

# Cambridge University Press Senior Staff Pension Scheme Summary Funding Statement – June 2021

## Scheme position

Assets  
£93,444,000

Money needed to pay benefits  
£108,025,000

Shortfall  
£14,581,000

Funding level  
87%

This update states the estimated position of the Scheme as at 1 January 2021.

Since the last update (as at 1 January 2020), the shortfall has increased. The main reason for this is changes in market conditions, which has led to a higher value being placed on the amount needed to pay benefits.

When the value of benefits is greater than the assets held, the Press and Trustee must agree a plan to safeguard members' pensions by making sure the assets catch up.

**At the last valuation as at 1 January 2019, the Press agreed to pay £2.3m per year from 1 January 2020 to top up the assets of the Scheme.**

This statement gives you an update on the estimated financial position of the Cambridge University Press Senior Staff Pension Scheme (the Scheme).

The Scheme is a Defined Benefit scheme. This means that it gives you an income for life.

The Trustee uses the assets of the Scheme to pay pensions to Scheme members, including those members who have not yet retired. The assets are held separately from Cambridge University Press (the Press). Assets can only be returned to the Press if they are more than is needed to arrange for an insurance company to pay all benefits. No such payment to the Press has been made since the date of the last statement.

## Your Scheme is looked after by

### Trustee

Press SSPS Limited

### Scheme administrator

Kevin Taylor

### Trustee Directors

Mr William Medicott (Chair)  
*(appointed 10 June 2020)*  
Ms Cathy Armor  
Mr James Berry

Dr Phil Meyler  
Mr Stanley Webster  
Mr Simon Baynes  
*(resigned 10 June 2020)*

### Head of Group Pensions

Sue Curryer  
University of Cambridge Pensions Office  
Greenwich House, Madingley Rise, Madingley Road, Cambridge, CB3 0TX  
✉ [cuppensionsonline@admin.cam.ac.uk](mailto:cuppensionsonline@admin.cam.ac.uk)

### Investment Fund Managers

Legal & General Investment Management  
Baillie Gifford Life Ltd  
CBRE

Barings Investment Management Ltd  
Hermes  
Apollo

### Scheme Actuary

Keith Williams FIA  
First Actuarial LLP

### Auditor

Crowe U.K. LLP

### Legal advisers

Addleshaw Goddard LLP

### Investment advisers

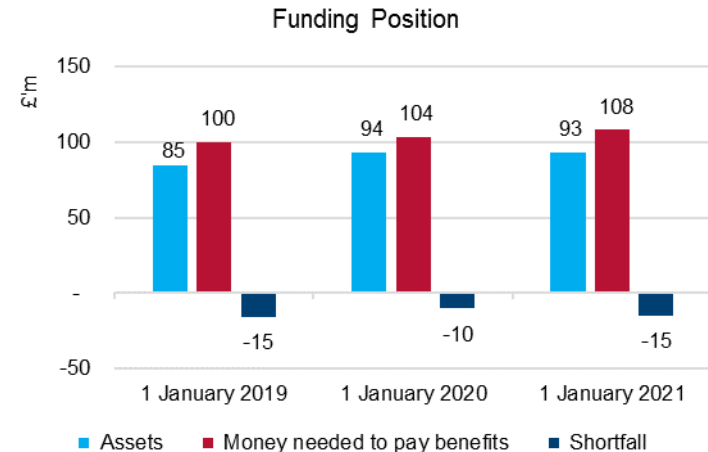
Barnett Waddingham LLP

## Your Scheme's finances

Working out the value of the benefits promised to members – how much money we need to pay all the members' pensions – is not an exact science. It depends on several things, including inflation, investment returns and how long its members live.

A full valuation is carried out every three years. As part of the valuation, the Scheme's actuary calculates whether the assets are worth more than the amount we think is needed to pay out the benefits. If that is not the case, then the Trustee and the Press will agree what action needs to be taken.

Changes in the value of the Scheme's assets and the money needed to pay benefits over the past three years are shown below. The next full valuation will review the position as at 1 January 2022. This will take up to 15 months to complete.



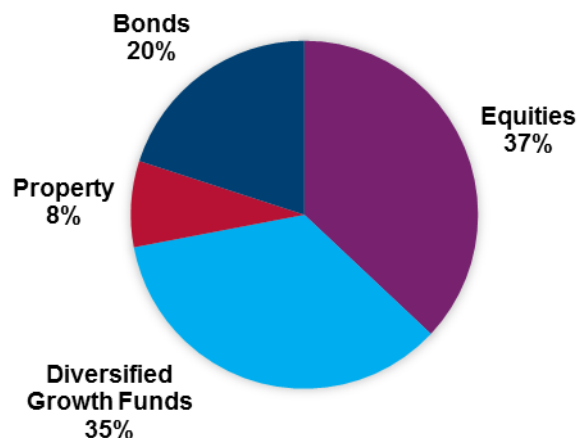
This funding update shows that the assets of the Scheme are less than the amount needed to pay all benefits to members. This is not unusual.

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### The assets

The Trustee has an investment strategy in place to make the most of the Scheme's assets by holding a mix of investments in the following way:



Within each investment class, we aim to hold a mixture of assets.

As a consequence of the disruption caused to financial markets by the impact of COVID-19, 2020 was a very challenging year. Despite this, the Scheme's assets have returned 3% during 2020.

### Winding up the Scheme – The buy-out position

If the Press, which effectively acts on behalf of the University, wants to let go of its responsibility for the Scheme, or is unable to support the Scheme, the Scheme will be wound up. This means that the Press / the University will have to pay a one-off contribution to the Scheme to cover the extra cost of getting an insurance company to take on the responsibility of paying all Scheme benefits. If this had happened at 1 January 2019 the contribution required from the Press / the University would have been an estimated £65.4m.

The Pensions Regulator looks after work-based pension schemes and has certain powers it can use if it has concerns about a scheme. It has not used any of these powers in relation to the Scheme.

### Additional protection

If an employer becomes insolvent, the Pension Protection Fund can pay compensation to members in certain circumstances. Further details are available at [www.pensionprotectionfund.co.uk](http://www.pensionprotectionfund.co.uk).

If you are thinking of leaving the Scheme for any reason, you should consult a professional adviser, such as an independent financial adviser, before taking action. You are legally required to do so if the value of the transfer exceeds £30,000.

### Pension scams

We urge you to be vigilant against pension scams. Should you have any unsolicited approaches from companies offering to undertake pension reviews, or offering you an opportunity to access your pension fund early, please visit the Financial Conduct Authority website before taking any action:

[www.fca.org.uk/scamsmart/how-avoid-pension-scams](http://www.fca.org.uk/scamsmart/how-avoid-pension-scams)

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## Further information

You can ask the University of Cambridge Pensions Office – contact details are on page one – for copies of any of the following documents:

- The Statement of Funding Principles
- The Statement of Investment Principles
- The Recovery Plan & Schedule of Contributions
- The Trustee's Annual Report and Accounts
- The latest full Actuarial Valuation Report as at 1 January 2019
- The shorter Actuarial Reports as at 1 January 2020 and 1 January 2021
- The Scheme booklet

If you have yet to start receiving your pension and we have not sent you an estimate of your pension at retirement in the last 12 months, you can ask for one.

Please help us by making sure we have your correct contact details. If your address, bank details, or expression of wish has changed, you can find the forms to update your details here:

[www.pensions.admin.cam.ac.uk/cup](http://www.pensions.admin.cam.ac.uk/cup)

A request to change your marital status can be made by letter or email with supporting documentation.

If you need any further information or help, please contact the University of Cambridge Pensions Office.