

## Pensions Committee

### Membership

Treasurer (Chair)

Chair of the Remuneration Committee

Up to three lay members of Council

### Terms of reference

#### Purpose

As a committee of Council, to frame responses to all consultations from the USS or PASNAS trustee or employers' representatives about the valuation or governance of (or proposed changes to) those Pensions schemes on the basis that

- Any consultations determining benefit reform or valuation pricing will be put to Council for determination
- when time allows, other responses drawn up the Group on significant policy issues or questions of principle will be put to the Council for determination; but that
- otherwise the Group itself will determine responses, subject to the further approval of the Chair of Council and the Vice-Chancellor.

To formulate advice on any other pensions matters referred to it by the Council or the relevant executive lead.

#### Responsibilities of the Committee:

1. To consider and report on the proposals for
  - benefits reform and
  - valuation pricing, covenant support and sustainability
 and the impact on University of Southampton.
2. In reporting on the proposals for benefit reform and associated impact, to have specific regard to the following:
  - i. the assumptions underlying the valuation of the scheme's liabilities;
  - ii. the proposed benefit changes and their impact on the University's workforce, finances and its share of the deficit;
  - iii. the implications for investment strategy resulting from the proposed benefit changes;
  - iv. the legal basis for the proposed benefit changes and if appropriate, what further information might be requested from trustees relating to future benefits on assumptions and alternatives to what has been proposed.
3. Based on the views of the Pension Committee from its consideration of the issues covered in section 2 above, to provide recommendations to Council.
4. To explore what alternative options are available to the University to mitigate any impact arising from pensions reforms and the risks/issues/benefits associated with these alternative options.
5. In considering and making recommendations on the various matters above the Pensions Committee, whilst recognising that it is reporting to the University's Council, should take into account the direct and indirect interests of the various stakeholders in the pensions schemes and in particular, participating universities, the members of schemes and current and future generations of students and researchers.
6. Other
  - i. To carry out tasks and finish projects as from time to time be identified by Council, as appropriate

- ii. To take external advice to assist with any aspect of the Committee's work for any such time period the Committee see fit.
- iii. A quorum of this Committee is a third, plus one (3 members) one of which must either be the Treasurer or Remuneration Committee Chair.
- iv. The Committee shall meet flexibly to address the timescales of pensions consultations, this will be ad hoc and short notice on many occasions..