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Your ref	
Our ref	DE/JMR
Date	25 September 2017

Email: s.j.marsh@sheffield.ac.uk

Dear Dr Marsh

I recognise that you have engaged closely for some time on the trustee's valuation approach (I very much appreciated the effort and understanding that went into your educational videos) and thank you for taking time to share your thoughts with me.

It simply isn't possible for the trustee company (USSL) to agree to engage with individual members on the decisions it makes to the level you are asking for. We have established stakeholder bodies that fulfil this function.

I suggest you make the specific requests either via UCU, as you are a local representative, or your employer who can then decide if they need any further input from USS to address these issues.

On the question of transparency that concerns petitioners, that has to be judged in the context of our stakeholder-focused constitution and statutory requirements. These statutory requirements are prescriptive: the trustee company must consult with Universities UK (UUK) as the appointed representative of the employers. The consultation with UUK has a very specific purpose: to understand employers' views on the support they can provide to the scheme. It is in members' interests to ensure USS has a clear view on this to inform its key funding assumptions.

USS's constitution requires key decisions on benefits and contributions to be taken by employer and union representatives ("stakeholders") through collective negotiations. The trustee has a clear duty to set the required contribution rate, after consulting UUK. The trustee accepts that stakeholders may not always agree with the trustees' judgements but it is essential that stakeholders have confidence in the integrity and competence of the processes applied. The trustee therefore operates with its stakeholders a policy of openness and transparency on these key decisions.

In addition to this statutory consultation, the trustee company has managed the process such that:

- Employer and union representatives have, through our constitutional joint negotiating committee, been fully engaged on the details underpinning the trustee's conclusions through detailed, technical discussions backed by formal papers and detailed analysis.

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- Since June 2016, there have been 30 formal meetings with employer (UUK) and union (UCU) representatives.

- USSL has explained its emerging thinking to employers at four different stages, with high engagement from the major universities.

- USSL shared its technical provisions consultation document with UCU and UUK well in advance of the formal consultation starting, and provided a summary of the high level conclusions for members on its commencement via the section of its website dedicated to providing updates on the valuation (c.20,000 page-views to date): <https://www.uss.co.uk/how-uss-is-run/valuation>.

USSL has made it clear that employers are free to share the documents if they wish – and that is clearly happening: <https://www.sheffield.ac.uk/hr/thedeal/pensionupdates/ussvaluation>.

In summary, I feel we have been fully transparent with our stakeholders in line with our constitution.

Nevertheless, we will seek feedback from our stakeholders to understand what more we can do to support them in engaging with their constituents on the valuation process.

Once the consultation with UUK is completed then the trustee will reach its final position and we will update members promptly. In addition, given the broad public interest, we will also put all the documents that have been shared with employers during this process onto the website for any interested party to see: in addition to the documents published by Sheffield University, as noted above, we will also publish the valuation methodology document agreed with the stakeholders last year.

Yours sincerely



Bill Galvin
Group CEO

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