

USS Consultation

Dear Colleagues,

On 3 September a consultation will begin on a cost sharing proposal for the USS pension scheme.

You may remember that earlier this year a Joint Expert Panel (JEP), with representatives from the Joint Negotiating Committee (JNC) and the USS Trustee, was established to review proposed changes to benefits of the USS pension scheme. The outcome of the JEP review is expected in September, and it's anticipated that further benefit proposals will be recommended at this point.

While discussions continue, the USS Trustee is required by law to complete the [2017 valuation](#), and in the absence of any benefit proposal from the JNC a "[cost sharing rule](#)" takes effect.

The USS Trustee has stressed it is not seeking to impose any benefit solution and that it will continue to engage constructively with the JEP. However, the Trustee is acting in line with the USS scheme rules and to its statutory obligations.

Proposed changes as a result of the cost sharing process would include:

- Current defined benefits would remain the same, but contributions required to fund them would increase
- Member contributions would increase from 8% to 8.8% of salary from 1 April 2019 with further increase phased in at 1 October 2019 (10.4%) and 1 April 2020 (11.7%)
- Employer contributions would increase to 19.5% of salary from 1 April 2019, followed by 22.5% from 1 October 2019 and 24.9% from 1 April 2020.

From 3 September 2018, the University will undertake a statutory consultation with affected employees and their representatives. This consultation will continue for at least 60 days.

The JNC may put forward new recommendations when the findings of the JEP's review are shared in September. Any new benefit proposals would require a separate consultation exercise and could lead to further revision of contribution requirements. Please note that **no benefit or contribution changes will be introduced before 1 April 2019.**

If you are an active member of USS or an employee eligible to join USS you will receive a consultation pack. If you have not received the pack by 31 August, please contact the Pension Office at pensions@abdn.ac.uk or call on 01224 272289.

You will also find these documents on the consultation website (www.ussconsultation.co.uk) which will be available for members to access information from 3 September.

As part of the consultation process, you will be able to submit your comments/suggestions on proposals directly to the website or by emailing ussconsultation@abdn.ac.uk.

I would encourage you to respond to this consultation so that your views can be reflected in this process.

To help members better understand this process, consultation sessions delivered by Mercer's will be taking place on the following dates:

Day / Date	Time	Location
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Wednesday 12 September	10:30 – 12:00	Fraser Noble FN3, Old Aberdeen
Wednesday 12 September	13:30 – 15:00	Polwarth Lecture Theatre, Foresterhill
Wednesday 10 October	10:30 – 12:00	Fraser Noble FN2, Old Aberdeen
Wednesday 10 October	13:30 – 15:00	Polwarth Lecture Theatre, Foresterhill

To book a place please go to the [Course Booking System](#). For further information on the proposals, including previous communications issued visit [StaffNet](#) or the [USS Pension website](#).

Professor Phil Hannaford

Senior Vice Principal (Interim)