

JNC Enhanced Report, 11 February 2022

Attendees

Committee members	Observers
Judith Fish (Chair)	Dr Jo Grady, UCU observer
Phil Harding (UUK)	Professor Michael Otsuka, UCU observer
Stuart McLean (UUK)	Dr Woon Wong, UCU observer
Anthony Odgers (UUK)	Nicola Lee, UCU observer
Margaret Monckton (UUK)	Dame Kate Barker, USS observer
Mike Shore-Nye (UUK)	Professor Sir Paul Curran, USS observer
Dr Justine Mercer (UCU)	
Dr Deepa Driver (UCU)	
Paul Bridge (UCU)	
Dr Marion Hersh (UCU)	
Dr Sam Marsh (UCU)	

Stakeholder updates

UCU

A UCU representative noted their position that the UCU proposal is both costed and implementable. They outlined their argument that [staffing costs as a proportion of overall income in the HE sector are decreasing, whilst employer financial reserves are increasing](#) and given this, their belief their proposal is affordable for employers;

They also noted their position that [responses to the recent member consultation](#) suggest that members will accept higher contributions in the short term in the hope that a 2022 valuation would offset further proposed increases. A UUK representative expressed concern that a 2022 valuation would not provide an outcome that is materially different to the 2020 valuation;

The group went on to discuss the specifics of a 2022 valuation, the work of the [Valuation Methodology Discussion Forum](#), the [Trustee Financial Management Plan](#) and the role of the [Pensions Regulator](#);

The group discussed the potential of implementing the UCU proposal and UCU representatives confirmed that they are drafting a detailed business case. A Trustee representative noted the challenging timeline but stressed that the Trustee will facilitate the wishes of the stakeholders to the best of their ability;

UCU representatives offered a different perspective to the Trustee, questioning if the timeline for implementation is in fact challenging, and the group went on to discuss this in detail.

UUK

A UUK representative noted the [ongoing consultation with employers](#) that could mean modifications to the proposed scheme changes;

The committee went on to discuss the inflationary cap and how costs are split between members and employers.

Update on low cost benefits and conditional indexation working groups

The JNC Chair provided an update on the low cost working group and the survey of those eligible for USS who have chosen not to join or to opt out of the scheme. They highlighted the encouraging response rate to the survey to date and the group discussed the next steps for reviewing and analysing the data output, and the timeline for the group to

Non-restricted (NR)

meet and review it further.

A UUK representative provided a brief update on the work of the conditional indexation working group and again noted a hope that UCU can develop their involvement further, recognising the valuable insight and knowledge they can provide. A UCU representative confirmed they would like to develop involvement but acknowledged that the current USS dispute currently limits their ability.

Update from the Trustee

A Trustee representative provided an overview of the recent [the Financial Management Plan](#) data;

A Trustee representative provided an update on the Deeds of Amendment to the scheme rules. They noted that a Deed previously named the Sixteenth Deed (and discussed at the 6 December JNC) has been postponed and will be renamed at a future date;

A *new* Sixteenth Deed of Amendment to the scheme rules was tabled. This deed allows all members with less than two years' service on or after 1 April 2022 to be entitled to the same deferred benefits on leaving as those with over two years' service. All of the committee agreed to approve this update to [the scheme rules](#);

A Trustee representative provided an update on amendments the Seventeenth Deed of Amendment and asked the committee to submit their comments and questions via email.