Minutes of Branch Meeting: 19th July, 2012

Present: Janice Aitken (chair)

 Mona Clark (secretary)

 14 members

Apologies: 8 members

 The only item on the Agenda was the motion from Carlo Morelli, DUCU Assistant Secretary, proposing the way forward for UCU’s on-going discussions on the changes to the USS pension scheme (motion circulated with Agenda). For information, the four resolutions put forward in them motion were as follows:

1. Continue to pursue current negotiating objectives
2. Reject and settlement of the dispute which involves a detrimental two-tier pension scheme
3. Reject any settlement which reduces employers’ contributions from the current percentage level.
4. Require a settlement that lifts the inflation cap, and restores the link between pension contributions and pay in any revaluation.

As the Branch meeting was inquorate, the final decision on whether the motion should be put forward was left to the meeting of the Branch Committee directly after the Branch meeting. However it was agreed that a full discussion of the members there would be a very useful , if not able to be binding, guide to the Branch Committee in its deliberations. During that discussion a number of points were made. Herewith a brief resume.

1. For the motion. USS members are being faced with a two-tier scheme. This scheme, based on different groups getting different sums, the Career Average position would result in the USS scheme being the poorest in higher education,. The move to CPI-linked pensions instead of RPI-linked is disadvantageous to members, as more and more inflation will affect them. The implications of these changes were that the employers were now shifting the risk elements to the employees. At present the USS funds are in a healthy state, but if new members chose not to join it, then the viability of the scheme would be threatened. It was essential that industrial action be reinstated.
2. Against the motion. The outcome of the UCU June conference was agreement to reinstate negotiations and bring forward a strategy from the UCU SWG specifically looking at the issues at present. The USS is not in crisis, but could be very soon, thus attention need to be paid now to looking at how to keep the scheme properly financed. The stance taken in the motion was unrealistic, and there is no evidence as yet that members have suffered or have been put off joining the USS scheme. It is considered by UCU that the USS scheme is still the best option when compared with others and it was better to join than not to join.

The meeting was then opened to the floor and the following points were made:

* The disagreement was not about the process but the objectives. The real difference is where UCU goes from here
* There are very strict requirements if the fund was bankrupted because there is not enough going into it, and the economic situation is getting worse rather than better. The majority of the shares are in global funds. The money could be put in less risky bonds, but the return would be less.
* Further proposals for industrial action will come back to the branches to be debated.
* Staff who are not UCU members have not been consulted, as it is not necessary for the employers to involve them. This is deprecated.
* All agree that it is essential to get as good a scheme as possible, but it was queried whether there are any options to the present stance.
* The Branch should not rush into industrial action, as it was felt there was no enough information available on which to make a judgement.
* The final salary scheme closed last October to new entrants. It was felt that this inevitably would lead to all members being transferred to the Career Average scheme as protection for those on the final salary scheme only had protection for ten years. It would then be far too late to re-open the argument.
* It was not clear what alternatives there were to the two positions stated at the meeting

The Branch voted 14-3 against the motion as circulated. As the meeting was inquorate, the final decision will be made by the Branch Committee, taking into account members’ views.

Mona Clark,

Secretary.

September 3rd, 2012

It was noted that the ‘work to contract’ position still was in action, and a special UCU HE conference is to be held in September to determine the next steps in putting pressure on the employers