

# Your pension option: an overview

## Option to join the Universities Superannuation Scheme (USS)

This note provides an overview of the option to join an alternative pension scheme available to you from 1 August 2026 when the University of Kent merges with the University of Greenwich to become the London and South East University Group (“LASE”).

Following the merger all teaching staff will have the option of accessing one of two pension schemes: the Teachers’ Pension Scheme (TPS) or the Universities Superannuation Scheme (USS).

**As a current or eligible<sup>1</sup> member of TPS you will have the option to opt out of TPS and join USS from the date of the merger onwards. You can exercise your option to join USS at any time from 1 August 2026.**

**If you choose to opt out of TPS and join USS, you will retain the right to re-join TPS at any time.**

Both TPS and USS provide:

- tax-efficient retirement savings
- a guaranteed pension for life
- a choice of retirement age
- life assurance and ill-health benefits

There is variation between the schemes, and more details are provided in the supporting documents and FAQs on the LASE pensions portal. This document provides an overview only. **Leaving TPS is a big decision and so you need to be sure that opting out and joining USS is the right decision for you (if you wish to make this choice).**



**If you do not want any changes to your pension, you do not need to take any action – you will remain in your current scheme.**

*Please note the information in this document is correct as at May 2026 but may be subject to change. If there are any discrepancies between the information provided in this document and the USS or TPS rules, the rules will take precedence.*

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<sup>1</sup> This includes any members of the L&G Defined Contribution scheme eligible for TPS.

## At a glance: a comparison of TPS and USS

Area	 <b>Teachers' Pension Scheme (TPS)</b>	 <b>Universities Superannuation Scheme (USS)</b>
<b>Type</b>	<b>Defined benefit, career average</b> Benefits calculated using a formula applied to each year's pensionable earnings	<b>Hybrid:</b>  <b>Defined benefit, career average for earnings up to the salary threshold (currently £74,208)</b> Benefits calculated using a formula applied to each year's pensionable earnings up to a maximum of the salary threshold  <b>PLUS</b>  <b>Defined contribution for earnings above the salary threshold (currently £74,208)</b> Contributions invested in individual pot; retirement benefit depends on what has been paid in and investment returns
<b>What it costs you (currently)</b>	Ranges from 7.4% to 12% depending on your annual salary	6.1% of your annual salary
<b>Normal Pension Age<sup>2</sup></b>	Equal to your own State Pension Age	Age 66
<b>How pension builds up</b>	You build up a block of pension each year of 1/57th of your pensionable earnings	<b>Defined benefit (Retirement Income Builder)</b> You build up a block of pension each year of 1/75th of your pensionable earnings up to a maximum of the salary threshold  <b>Defined contribution (Investment Builder)</b> If you earn above the salary threshold you will also build up defined contribution benefits. Your 6.1% contribution plus 13.9% from your employer (on earnings above the salary threshold) is paid into your defined contribution pot
<b>Tax-free cash</b>	You will have the option of <b>converting</b> some of your pension for a tax-free cash lump sum on retirement	You are entitled to a tax-free cash lump sum of three times your defined benefit pension <b>in addition</b> to your pension

<sup>2</sup> Normal Pension Age: the age at which a member is entitled to receive their full, unreduced defined benefit pension without early retirement reductions

## Some things to consider about your option to join USS

In TPS, the amount of benefit you build up is based entirely on how long you are in the scheme and your salary each year, providing a guaranteed income plus the option to exchange some pension for a cash lump sum on retirement.

In USS, the amount of benefit you build up is based on how long you are in the scheme and your salary each year up to salary threshold (£74,208 in 2026/27) providing a guaranteed income plus a cash lump sum on retirement. Above the salary threshold, you build up a savings pot and the benefit from this pot will depend on how much is paid in and investment performance on the savings.

**You need to be sure that opting out of TPS is the right decision for you, taking all factors into consideration.**

If you have past benefits in TPS, opting out and joining USS will have an impact on those benefits.

For more detail on your option, please refer to the supporting documents and FAQs on the LASE pensions portal.