



A joint statement on the ongoing UUK and UCU collaboration towards USS benefit restoration and stability

Update following the May JNC

Members of the JNC received the 31 March 2023 Financial Management Plan (FMP) figures from USS, which have since been [published](#). The figures in the December FMP provided a basis for strengthened collaboration between UUK and UCU, and our joint commitment to the restoration of pre-April 2022 benefits, where this can be done in a demonstrably sustainable manner. The March FMP indicated a further improvement in the overall position. We noted, again, the USS's statements that such restored benefits would currently cost 21.8% on the 31 March 2023 monitoring basis, and are unlikely to exceed 25.2%, when priced within the 2023 Valuation.

Restoring member benefits to pre-April 2022 levels

At the May JNC, we acted on our previous joint commitment to prepare a member consultation on the option of full restoration of pre-April 2022 benefits by collectively approving the formal paperwork for the preparation of the statutory member consultation. This re-affirmed our joint request to the USS Trustee to price benefits, subject to the 2023 valuation process and consultations, at pre-April 2022 levels; namely, an accrual rate of 1/75, with no break in the inflation protection, and a salary threshold increased to pre-April 2022 levels. We agreed to work jointly on the communications for members that will accompany the consultation.

Ensuring the long-term sustainability of benefits and contributions

The newly-formed JNC Stability sub-group met in advance of the May JNC and oral updates were provided by UCU, UUK and USS to feed into the scope and terms of reference for the group. Stability is now a standing JNC item and will be a key focus of the additional JNC meeting that we have convened to be held in June. Two further meetings of the Stability sub-group are scheduled to take place ahead of the additional June JNC meeting. UCU and UUK have agreed to develop and implement a robust and transparent mechanism for managing risk which can provide more sustainable benefits and contributions for future valuations.

Lower benefit accrual between 2022 and 2024

At the May JNC, we reiterated the [commitment](#) jointly made following the March JNC to 'explore the options and costs of augmenting benefits in recognition of the lower benefits accrued between April 2022 and April 2024, within the 2023 valuation timetable'. This will be another key focus of future JNC meetings, alongside discussions on stability and scheme governance.