USS June Update

Since the end of May, the Joint Evaluation Panel (JEP) established as part of the proposed way forward agreed by UCU and UUK in April has been established and has held four meetings. The JEP is chaired by Joanne Segars OBE, and UUK and UCU have each nominated three representatives to be panel members – their details can be found here and here.

The first task of the JEP is to produce a report in September on the 2017 valuation for UCU and UUK. The JEP’s initial meetings have been gathering evidence from the USS Trustee and the Pensions Regulator. They have now moved on to discussions with the actuarial advisors of UCU and UUK; and notes of the JEP meetings will be published on the UUK and UCU websites.

The JEP sits outside the standard operating model of USS. Any benefit reforms that the JEP may propose would require consideration by USS and the Joint Negotiating Committee (on which UCU and UUK are represented) and consultation with USS members. The current scheme remains in place until at least 1 April 2019. However, as the current valuation still requires to be completed, the cost-sharing arrangements required under USS’s rules have already been triggered and it is very likely that some increase in employers’ and members’ contributions with effect from April 2019 will be brought in. USS have issued an update to members on this issue and expect to indicate the expected impact on contributions from 1 April 2019 in late July. A formal consultation of members over any changes is expected in the early autumn.

We will keep you informed of any developments in relation to this, and we are also developing proposals for a series of independent background briefings by an external pensions expert: we have set up a small informal focus group of academic and professional staff to help shape these. As well as offering an understanding of the pensions landscape, the briefings will provide an opportunity to consider some of the questions raised about the valuation by scheme members. We are planning these for early September and shall announce dates as soon as possible. In the meantime, if there are particular issues you would like these briefings to cover, please email VPGov@st-andrews.ac.uk.