Ready to Lose 20-40% of Your Pension?

The purpose of the proposed cuts is to move pension liability from universities to individuals.

In the process you could lose **thousands of pounds.**

There have already been major changes to the pension in 2011 and again in 2016 when the final salary scheme closed. Each time we were told that additional employee payments and cuts to benefits would secure the future of USS.

Is USS healthy? There are huge debates about the valuation method used to decide this. Valuations depend on assumptions about demographic trends and risks. A recent independent review found that the employers could support the current USS scheme for at least the next thirty years. A valuation commissioned by UCU suggests that the scheme is very well-funded and in surplus, meaning there is no need for more massive cuts to benefits.

The proposed cuts for April 2019 are huge. **Defined benefits** means you have a guaranteed income based on what you and your employer originally put in.

A move to **defined contributions** instead means that there’s no guarantee. Your pension would be based on the market value of your personal investment fund at retirement.

**Remember that recent stock market crash?**

**And the one before that?**

Why do employers want to do this? If there’s no guarantee of what the fund is worth in the future, it can never be in deficit or have liabilities in future.

The real figures are hard to determine. UUK (the university employers association) commissioned a model of their proposed changes in benefits. Someone starting at 35 with a salary of £30k who would have received a pension of £18,000 per year in the current scheme would instead get £13,500 per year. The cuts are even bigger with for those with a long career and promotion prospects—that’s why some staff could lose up to £10,000 per year in retirement.

Employers want to end the problem of potential deficits by eliminating any guaranteed retirement income.

JOIN UCU IN OPPOSING THESE UNACCEPTABLE CHANGES.

See AON report: <http://bit.ly/2FmQFfV> and UCU’s commissioned report: <http://bit.ly/2FkmR3u>

**JOIN UCU:** [**www.ucu.org.uk/join**](http://www.ucu.org.uk/join) **or join by phone 0333 207 0719**

Help Defend USS

On 22 February, OU colleagues told us you want to know more about how to fight for a fair pension.

Here are specific things you can do:

1. Write to the Vice Chancellor to ask for negotiations to be reopened.

The heads of the following institutions have already spoken out against the UUK position and in favour of returning to the negotiating table:

Newcastle University, University of Essex, Loughborough University, University of Glasgow, Warwick University, Birkbeck University of London, Goldsmiths University of London, University of Strathclyde and the London School of Hygiene and Tropical Medicine.

The universities minister Sam Gyimah and the opposition leader Jeremy Corbyn have both called for negotiations to resume.

The OU UCU branch sent this open letter urging the university to use its position to help end this dispute. <http://ucu.open.ac.uk/news/open-letter-vice-chancellor-executive-vce-open-university>

1. Write to your MP to say that these cuts will hurt higher education and you as a constituent.

See <https://www.theyworkforyou.com> to contact your MP.

1. If you’re academic or academic-related, join UCU and take part in our action

<https://www.ucu.org.uk/join>

