

Recovery Plan

The University of York Pension Fund (the "Fund")

Status

This Recovery Plan has been prepared by the Trustee Directors of the Fund on 20 April 2022, after obtaining the advice of David Joy FFA, the Scheme Actuary.

The actuarial valuation of the Fund as at 31 July 2020 revealed a funding shortfall (technical provisions minus value of assets) of £25.0m.

Steps to be taken to ensure that the Statutory Funding Objective is met

The lump sum contribution of £9m paid by the University in October 2021 is expected to be sufficient to eliminate the funding shortfall as at 31 July 2020.

Therefore, no contributions are required under this Recovery Plan to address the shortfall revealed by the actuarial valuation as at 31 July 2020.

Period in which the Statutory Funding Objective should be met

As at 31 July 2020, the funding shortfall is expected to have been eliminated in 3 years and 3 months from the valuation date, which is by 31 October 2023.

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 27 October 2021, as appended on 20 April 2022.
- A return on existing assets and new contributions during the recovery period being equal to:
 - 15.5% pa over the period 1 August 2020 to 31 March 2021 (to make allowance for broadly 2/3rds of the improvement in the funding position between the valuation date and 31 March 2021).
 - 3.5% pa from 1 April 2021 to 31 October 2023 (i.e. an outperformance of 1% pa above the SFO discount rate).
- University contributions in respect of future benefit accrual equivalent to:
 - 15% pa of total pensionable salaries from 1 August 2020 to 31 March 2022; and
 - 15% pa of total pensionable salaries from 1 April 2022 to 31 October 2023 (calculated using a future service discount rate of 1% pa above the SFO discount rate).
 - (These figures are split by benefit Tier in the Schedule of Contributions.)
- University contributions in respect of Fund expenses are paid at 1% pa of total pensionable salaries.
- Member contributions in respect of future benefit accrual equivalent to:
 - 7.8% pa of total pensionable salaries from 1 August 2020 to 31 March 2022; and
 - 7% pa of total pensionable salaries from 1 April 2022 to 31 October 2023.
 - (These figures are split by benefit Tier in the Schedule of Contributions.)
- Fund expenses incurred (including death in service premiums and the PPF levy, but excluding investment expenses) of £543,000 pa, increasing at 3% each 1 August, with the first increase on 1 August 2021.
- A reduction in the technical provisions of £3,980,000 to reflect the removal of salary link for past service benefits with effect from 1 April 2022, as set out in the Deed of Amendment dated 30 March 2022.

Recovery Plan

The University of York Pension Fund (the "Fund")

This Recovery Plan has been agreed by the Trustee

Signed on behalf of the Trustee of The University of York Pension Fund

Signed:

Name: Ann Rigby

Position: Trustee Director

Date: 20/04/2022

This Recovery Plan has been agreed by the University

Signed on behalf of the University of York

Signed:

Name: Jeremy Lindley

Position: Finance Director

Date: 24.04.2022

Schedule of Contributions

The University of York Pension Fund (the "Fund")

Status

This Schedule of Contributions has been prepared by the Trustee Directors of the Fund on 20 April 2022, after obtaining the advice of David Joy FFA, the Scheme Actuary.

This document replaces the Schedule of Contributions dated 27 October 2021 and comes into force on the date the Scheme Actuary certifies it.

For the purposes of this Schedule, the term "Employer" refers to the University of York, or any other participating employer.

Contributions covering the period from 1 August 2020 to certification of this Schedule

By active members of the Fund

- Tier 1 (60ths) Members: 8.75% of Pensionable Salary
- Tier 2 (85ths) Members: 5.25% of Pensionable Salary
- Tier 3 (100ths) Members: 7.00% of Pensionable Salary

Where an active member participates in Pensions Plus / Pensions Extra, the active member shall not be required to contribute. These contributions will be deducted from salary by the Employer and paid into the Fund by the 19th of the following month.

Additional Voluntary Contributions may be paid in addition to the above.

By the Employer

- In respect of accrual of benefits: 15% of Pensionable Salary
- In respect of expenses: 1% of Pensionable Salary

In addition, the Employer shall pay the notional member's contributions due in respect of any active member who participates in Pensions Plus / Pensions Extra, at the rates summarised above.

These contributions are to be paid to the Fund on or before the 19th of the calendar month following that to which the payment relates.

In respect of the shortfall in funding, in accordance with the Recovery Plan dated 27 October 2021, the Employer will pay a lump sum of £9.0m to the Fund by 31 October 2021.

The above information is provided for information only and does not form part of the Schedule of Contributions.

Schedule of Contributions

The University of York Pension Fund (the "Fund")

Contributions covering the period from certification of this Schedule to 30 April 2027

By active members of the Fund

- CRB Tier 1 (85ths) Members: 7% of Pensionable Salary
- CRB Tier 2 (100ths) Members: 6% of Pensionable Salary

Where an active member participates in Pensions Plus / Pensions Extra, the active member shall not be required to contribute. These contributions will be deducted from salary by the Employer and paid into the Fund by the 19th of the following month.

Additional Voluntary Contributions may be paid in addition to the above.

By the Employer

From certification of this Schedule to 30 April 2027:

- In respect of accrual of benefits:
 - CRB Tier 1 (85ths) Members: 15% of Pensionable Salary
 - CRB Tier 2 (100ths) Members: 12% of Pensionable Salary
- In respect of expenses: 1% of Pensionable Salary

In addition, the Employer shall pay the notional member's contributions due in respect of any active member who participates in Pensions Plus / Pensions Extra, at the rates summarised above.

These contributions are to be paid to the Fund on or before the 19th of the calendar month following that to which the payment relates.

Employer's contributions in respect of the shortfall

In accordance with the Recovery Plan dated 20 April 2022, no further shortfall contributions are required by the Employer.

Employer's contributions in respect of benefit augmentations

In addition, the Employer may make augmentation payments under Clauses 3(A), (B) and (C). This includes a requirement for the Employer to pay such additional contributions (if any) as the Trustee requires, having consulted the Scheme Actuary, in respect of any PRCS pension and/or PRCS waiver granted under the Fund Rules.

Employer's contributions in respect of administration and other costs

An allowance for administration costs, Pension Protection Fund levies and death in service premiums is made in the Employer's contributions set out above.

Schedule of Contributions

The University of York Pension Fund (the "Fund")

Pensionable Salary

Pensionable Salary means the annual rate or equivalent (as determined by the member's Employer) of the basic salary or wage payable to a member by his Employer, excluding bonuses, overtime and any other fluctuating emoluments, but including shift pay, enhanced payments forming part of a regular shift pattern, and any other payments which are a planned and regular element of his salary or wage.

Where a member participates in Pension Plus / Pension Extra, the member's Pensionable Salary is the amount that it would have been had the member not participated in that arrangement. The monthly contributions are calculated using monthly Pensionable Salaries determined as one-twelfth of the annual amounts.

For the purpose of calculating Employer contributions, Pensionable 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 Fund

Payments towards the Fund may be paid by the University of York, or any other participating employer.

Dates of review of this Schedule

This Schedule of Contributions will be reviewed by the Trustee Directors and the University no later than 15 months after the effective date of each actuarial valuation, due every three years.

University and Trustee agreement

This Schedule of Contributions has been agreed by the University of York and the Trustee of The University of York Pension Fund.

This Schedule of Contributions has been agreed by the Trustee

Signed on behalf of the Trustee of The University of York Pension Fund

Signed:

Name: Ann Rigby

Position: Trustee Director

Date: 20/04/2022

Schedule of Contributions

The University of York Pension Fund (the "Fund")

This Schedule of Contributions has been agreed by the University

Signed on behalf of the University of York

Signed:

Name: Jeremy Lindley

Position: Finance Director

Date: 24.04.2022

Actuarial Certificate for the purposes of Section 227(5) of The Pensions Act 2004

Name of scheme: The University of York Pension Fund

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 2020 to be met by the end of the period specified in the Recovery Plan dated 20 April 2022.

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 27 October 2021, as appended on 20 April 2022.

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: 25 April 2022
Name: David Joy FFA	Qualification: Fellow of the Institute and Faculty of Actuaries
Address: First Actuarial LLP Mayesbrook House Lawnswood Business Park Leeds LS16 6QY	