

Cambridge University Assistants' Contributory Pension Scheme
Summary of benefits changes from 1 January 2013

- 1 The scheme's benefit structure will change with effect from the date of the adoption of the Grace.
- 2 The purpose of the change is to clarify death in service lump sums provided whilst a member is on unpaid leave. A new provision is also added to reflect the changes in legislation on shared parental leave.
- 3 Rules 47.1 to 47.5 are deleted in their entirety and replaced with the provisions set out below.
- 4 Rule 47.1 is amended to clarify that the absence Rule does not apply to ill health or absence due to maternity or other family leave (maternity leave and other family leave provisions are covered in other Rules). The provision requiring absences of more than 12 months to be agreed with HMRC has been deleted as this requirement is obsolete post A Day.
- 5 Rules 47.2 and 47.3 are unchanged.
- 6 Rule 47.4 provides that accrual will continue during a member's absence by reference to a member's actual pay. Rule 47.4(a) provides that the Employer and the Trustee may agree to accrual on a more generous basis. Rule 47.4(b) is new and provides that on the death of a member the lump sum payable is the multiple of salary which would have been payable had the member not been on unpaid leave.
- 7 Rule 47.5 reflects the existing provisions so that a member's pensionable service ends when the member ceases to pay contributions. The Rule also provides for continuous service to be awarded if the member returns to work and, at the Trustee's discretion, for the member to make up member contributions.
- 8 Existing Rule 47.7(b) is slightly amended to make it clear that a member's protection ends when employment ends or when statutory maternity pay is no longer being paid.

- 9 Rule 68.1 concerns parental leave to clarify that there is no accrual during this period of leave and that death in service cover continues on the basis of the multiple of salary which would have been payable had the member not been on unpaid leave. There is also a discretion within this Rule for the Employer and the Trustee to agree a more generous basis of benefit accrual.
- 10 A new Rule 69.1 is added to cover paternity leave to clarify that death in service benefits continue on the same basis as a woman on maternity leave.
- 11 Rule 70.1 is amended to extend the basis of treating the member as though he were working normally but only being required to pay contributions on actual pay until adoption leave ends.
- 12 Rule 73 is a new provision which covers shared parental leave so that membership continues for so long as pay continues and death in service benefits continue once leave becomes unpaid. Members can make up contributions in order to ensure continuous pensionable service.

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Cambridge University Assistants' Contributory Pension Scheme

- 1 The following amendments to the Rules of the Cambridge University Assistants' Contributory Pension Scheme (as adopted by a Grace dated 3 December 1999) are made by the University with the approval of at least two-thirds of the directors of the Trustee pursuant to Rule 5 of the Rules of the Scheme.
- 2 Defined terms used herein have the same meanings as in the Rules save where the context otherwise requires.
- 3 The amendments set out below have effect from _____ 2016 being the effective date of the Grace dated _____ 2016 by which they were adopted by the University.

Absence and ill-health absence

- 4 Rules 47.1 – 47.5 {absence} are deleted and replaced by the following:

“47 Absence

- 47.1 A Member who is absent from work for his Employer otherwise than on account of ill-health or pursuant to Rule 47.6 {maternity absence} or Rules 68, 69, 70 or 73 {family leave} and who remains in Service may remain a Member for a maximum period of absence of 12 months or for such longer period as his Employer shall allow, or until his Service ends, or until Normal Pension Age if sooner.
- 47.2 A Member who is absent from work on account of ill-health shall remain a Member for the entire period of the absence falling before his Normal Pension Age or until his Service ends if sooner.
- 47.3 During a period of absence in accordance with Rules 47.1 or 47.2 the Member shall pay Member Contributions for such period as he is in receipt of remuneration from his Employer and shall suspend his Member Contributions for so long as he is not in receipt of such remuneration.
- 47.4 During a period of absence in accordance with Rules 47.1 or 47.2:

- (a) benefits will continue to accrue to the Member for so long as he is in receipt of remuneration from his Employer on the same basis as if the Member had not been absent but by reference to the remuneration actually received by the Member and the proviso forming part of the definition of Pensionable Salary in Rule 1.1 applies, provided that the Employer and the Trustee may agree to accrual continuing on a more generous basis including where the Member is no longer in receipt of remuneration from his Employer on such terms as they may agree; and
- (b) Rule 61 {death of member} applies for the whole period of absence on the basis that the lump sum payable under Rule 61.2(a)(i) is a multiple of the annual rate of the Member's salary at the date of his death (excluding the value of any commissions, overtime, bonuses and benefits in kind) which would have applied if the Member had been working normally and in receipt of the remuneration likely to be paid for doing so.

47.5 A Member:

- (a) who fails to return to work at the end of the period of absence within the meaning of Rules 47.1 or 47.2 shall be treated as having left Pensionable Service at the time when his Member Contributions ceased; and
- (b) a Member who returns to work at the end of the period of absence within the meaning of Rules 47.1 or 47.2 and whose Member Contributions have been suspended for a period may within 12 months of returning to work or within such longer period (being not longer than the period of such suspension) as the Trustee may allow pay in one lump sum or by instalments an amount equal to the Member Contributions which he would have paid had he been in receipt of the Pensionable Salary from his Employer which he was receiving at the start of the period of suspension and if he does so he shall be credited with Pensionable Service in respect of that period. If he does not do so his future Pensionable Service

following his return to work shall be treated as continuous with the period of Pensionable Service which ended last before his Member Contributions were suspended.”

Maternity absence

5 Rule 47.7(b) is deleted and replaced by:

“(b) the date on which her Service ends; or on any later date on which her Employer ceases to be liable to pay SMP to her;”

Parental leave

6 Rule 68.1 {parental leave} is deleted and replaced by:

“68.1 A Member who is absent from work for his Employer during any period of parental leave as defined in section 76 1996 Act but is not in receipt of remuneration from his Employer will not earn further accrual of pension benefits and his Member Contributions will be suspended but he will remain entitled to benefits under Rule 61 {death of member} on the basis that the lump sum payable under Rule 61.2(a)(i) is a multiple of the annual rate of the Member’s salary at the date of his death (excluding the value of commissions, overtime, bonuses and benefits in kind) which would have applied had he been working normally and in receipt of the remuneration likely to be paid for doing so.

A Member who is absent under this Rule 68.1 and in receipt of remuneration from his Employer may continue to accrue pension benefits and remain entitled to benefits under Rule 61 on such basis as the Employer and the Trustee may agree.”

Paternity leave

7 The following sentence is added at the end of Rule 69.1 {paternity leave}:

“A Member will not earn further accrual of pension benefits in respect of any period of paternity leave which is not a period of paid paternity leave but will remain entitled to benefits under Rule 61 {death of member} on the basis that the lump sum payable under Rule 61.2(a)(i) is a multiple of the annual rate of the Member’s salary at the date of his death (excluding the value of any commissions, overtime, bonuses and benefits in kind) which would have

applied had he been working normally and in receipt of the remuneration likely to be paid for doing so. The Member's Contributions will be suspended from the time when the Member's period of paid paternity leave ends."

Adoption leave

8 Rule 70.1 {adoption leave} is deleted and replaced by:

"70.1 A Member who is absent from work for his Employer during any period of paid adoption leave as defined in paragraph 5B(4) of Schedule 5 to the Social Security Act 1989 or for any period of additional adoption leave as defined in regulation 20 of the Paternity and Adoption Leave Regulations 2002 [SI 2002/2788] whether paid or unpaid shall be treated as continuing in Membership as though he were working normally and receiving the remuneration likely to be paid for doing so but he shall only be required to pay Member Contributions on the amount of contractual remuneration or statutory adoption pay actually paid to or for him in respect of that period."

Shared parental leave

9 A new Rule 73 relating to shared parental leave is added as follows:

"73 Shared Parental Leave

73.1 A Member who is absent from work for his Employer during any period of paid shared parental leave as defined in paragraph 5C(4) of Schedule 5 to the Social Security Act 1989 will be treated as continuing in Membership as though he were working normally and receiving the remuneration likely to be paid for doing so but he shall only be required to pay Member Contributions on the amount of contractual remuneration or statutory shared parental pay actually paid to or for him in respect of that period. A Member will not earn further accrual of pension benefits in respect of any period of shared parental leave which is not a period of paid shared parental leave but will remain entitled to benefits under Rule 61 {death of member} on the basis that the lump sum payable under Rule 61.2(a)(i) is a multiple of the annual rate of the Member's salary at the date of his death (excluding the value of any commissions, overtime, bonuses and benefits in kind) which would have applied had he been working

normally and in receipt of the remuneration likely to be paid for doing so.

- 73.2 A Member who returns to work at the end of the period of absence under this Rule may within 12 months of returning to work or within such longer period as the Trustee may allow pay in one lump sum or by instalments in respect of any period of unpaid shared parental leave an amount equal to the Member Contributions which he would have paid had he been in receipt of the Pensionable Salary from his Employer which he was receiving at the start of the period of absence and if he does so he shall be credited with Pensionable Service in respect of that period. If he does not do so his future Pensionable Service following his return to work shall be treated as continuous with the period of Pensionable Service which ended last before his return.”