

# Schedule of Contributions

## University of Manchester Superannuation Scheme

This schedule of contributions has been prepared by the Trustee, after obtaining the advice of Charles Cowling, the Scheme Actuary. It replaces the previous schedule of contributions which was actuarially certified on 12 December 2018.

In preparing this schedule of contributions, account has been taken of contributions due in the period between 31 July 2019 and the commencement of this schedule under the previous schedules of contributions, together with any further contributions paid during the same period.

### Period covered by this schedule of contributions

This schedule of contributions takes effect from the date it is certified by the Scheme Actuary. It ends on 30 November 2031.

### Contributions by active members

Active members shall pay monthly contributions on the following basis:

- 6.5% of Pensionable Salary for active members who do not participate in PensionChoice.
- Nil for active members who participate in PensionChoice.

These are to be deducted by the University of Manchester (“the University”) and any participating employers and paid to the scheme on or before the 19th of the calendar month following deduction.

Any additional voluntary contributions payable by active members are payable in addition.

### Contributions by employer in respect of future accrual of benefits for active members and death in service benefits and expenses

The University and participating employers shall pay contributions no less frequently than monthly, at least on the following basis:

Up to 31 July 2021:

- 19.75% of Pensionable Salary in respect of active members who do not participate in PensionChoice.
- 26.25% of Pensionable Salary in respect of active members who participate in PensionChoice.

The contribution rates above include an allowance of 2.0% of Pensionable Salary to cover the cost of insurance premiums for death in service benefits and the expenses of running the scheme, including Pension Protection Fund levies.

From 1 August 2021:

- 18.1% of Pensionable Salary in respect of active members who do not participate in PensionChoice.
- 24.6% of Pensionable Salary in respect of active members who participate in PensionChoice.

The contribution rates from 1 August 2021 include an allowance of 0.5% of Pensionable Salary to cover the cost of insurance premiums for death in service benefits.

The University will pay a fixed amount of £1,700,000 per annum in respect of the expenses of running the scheme with effect from 1 August 2021.

These contributions are payable monthly by the 19th of the calendar month after that to which they relate.

In addition, the University will continue to pay the following contributions until 31 December 2021 (payable quarterly in arrears by each 31 December, 31 March, 30 June, 30 September):

- £956,000 per annum (payable in quarterly instalments of £239,000).

### **Contributions by employer in respect of the shortfall in funding**

In accordance with the recovery plan following the 31 July 2019 actuarial valuation, the University will pay contributions of £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.

### **Additional employer contributions**

The University and any participating employers may pay additional contributions of any amount and at any time from those set out above.

### **Pensionable salaries**

For the purposes of this schedule, Pensionable Salaries are defined as basic salary (excluding overtime, bonuses and other fluctuating emoluments, but including contractual elements of pay).

The monthly contributions are calculated using monthly Pensionable Salaries determined from monthly earnings.

Basic salary is deemed to be paid at the rate applicable at the commencement of maternity, paternity or sick leave, during such leave, irrespective of actual amounts paid to the member.

### **Arrangements for other parties to make payments to the scheme**

Payments towards the scheme may be paid by any participating employers, in lieu of contributions otherwise due from the University. The current participating employers are set out below:

- The University of Manchester Conferences Limited (2660276)
- Higher Education Career Services Unit (03155620)
- The University of Manchester Innovation Centre Limited (03278630)
- The University of Manchester I3 Limited (05177409)
- University of Manchester International Society (00521248)

## Signatures

Signed on behalf of the Trustee:

Name: **Jonathan Ferns**

Position: **Director of UMSS Ltd**

Date:

Signed on behalf of the University of Manchester:

Name: **Robert Fraser**

Position: **Chief Financial Officer**

Date:

# Actuary's Certification of Schedule of Contributions

## University of Manchester Superannuation Scheme

### Adequacy of rates of contributions

1. I certify that, in my opinion, the rates of contributions shown in this schedule of contributions are such that –

the statutory funding objective could have been expected on 31 July 2019 to be met by the end of the period specified in the recovery plan dated (i.e. signed on behalf of the Trustee on) 20 October 2020.

### Adherence to statement of funding principles

2. I hereby certify that, in my opinion, this schedule of contributions is consistent with the statement of funding principles dated (i.e. signed on behalf of the Trustee on) 20 October 2020.

The certification of the adequacy of the rates of contributions for the purpose of securing that the statutory funding objective can be expected to be met is not a certification of their adequacy for the purpose of securing the scheme's liabilities by the purchase of annuities, if the scheme were to be wound up.

Signature:

Date:

Name: Charles Cowling

Qualification: Fellow of the  
Institute and Faculty  
of Actuaries

Address: Belvedere  
12 Booth Street  
Manchester  
M2 4AW

Name of employer: Mercer Limited