

JNC Enhanced Report, 20 November 2023

Please note: The committee has approved the publication of this report (but it has not been approved by UCU).

Attendees

Committee members	Observers
Akbar Khan (Chair)	Professor Sir Paul Curran, USS observer
Margaret Monckton (UUK)	Dr David Watts, USS observer
Sharon Moore (UUK)	Dr Donna Brown, UCU observer
Mike Shore- Nye (UUK)	Cliff Vidgeon, UUK observer
Dr Carol Costello (UUK)	Aaron Punwani, Scheme Actuary
Anthony Odgers (UUK)	
Dr Deepa Driver (UCU)	
Professor Taylor- Batty (UCU)	
Dooley Harte (UCU)	
Dr Jackie Grant (UCU)	
Dr Marion Hersh (UCU)	

Update from the Trustee

The first of the deeds to implement the scheme rule change decision of the JNC at its meeting on 30 October 2023 was considered in draft.

A Trustee representative provided the group with an overview of the draft deed and explained that it would allow for the implementation of the 1 January reduction in contributions to be implemented and for the contribution rate splits into the USS Investment Builder.

They noted that the deed would need to be approved by the Committee at the December meeting otherwise the contribution rate changes as of 1 January 2024 could not be made.

A Trustee representative gave an account of the decisions made at the recent Trustee Board meeting, confirming that the Board had approved the contribution rate that would apply in respect of benefits from 1 April 2024 and had commenced the consultation with employers on the revised schedule of contributions which would be effective from 1 January 2024.

The group discussed the appointment of a new Pensions Minister and considered what the areas of priority for the DWP in 2024/5 might be.

A Trustee representative provided an overview of the ongoing monitoring of the financial position of the scheme as at 30 September 2023, using the current Financial Management Plan (FMP). The representative noted this monitoring methodology is interim, and that a new proposal for FMP monitoring will be shared in quarter one 2024, with an expected implementation date of 31 March 2024.

The group went on to discuss the monitoring methodology in detail.

A Trustee representative provided an overview of the annual review of certain scheme actuarial factors, following a consultation with the Scheme Actuary. The group discussed the rationale for the changes, and how best to ensure that the JNC was clear on how the changes would impact member benefits and could therefore make informed comments.

Non-restricted (NR)



A Trustee representative provided an update on responses to date on the Member Consultation. They highlighted the recent and planned communications to members and employers and noted some of the high level themes emerging from the responses. The final report will be submitted for review to the December meeting of the JNC.

The scheme actuary provided a summary of the recent 'Rule 76.1 report' - a summary of the actuarial investigation to determine the [contribution rate for the scheme which had been submitted to the JNC at its meeting on 30 October](#).

Stakeholder updates

UUK

A UUK representative noted that the schedule of contributions consultation had been issued to employers.

They informed the group that Dr Costello will be leaving the JNC in April and updated the group on the transfer of USS stakeholder responsibilities from UUK to UCEA, noting it had been approved by the UUK Board.

They reminded the group of the upcoming governance review, noting the UUK intention to start an informal conversation with UCU in the coming weeks.

UCU

A UCU representative noted their upcoming meeting with USSIM to discuss ESG matters.

They also noted UCU concerns on self-sufficiency methodology when considering the DB investment strategy, and their intention to raise this with USSIM.

They informed the group that UCU are considering the breadth of communication and engagement to members around the current consultation and would like to consider the communication strategy around it.

They noted that UCU colleagues are looking forward to working with employers on the upcoming governance review, and that they would like to understand in more detail the rationale for the move of stakeholder responsibilities from UUK to UCEA.

They wished Dr Costello well.