

18 February 2022

Mr Alistair Jarvis CBE  
Chief Executive  
Universities UK  
Woburn House  
20 Tavistock Square  
London  
WC1H 9HQ

By email: [pensions@universitiesuk.ac.uk](mailto:pensions@universitiesuk.ac.uk)

Dear Alistair,

I am writing in response to the Short Employer Consultation issued to USS Employers on 10 February 2022.

University Court has considered the proposal from UCU and is unable to support it. We have carefully considered the UCU proposal and recognise the clear intent from UCU that Employer and Member contributions would be capped at 25.2% and 9.8% respectively rather than continuing to increase as per the costings provided by the USS Trustee. While this clearly reflects a hope that a March 2022 valuation will produce a significantly better result, that outcome and the cap on contributions is not guaranteed.

As has been previously articulated, current contribution rates to USS remain at the limit of affordability for the University and the UCU proposal, including the intended capped contribution, is unaffordable. We suggest that it is increasingly difficult to maintain separate negotiations on pensions and pay, as both impact on recruitment and career decisions, while also considering the need to invest in our staff to maintain quality and manage workloads. We also remain concerned that any future increases in member contribution rates will increase the number of colleagues considering withdrawing from the pension scheme on affordability grounds. The work of the three workstreams looking at low-cost options in USS, the conditional elements of USS scheme design and the independent governance review of USS is therefore vital and needs to conclude within 2022.

Yours sincerely,



**Professor George Boyne MA MLitt PhD AcSS**

