

Bangor Benefits for Pensions

Frequently Asked Questions

Introduction

questions you may have. Please note that all amounts shown in this booklet are calculated as at April 2023 and may be subject to future changes in line with legislation.

Bangor Benefits for Pensions is a Salary Exchange scheme which changes the way employee pension contributions are made. Salary Exchange schemes are a cost-effective way of making payments and similar arrangements also exist for, Tir Na Nog Nursery payments, a Cycle to Work Scheme, and the ability to buy additional Annual Leave.

The scheme will form part of your terms and conditions of employment and we have set out below answers to some questions that you may have in relation to the arrangement.

If you have any additional questions please visit the HR web pages on the Intranet, contact the HR department Pensions Manager on 01248 383261.

Contents

The Bangor Benefits for Pensions Scheme

Contributions to the USS post April 2022

Pay and conditions

My pension

Tax and National Insurance

Other matters

What to do now

The Bangor Benefits for Pensions Scheme

£60,000	£117.60
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*These savings are based on NIC rates for 2023/24

NIC savings are smaller for higher earners because the rate at which NIC is paid reduces from 12% to 2%

12. Will taking part affect Statutory Sick Pay (SSP)?

If you receive Occupational Sick Pay from the University the reduction under Bangor Benefits for Pensions will continue to be applied to your pay, providing you have sufficient non-statutory pay.

Tax and National Insurance

17. Will Bangor Benefits for Pensions affect the amount of tax relief I receive? No, the amount of tax relief received should not be affected.

18. Are there any circumstances where it may not be possible or advantageous to participate?

As detailed in Question 3 you will not be able to participate in Bangor Benefits for Pensions if your Adjusted Salary were to fall below the NMW or NLW.

In addition, if your earnings were to fall below the NIC Lower Earnings Limit (LEL) this may negatively impact your ability to claim state benefits. To ensure this does not happen a Pay Protection Limit has been set up within payroll. We will not, therefore automatically opt you into Bangor Benefits for Pensions if your earnings are close to the Pay Protection Limit. If, however, you wish to take part in Bangor Benefits for Pensions you will need to complete an opt-in form available from the HR department on 01248 38 3865 or by visiting the HR web pages.

If during the year, your monthly adjusted salary falls below the monthly Pay Protection Limit you will automatically be opted out of Bangor Benefits for Pensions for the remainder of the year. You will be able to reassess your enrolment in Bangor Benefits for Pensions at the following 1 August, or if you experience any unforeseen circumstances. (see question 21).

If you do not have fixed hours you will not be automatically enrolled into Bangor Benefits for Pensions. If you wish to take part in Bangor Benefits for Pensions then you should contact the HR department on 01248 38

Please note: If you participate in Bangor Benefits for pensions you will not be eligible for a refund of contributions if you then leave the scheme within the first two years of membership.

19. What if I change my mind or my circumstances change?

If you experience any unforeseen changes in your personal circumstances, then you may be able to opt in/opt out of Bangor Benefits for Pensions (at the discretion of the University).

20. I am over the State Pension age and therefore do not pay NIC. Can I participate in Bangor Benefits for Pensions?

If you are over the State Pension age you will not pay NIC on your pay and as a result you will not see any change in your take home pay through participating in Bangor Benefits for Pensions. However, the University is participating, which will help to reduce its costs and the savings the University makes will be utilised by your department. Based on this, you will be automatically entered into the Bangor Benefits for Pensions arrangement.

21. I pay NIC at the reduced married women's NIC rate. Will I benefit from NIC savings?

If you pay NIC at the reduced rate for married women and widows (applicable to those employees who made this election prior to 12 May 1977), you pay NIC at a reduced rate of 5.85% (rather than 12%) on earnings between £183.01 to £962 per week (£9,516.52 to £50,024 per annum)

You will still make NIC savings from participating in Bangor Benefits for Pensions but your savings will be based on these rates rather than the amounts referred to elsewhere in this document.

22. I am under the age of 21. Can I take part?

Yes. Even

27.