

## Cambridge University Assistants' Contributory Pension Scheme

A meeting of the members of the Cambridge University Assistants' Contributory Pension Scheme (CUACPS) was held on 6<sup>th</sup> March 2017 in the McGrath Centre, St Catharine's College, Cambridge at 12noon.

Approximately 35 members of the scheme were present of around half defined contribution members and half pensioners.

### Introduction

Mr Howard Jacobs introduced himself as Chair of CU Pension Trustee Limited (CUPTL), the trustee of CUACPS, noting that the presentation will be divided between himself, Head of Pensions, Sue Curryer and a representative from SEI, Mr David Snowdon.

Mr Jacobs went on to say that the defined contribution (DC) element of the University's pension arrangements is becoming more relevant as this has increased by 800 members during the years of 2015 & 2016. Mr Snowdon has come along today to explain the scheme in more detail.

### University Pension Arrangements Overview

Mr Jacobs explained that the meeting was focussing on the University's hybrid pension arrangement which is split into two schemes. The Cambridge University Assistants' **Contributory** Pension Scheme (CUACPS) and Cambridge University Assistants' **Defined Contribution** Pension Scheme (CUADCPS). Mr Jacobs continued to explain that employees who joined the University before 1 January 2013 would be in the CUACPS and those joining after that date would be in both schemes. However, the CUADCPS may be of interest to active members who joined the University before 1 January 2013 as they could use this to pay additional voluntary contributions (AVCs) to boost their pension. Mr Jacobs advised that anyone who left the University before 1 January 2013 would not have any benefits in the CUADCPS and so may want to leave before Mr Snowdon's session. To assist members to determine whether or not they were members of the CUADCPS Mr Jacobs provided illustrations of the benefit statements which had been issued to members by the CUACPS and the CUADCPS.

### Responsible Investment

Mr Jacobs advised that following queries at the 2016 Members' meeting the Trustee had considered this matter in detail in 2016 and a statement regarding these conclusions would be posted on the Pensions Office website after the meeting. Mr Jacobs advised that the trustee was aware that some members might like the trustee to be more proactive and others might feel that the trustee had gone too far but the trustee felt that the action it had taken was appropriate for a scheme of the size of the CUACPS. Mr Jacobs advised that the trustee's Statement of Investment Principles had been updated to reflect the new policy.

Mr Jacobs handed over to Mrs Curryer who explained the presentation.

Our aim in this presentation was to concentrate on two documents received by members of the CUACPS during the year.

### Summary Funding Statement (SFS)

The SFS shows how much money the scheme has got and how much the scheme needs to have to meet its liabilities to the difference between these figures is the surplus, the scheme has more money than it needs or deficit if it has less. The SFS is based on the triennial valuation of the scheme as at 31 July 2015 and the SFS sent to members earlier in 2017 gives an update as at 31 July 2016.

The trustee is also legally required to show, the position if scheme was wound up, and the trustee needs to secure members benefits in the pension scheme CUACPS by purchasing pensions for all members called (these are normally called annuities) with an Insurance company. The trustee believes that the University is committed to fund the CUACPS and so this information is only included as it is a legal requirement.

### **Annual Benefit Statement**

This is sent only to active members and there are two versions depending whether you joined the scheme pre 1<sup>st</sup> January 2013 and after January 2013 or after this date. In both cases the benefit statement shows

- The benefits which will be payable when you reach the scheme's normal retirement age of 65 assuming no increase in salary.
- The benefits which would have been paid if you had died on the statement date.
- The benefits you had earned in the scheme at the statement date, and
- The amount of the Lifetime Allowance used by your CUACPS benefits at the statement date.

Mrs Curryer reminded members there is a lot of information on the web site, including various guides and fact sheets. Mrs Curryer encouraged members to look at the CPS guides and factsheets and visit the website.

Mrs Curryer asked if there were any questions before she handed over to Mr Snowdon

There were queries about statements of deferred members, the changes to the Statement of Investment Principles, and the benefit statement sent by CUSDCPS.

### **Mr David Snowdon – SEI**

Mr Snowdon explained who SEI were and what the SEI Master Trust was (i.e. DC benefits provider) and how SEI managed the master trust and the flexibilities members had to take their benefits at retirement.

Mr Snowdon outlined the information included on the annual benefit statement which included

- the contributions which had been paid
- the fund(s) in which the contributions had been invested
- the benefits the member could expect to receive at their selected pension age
- the average life expectancy for someone of the same age

Mr Snowdon reminded members where they could obtain more information about the CUADCPS.

Mr Snowdon responded to a question about type of bonds in the SEI funds.

Mr Jacobs confirmed that payments to pensioners would be unaffected the decision of the UK to leave Europe.

Mr Jacobs, thanked everyone for coming and the meeting ended at 1.15pm.