University of Sheffield (UoS) Universities Superannuation Scheme (USS) Working Group

Meeting 10 January 2019, 3:30pm

Crucible Room, Level 6, The Arts Tower

Attendees:
Professor Mike Hounslow, Vice-President & Head of Faculty of Engineering
Ian Wright, Deputy Director of HR
Dr Jo Grady, Senior Lecturer, Management School / UCU Pensions Officer
Dr Sam Marsh, University Teacher, School of Maths & Statistics / UCU Branch President
Robert Hebblethwaite, Assistant Director of Finance
Professor Steven Julious, Professor of Medical Statistics, SchHARR
Suzanne Duke, Head of Reward
Dr Moty Katzman, Reader in Mathematics, School of Maths & Statistics
Laura Carter, Deputy Pensions Manager (taking notes)

Apologies:
None

Meeting Notes

1. Closing the 2017 Valuation

The group noted the paper discussed at the last meeting, regarding the proposed Schedule of Contributions and Recovery Plan, had been presented to UEB and had received their approval. The information had also been circulated to a sub-group from Council, as a response to UUK was needed prior to the next Council group meeting.

The group noted the response would be published on the University web pages once finalised and submitted.

The group thanked Mr. Wright for his effort and agreed the paper had been well written and reflected the views of the group.

2. 2018 Valuation

Mr. Wright had circulated a copy of the 2018 Valuation consultation document. The consultation had commenced 2 January 2019 and was due to run until 28 February 2019. The deadline to respond to UUK was 25 February 2019. As the Council were due to meet on that date, a one day extension had been granted by UUK.

The group considered the technical provisions consultation document, and identified key points they would wish to see included in the University’s response:
• The group felt more emphasis should be made of the strength of the employer covenant and would encourage the USS Trustee to demonstrate this, contrary to the view of the Pensions Regulator. Once established, this should then influence the view of the acceptable level of risk.
• The group did not support the introduction of trigger contributions and were not comfortable with these being used. The group felt that the Valuation process was the most robust way of assessing the position of the scheme, and any negotiations should be based on the outcome of that assessment at the time.
• The group noted Test 1 had not been referred to within the most recent consultation document, although it was clearly intended that the same methodology was to be used. The use of Test 1 was not intended to be addressed until phase 2 of the JEP report. As such, the group wished to seek clarification as to how USS intended to apply this test in 2018 valuation.

Further consideration would be given to these points in order to finalise the University’s response at the next group meeting.

3. Any other business

None.

4. Future Meetings

Future meeting dates had been confirmed as follows:
• 22 January 2019, 3.30 pm
• 19 February 2019, 2.00 pm
• 27 March 2019, 2.00 pm – to be rescheduled.