Members' Meeting, 10 July 2013: Minutes

A meeting of the members of the Cambridge University Assistants' Contributory Pension Scheme was held on 10 July 2013 in Lecture Room A, Arts School, Benet Street, Cambridge.

The following members of the Managing and Investments Committees were in attendance:

Dr R Hinkley (Chairman)

Mr D Hearn (Member of Managing Committee and Chairman of the scheme investment committee)

Mr W Smith (Appointed to the Managing Committee by the active members)

Mr P Stokes (Appointed to the Managing Committee by Unite the Union)

Mr R Sweet (Scheme Actuary) and Mrs S E Curryer (Secretary) were also in attendance.

Approximately 40-50 members of the Scheme were present.

Dr Hinkley opened the meeting by introducing himself and welcoming the members to the meeting. He explained that the format of the meeting would begin with a short explanation of the role of the trustee by himself as Chairman. This would be followed by a few words from Mrs Curryer on how to contact the Pensions Office, a short summary of the Annual Report and Accounts, and a summary of the recent changes to the scheme rules.

The presentations would conclude with one from the scheme actuary Mr R Sweet of the Cartwright Group, who would summarise the results of the 2012 triennial scheme valuation. There would then be an opportunity for questions. Copies of all the slides for the presentations are attached to these minutes.

At the end of Dr Hinkley’s introduction, he expressed his intention to retire as Chairman of the scheme and thanked everyone for their efforts during his chairmanship. He confirmed that Mrs J Rippeth, who is currently a member of the Managing Committee, would be as acting Chairman until the University appoints a permanent replacement. Dr Hinkley thanked his fellow Committee members for their support during the time he had been Chairman. Dr Hinkley also thanked Mr Sweet and the other advisers to the CPS for all their work relating to the scheme. Finally Dr Hinkley thanked the staff of the Pensions Section for all of the work they undertook on behalf of the members of the CPS and the Managing Committee.

After Mrs Curryer’s presentation, a member asked about the effect of the rule changes and wondered whether an existing Added Years AVC would be affect. Mrs Curryer confirmed that existing AVC contracts would not be affected.

Before the question and answer session, the Chairman expressed his concern that the valuation figures and assumptions may be misinterpreted by the audience, and may cause undue concern. He explained that the deficit figures are all conservative in nature and will benefit the scheme as it compels the University to pay more contributions into the scheme. He also reiterated the stability and reliability of the University as the financial guarantor of the scheme.

During the question and answer session, Mr W Smith asked a question on behalf of the members in his capacity as a Union representative. He asked for clarification on which of the deficit figures should the members be concerned about. Mr Sweet confirmed that the figure of £134 million is the only one of value and the other figure of £622 million is only theoretical as there is no prospect of the scheme or the University going under.

A member asked about the scheme normal retirement age of 65 and the ever increasing state pension age. He remarked that whilst members can retire at 65, they may not be able to afford to retire as a major source of their retirement income will be paid by the state. He wondered whether the University is likely to have provisions to bridge this gap. Mrs Curryer said that she was not aware of any University initiatives of this nature.

A second member wondered who had control of the scheme assets. The Chairman confirmed that all scheme assets are under the name of the scheme trustees.

The final question came from a member who wished to know about the format of the forthcoming annual benefits statement. He wondered whether the benefit would give a combined forecast of a member’s retirement pension since the scheme now provides for two different types of pension. Mrs Curryer confirmed that the statement would list the separate pension benefits, but would also give a summary of the combined pension.

There being no further questions Dr Hinkley closed the meeting and thanked everyone for coming.