

Jon Hegerty
Head of Bargaining, Organising, campaigns and Education
University and College Union

Via email: jlennox@ucu.org.uk

17 August 2022

Dear Jon

Dispute regarding the University Superannuation Scheme (USS)

I am writing in response to your email of 8 August. I fully appreciate the importance of pensions issues to USS members, but I cannot agree that the demands set out in your email, or the continuation of a dispute about changes already implemented, are the best way to progress.

Indeed, the reduced deficit that you note is largely the result of the reforms made to the scheme in April 2022. Without those, and their corresponding positive impact, we would now be in a position of increased contributions by both employers and members at a time of immense inflationary pressure and a deepening cost of living crisis. This would hardly be a result to which I, or other employers, could possibly agree. As I have said before, higher contributions and the inflexibility of the scheme structure cost younger members, in particular, and lead to them leaving the scheme. This is both deeply unfair to them and deleterious to the ongoing financial sustainability of the scheme itself.

I am genuinely concerned that UCU's national leadership is actively seeking to prolong this dispute despite there being no mechanism to change the outcome of the now finalised 2020 USS valuation. Such dispute serves only to delay necessary changes to the scheme, disadvantage colleagues and students, and cause ongoing damage to the higher education sector to which we are all committed. Employers cannot reasonably be expected to avoid further disruptions by agreeing to the UCU's proposals at any cost.

I understand that the UCU is also campaigning on the issue of pay. I am sure you are aware that we have a three-year local agreement in place, negotiated very positively and mutually agreed with our local UCU branch colleagues in summer



2020. This agreement was last reviewed in May this year and will next be reviewed in September 2022. We will continue to encourage this collaborative approach locally with our UCU branch representatives, as it is only through mutual cooperation rather than intransigence that any ongoing disputes can be resolved.

In this spirit, we will continue to support the agreed national processes for USS and any genuine and collaborative attempt to safeguard the long-term sustainability USS scheme.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'R. van de Noort', with a stylized flourish underneath.

Professor Robert Van de Noort
Vice-Chancellor
University of Reading