

## JNC Enhanced Report, 6 July 2021

### Attendees

Committee members	Observers
Judith Fish (Chair)	Professor Michael Otsuka, UCU observer
Phil Harding (UUK)	Dr Woon Wong, UCU observer
Dr Carol Costello (UUK)	Margaret Monckton, UUK observer
Stuart McLean (UUK)	Dr David Watts, USS observer
Anthony Odgers (UUK)	Rene Poisson, USS observer
John Neilson (UUK)	Gary Dixon, USS observer
Dr Justine Mercer (UCU)	Dame Kate Barker, USS observer
Dr Sam Marsh (UCU)	Russell Picot, USS observer
Dr Deepa Driver (UCU)	Helen Shay, USS observer
Christine Haswell (UCU)	
Dr Marion Hersh (UCU)	

### Stakeholder updates

#### UCU

A UCU representative provided an update on the [discussion of USS at the recent UCU Congress](#). They noted that UCU members had voted for:

- Pursuing industrial action if necessary;
- To combine the USS dispute with the 'Four Fights' pay dispute;
- To continue to pursue legal and political avenues in the USS dispute;
- To continue to call for the 2020 valuation to be replaced with a 2021 valuation;
- To press for a progressive contribution structure within the [defined benefit](#) section of the scheme as an alternative to the UUK proposed lower cost [defined contribution](#) alternative;
- Not to support [proposed covenant strengthening](#);
- Not to support exploration of conditional indexation at this juncture.

The UCU representative confirmed that UCU are committed to submitting a counter proposal to UUK. They noted a perception amongst the UCU membership that members will bear the costs of changes to the scheme more than employers and emphasised that UCU are keen to reduce member opt outs by providing access to lower cost member benefits.

The UCU representative noted the [9 September UCU Conference](#) as a point at which industrial action could be considered in more detail. They stressed to the group that members are angry and wish to find a long-term solution to the challenges around funding USS. They noted that whilst ongoing JNC dialogue has been productive, if a satisfactory resolution is not reached then the strength of feeling amongst the UCU membership makes industrial action an inevitability.

The group went on to discuss the timeline for the UCU proposal, including when it may be priced by the Trustee, when UCU members may be consulted on it following that and when it can be shared with employers via UUK.

## UUK

- A UUK representative gave an overview of the most recent consultation with USS employers. [A detailed summary is available here.](#)
- They confirmed that UUK will provide an initial version of a proposal for scheme change at the next JNC meeting;
- They noted that representatives from both UCU and UUK will attend an upcoming Trustee board meeting to provide a progress update;
- They emphasised that UUK wish to work with both UCU and the Trustee to develop a proposal for a flexible lower cost option, to explore conditional indexation and to scope out a scheme governance review.

### Update from the Trustee

- A Trustee representative gave an update on membership demographics, member engagement and member experience. The group went on to hold a detailed discussion on levels of member understanding of scheme benefits, opt out rates and accessibility;
- A Trustee representative gave an overview of the Trustee position on the timetable for a JNC decision and the upcoming deadline of 31 August. A summary of this is available in [this letter from the Trustee to the JNC](#);
- The representative emphasised that the Trustee is able to provide support on the drafting and costing of proposals, but noted there is a specific window this must be done in to meet the upcoming deadline;
- Trustee representatives and a representative from the Scheme Actuary took the group through a [post valuation experience](#) 'deep dive' and the group had a lengthy discussion on the detail. The Trustee invited UUK and UCU to submit any further questions via email.

### Additional matters covered at the meeting

- Due to time constraints, it was agreed that an update on the [Financial Management Plan](#) would be discussed at the next JNC meeting.