

USS Consultation Sub JSNCC Group



14 December 2021
11.30am
Online via Microsoft Teams

MINUTES OF MEETING

Present:

Martin Atkinson; Director of HR and OD, Chair [MA]
Jane Higham; Chief Financial Officer [JH]
Wendy Green; Reward and Recognition Manager [WG]
Chris Henry; UCU [CH]
Charlotte Ransom; G7+ Staff Representative [CR]
Balihar Sanghera; G7+ Staff Representative [BS]
Paul Ducker; Unite Representative [PD]

Dani Meier (minutes) [DM]

1. Welcome and Apologies

Apologies were received from Emma French, Gordon Vernon, Malcolm Witherbed, Maria Bakali, Russell Jordan, Paul Cornwall-French, Becky Verlin and Triona Fitton.

2. Minutes of Meeting held on 10 November 2021

No amendments to be made.

3. Matters Arising

WG responded to the two members' comments, action can now be removed.

Information has been added to webpages.

JH & MA have spoken to Karen Cox about her involvement with UUK. She attended one of the recent JSNCC meetings to speak directly about how she represents the University and liaises with UUK and other bodies.

JH & MA are working on more formal response to the UCU demands.

4. Consultation Responses

MA invited WG to provide a summary of what is new with regard to the consultation responses.

WG shared that there had not been many responses on the formal website, with two since last week's webchat and none to the direct email address that had been set up. She noted that there still seems to be some misunderstanding about the proposals, particularly around the salary threshold and the contribution levels above this. Members also seem to think the employer should be able to pay into another pension scheme, which is not possible. Members seem to fear the benefits they have already built up will be impacted, which is not the case.

CR asked for clarification in regard to why the employer cannot pay into other pension schemes and suggested that this information be added to FAQs so that members would better understand that this is not within the University's control.

MA clarified that the rules of USS specify exclusivity rights, meaning that any member of staff in an eligible position (grade 7 and above) must be offered USS membership and the University is precluded from offering membership of any other scheme. To go against this would risk the University crystallising its debt within the scheme, which would be many hundreds of millions of pounds. This probably seemed a sensible thing to do, though now it may seem odd as USS benefits are going the wrong way. MA suggested this could be explained more fully and inquired as to whether this is currently included in the FAQs.

WG confirmed this had been discussed in previous meetings, but that it could be more visible.

JH confirmed the University had no choice over this, as noted by MA. She shared that this had been clarified in the webchat last week as an area of confusion that had been picked up in the responses. Caroline Mitchell, who is working on the communications, is in the process of putting together FAQs to complement the materials that are already on the website.

Action: JH to follow-up with Caroline to ensure this point is referred to.

MA brought attention back to the questions raised during consultation and asked if there was anything that anyone wanted to discuss or clarify.

JH queried the last but one question in which the respondent has put 'see my comments at point 1' but does not appear to have added any comments.

WG confirmed this response had been checked and that no further comments had been included.

MA invited BS to share his comments.

BS asked if there were any figures or evidence around the comment that members are leaving the scheme.

MA clarified that the concern is that people do not join, as opposed to the number of leavers, as there is a high opt-out rate. The opt-out is often among younger staff, who feel the contribution rates are high when starting out in their careers. The benefits may look a long way away and something that may not exist in its current form when they get there. MA shared the benefits of flexible offerings, such as a low-cost starting option to encourage people to join, with the option to make higher contributions later in their careers, however this flexibility is not currently there with USS.

WG shared the opt-out rate, which can be found in the JSNCC folder, within the meeting information for 15th October. This was around 17.75% over the last 13 months, in comparison to SAUL which was 18.6%. WG shared [the link](#) in the chat.

BS asked for further facts and figures, including the take-up rate among new colleagues.
Action: WG to go back to Alan Gazzard [AG] for further information.

WG confirmed AG had provided information on salary banding for opted-out members in his previous analysis, as well as a split between timesheet and salaried staff.

MA concluded the team would see what further information could be found and asked if there were any further responses to be discussed.

CH suggested that the low number of responses may be due to workload and that the view is that no decisions will be made as a result of the consultation. He suggested it was hard to take anything from only 13 responses.

MA highlighted that the consultation exercise is an opportunity to get views directly to USS, formally and on the record. Employer-led consultations include the University's views, whereas this is an opportunity for individuals to say directly to USS 'this is how I feel about it'.

CH discussed the use of the word 'consultation' and the fact that it is a legal term with a legal definition.

MA responded that USS do not have to agree, but it is an opportunity for members to share their views. He thanked CR, BS, PD and CH for sharing the link with members.

CR asked for an update regarding the governance reform letter.

MA shared that the letter had not been sent yet. He further explained that CH previously agreed it did not address the fundamental UCU demands. The aim would be to address the UCU demands and request the governance review. He commented they are trying to create something that embraces all of that, and that it is not off the table. He shared that separately, through Karen (Cox), the University had been pressing for governance review and confirmed there are workstreams that are being set up on the governance review, conditional indexation and other flexibilities. MA thanked CR for the reminder and confirmed it will come back to the committee when the letter is sent/response is received.

JH added that the progress of the workstreams is being observed. JH shared that she had attended the USS institutions meeting and was pleased that the impression given was that USS is committed to being involved in these workstreams, improving the scheme for members and being involved with the governance review. She felt that these are things that the JNC need to be driving forward, with representatives on both sides needing encouragement to do this. She suggested that the focus and tone of the letter needed to be about driving this forward and the fact that both groups would like to be involved and contributing to the solutions of the workstreams. She was pleased to hear that the USS recognised the importance of all three workstreams.

CR confirmed she had nothing else to raise.

5. Any other business

CH commented that he disagreed with the 'Background' section on the UoK USS website as it said that there was no alternative proposal from UCU, which he felt had been established as an inaccurate portrayal. CH highlighted it also did not mention the double-take made by the USS earlier that year. He felt this was an important thing to mention and would like these two points changed.

MA explained that, although he did not have the website in front of him, the wording previously used was that 'no UCU proposal was tabled for formal consideration by the employers'. There has been some disagreement about this, but according to MA's understanding, though there was a UCU proposal, it was never formally put to the employers for consultation. MA asked CH what his take on this was.

CH said that he had sent a few emails to MA and said in previous meetings that this was not the case. The UCU had a proposal which had not been sent out to employers for formal consultation as UUK refused to underwrite the contributions from participating institutions, making it unviable by refusing to support it. Therefore, it was not submitted for formal consultation.

MA shared that he was struggling with that interpretation and that as none of us were party to the discussions, we are relying on the word of others. Different stories are being put forward by different sides. He asked JH for comment.

JH said that she heard from the UUK negotiators that the proposal did not come forward in the required state to go out for consultation. The UCU representatives were not in agreement as a whole that it was a proposal they wanted to go out to the members, and that seemed to be what was coming across in the letters going between UUK and UCU. They were still welcoming an alternative proposal by UCU that could then be taken out for consultation. JH did not know if there was anything in the background that was stopping it from proceeding.

CH shared the specific reference that he felt was incorrect in the meeting chat. CH suggested there was mixed messages, and this could be made clearer on the website.

MA commented that whatever happened at that national level, it would be good if that proposal did get formally tabled as employers, and therefore members, have never been consulted on it. A counter proposal has not come through for proper consultation, which seemed a failure of the national negotiations.

JH said she wondered if this is where they should be pushing UUK, and CH pushing UCU to get those negotiators back round the table to get to an agreed position as to what to do with that proposal.

BS shared his exasperation about the whole situation and the fact that no one is making any headway, going over the same issues again and again. He agreed with JH that they should be pushing the national bodies to sort themselves out. He referenced going through the damaging strike action, and the fact that it does not help either cause. He understood why members would feel disheartened by the proposal, and equally that the University could not do anything else. He felt they should come to a compromise. He highlighted the fact that Kent is not a major player and asked if JH or MA could have communication with the key players. He commented that members have become exasperated by UUK, UCU and USS. He highlighted the need to start to make some meaningful engagement.

MA thanked BS for sharing and reiterated that the focus with UUK would be to get them back round the table. He said they planned to write to formally answer the demands in the Industrial Action dispute and the ongoing draft included that point. MA asked CH to comment on the focus for UCU.

CH suggested BS may be feeling frustrated due to this lack of progress as the process is in the statutory consultation phase. Behind the scenes, USS pension officers are having discussions about the future policy. Whilst this consultation goes on, no pieces are going to move. USS is going to carry out the UUK proposal because if it carries out the fallback then the scheme would collapse. CH commented that he thought the statutory consultation phase was largely a waste of time. When it comes to getting people back round the table, there are issues that need to be engaged with such as a change in trustees before a new valuation on a different terms set up by those new trustees. There is no significant pressure on the USS to change the configuration of the trustees or governance, except for upcoming legal challenges. CH questioned what could be negotiated if the groups returned to the table; the UUK proposal is under consultation so USS would be unlikely to roll back and look at UCU's proposal. CH felt that this would not result in significant changes. Looking to the future, CH hoped UUK would turn round and as a result of more sustained industrial action revisit the UCU proposal or (more likely) join the call for the change in governance to have a new valuation. CH asked MA, JH and WG how they could accelerate UUK's trajectory towards that position.

MA asked for clarification on UCU's legal challenges and pointed out that the demands on industrial action did not include the governance review, so would be interested in the UCU's position on that. MA said that the University's position is that they urgently want the governance review to be carried out and have urged the UUK to engage fully with that as soon as possible. They would like to urge UCU to engage as soon as possible. MA added that JH is a member of the SAUL negotiating team, which does not have an independent chair role or casting vote, meaning is it more structured towards members negotiating to an agreement. He shared that they are pressing for restructure of the JNC to be less adversarial and more about joint problem-solving.

CH responded that formally the UCU position is stated in the two demands of the industrial action. The National Executive has championed legal action and a small group of pension representatives have instructed solicitors as well. CH said that the terms had not yet been released (though added he had a back-log of emails to go through, where he may find this information). CH said he thought that the change of trustees was not a necessary prerequisite of an answer to the call within the ballot, but that there were clearly actions on the way.

MA commented that the only way to agree to revoke the benefits would be to pause the contribution increase, which is probably not in the power of the trustees, but in the hands of the Pension Regulator.

JH agreed that this was not in the power of the trustees. They have submitted their valuation and that is dependent on the reform deed being put in place by 28th February. If that is not put in place, the alternative is the backstop and increase in contributions. They do not have a choice about that. That is what has been submitted to the Pensions Regulator. However, it does not mean that stakeholders cannot get back round the table and renegotiate something to take effect in due course. There is no reason to wait for the next valuation. The governance review needs to be concluded to allow proper negotiations and discussions to take place. This is where the discussions should be happening as opposed to being pushed out to the playing field, putting employers and their staff into a dispute situation.

CH confirmed that that is what the UCU's two legal attempts are pushing for. CH said it would be helpful if the letter could go out sooner rather than later. CH would be happy to talk to other committee members about creating a joint statement in favour of needing that governance reform, although as it is not UCU national policy he would need to check this before making the commitment.

MA thanked CH for this.

CH said he disagreed with the point that UoK was a minor player. He suggested the University and Karen (Cox) have quite a voice when it comes to pensions.

MA said he would continue to feed this back to Karen Cox.

BS said he felt the Russell Group would have more influence than Kent and would like more context about this.

JH responded that Kent has 1% of the membership, so the University is a minor player in terms of membership, though might have a bigger voice. It would be the Russell Group Universities that would be the last standing in the scheme so have more weight and power in the decisions. JH said Karen Cox is putting her views forward.

MA commented that these discussions had been helpful in framing what would be written to UUK. He was disappointed to report that only 15 people had attended the USS webchat. He highlighted that there are also 1-1 meetings with Alan Gazzard available for individuals. He asked representatives to continue to share this information with staff. MA thanked everyone for their time.

6. Date of Next Meeting

14 January @ 9am