

Stuart McLean  
Universities UK

Regional Studies Association  
Sussex Innovation Centre  
Falmer  
Brighton  
BN1 9SB  
United Kingdom

Tel + 44 (0) 1273 698 017  
Fax + 44 (0) 1273 789 859  
Email [office@regionalstudies.org](mailto:office@regionalstudies.org)  
Website [www.regionalstudies.org](http://www.regionalstudies.org)

Dear Sir,

Response to UCU proposal to conclude the USS 2020 valuation

As requested, we have asked our Board of Trustees to comment on the new proposals put forward by UCU at this late stage.

As an Association we have not only staff members in the scheme, but academics from the wider community among our board members, and all are concerned about the decrease in future benefit accruals, and the disruption caused by strikes in an already challenged sector.

We are a very small employer with only 4 scheme members, and this should be taken into account when considering the weighting given to employer responses.

We are concerned that this proposal is so late in the day, giving us insufficient time to get specialist advice.

We regret that both members and employers would have to pay higher contributions, almost immediately either from the backstop position being triggered, or by any formal adoption of the new proposal further down the line.

We are concerned that we do not yet have the Pension Regulator view on the proposals, and believe the proposals need more detailed examination and consideration.

As an Association, we are very concerned about the costs of proposed scheme. Employers will pay significantly more in contributions, pay a larger proportion of the contribution burden, and still have to provide increased covenant support. We are a charity, and any costs we incur, would mean we have to restrict our charitable activities, for example withdrawing research grants to the sector. Larger institutions may struggle to pay the additional staff costs, especially when their ability to borrow is curtailed by the covenant measures.

We are not convinced that contributions could be "capped" at 25.2%, this seems a speculative assumption, and betting on a future more favourable future valuation.

Having said that, there is considerable weight in the financial press behind the opinion that the valuation was flawed, and overly pessimistic, and we are of the view another valuation would be useful and believe agreeing to this will show a willingness to respond to the issues.

We believe that the request for a new valuation is not unreasonable in these volatile and uncertain times, and should proceed, even if this triggers the backstop rate increases in the short term.

It would then be necessary for the decision on benefit reforms to be deferred, until there is clarification over the viability of alternative proposal.

We would expect the union to call off their industrial action while their proposal is considered and goes through the necessary consultation processes, and a further valuation is considered.

Kind Regards

A handwritten signature in blue ink that reads "Sally Hardy". The signature is written in a cursive, flowing style.

Sally Hardy

Chief Executive