

Recovery Plan

University of Manchester Superannuation Scheme

This recovery plan has been prepared by the Trustee in conjunction with the 31 July 2019 valuation after obtaining the advice of Charles Cowling, the Scheme Actuary. It replaces the previous recovery plan. The actuarial valuation of the scheme as at 31 July 2019 revealed a funding shortfall (technical provisions minus value of assets) of £133,400,000.

Steps to be taken to ensure that the statutory funding objective is met

To eliminate this funding shortfall, the Trustee and the University of Manchester (the University) have agreed that additional contributions will be paid to the scheme by the University as follows:

£6,489,000 per annum, payable quarterly in arrears by each 31 January, 30 April, 31 July and 31 October, from 1 November 2020 to 30 November 2031. These contributions will increase each 1 August in line with the latest annual change in the April year's Retail Price Index (RPI) (with the next increase due on 1 August 2021).

The University will also pay £10,000 per month in respect of Graduate Prospects and HECSU liabilities.

Period in which the statutory funding objective should be met

The funding shortfall is expected to be eliminated in 11 years and 1 months from 1 November 2020, which is by 30 November 2031. This expectation is based on the following assumptions:

- Technical provisions calculated according to the method and assumptions set out in the statement of funding principles dated
- The return on existing assets and the return on new contributions during the period as set out in the statement of funding principles dated

Signatures

This recovery plan has been prepared and agreed by the Trustee.

Signed on behalf of the Trustee:

Name: **Jonathan Ferns**

Position: **Director of UMSS Ltd**

Date:

This recovery plan has been agreed by the University of Manchester.

Signed on behalf of the University of Manchester:

Name: **Robert Fraser**

Position: **Chief Financial Officer**

Date:

This recovery plan has been agreed by the Trustee after obtaining actuarial advice from me.

Signed:

Name: Charles Cowling

Fellow of the Institute and Faculty of Actuaries

Position: Scheme Actuary

Date: