guidance for finding an independent financial adviser, if you need one:

<https://www.moneyhelper.org.uk/en/pensions-and-retirement/taking-your-pension/find-a-retirement-adviser>

