We commission regular assessments of the Plan’s financial position, including formal valuations and less formal updates between valuations.

In a valuation our Plan actuary, Simon Corbett of Aon Hewitt, works out a value for the Plan’s liabilities (the benefits it owes) known as the funding target. He then compares the value of the funding target to the value of the Plan’s assets (the amount of money building up in it to provide the benefits). Comparing these amounts gives us the Plan’s funding level at the valuation date. We use the results to assess the level of contributions the University pays to support the Plan.

The summary funding statement set out here reports an update, at 1 August 2015, of the most recent formal valuation from 1 August 2013, compared to the position at 1 August 2014.

**YOUR SUMMARY FUNDING STATEMENT**

<table>
<thead>
<tr>
<th>At 1 August 2014</th>
<th>At 1 August 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>• the value placed on the funding target was £170.8 million; and</td>
<td>• the value placed on the funding target was £185.7 million; and</td>
</tr>
<tr>
<td>• the value of the assets was £181.7 million; so</td>
<td>• the value of the assets was £197.6 million; so</td>
</tr>
<tr>
<td>• the value of the assets was higher than the funding target by £10.9 million.</td>
<td>• the value of the assets was higher than the funding target by £11.9 million.</td>
</tr>
</tbody>
</table>

**Changes in the funding position**

The value of the Fund’s assets has increased and the surplus has gone up slightly. This is mainly due to good returns on the Fund’s investments. However, the estimated value of the funding target has also risen, mainly due to changes in investment conditions that affect the value of the investments used to help put a value on the funding target.

As a result, the funding level has stayed more or less the same.
THE END VIEW

The Plan carries on paying benefits even if the funding level falls below 100%. The figures set out on the previous page represent the Plan as an ongoing concern, assuming it continues into the future. The actuary must also look at the ‘full solvency’ funding level to assess the Plan’s position if it came to an end and was wound up at the valuation date.

This is not very likely, but if it ever happened, all benefits built up to date would have to be secured at once by buying insurance policies. This would generally cost more than providing benefits gradually into the future, so the full solvency funding level tends to be lower. Even fully-funded pension schemes may have a shortfall when we look at the full solvency position.

At 1 August 2013 the full solvency funding level was 56% with a shortfall of around £135 million (in line with many other UK pension schemes).

FINANCIAL SUPPORT

The University provides significant financial support for the Plan. It is currently paying contributions equal to around 13.25% of members’ pensionable salaries. These go towards the cost of future benefits building up, and the Plan’s administration expenses. We expect these contributions to help the Plan maintain its fully-funded status.

The next formal valuation will look at the position of the Plan at 1 August 2016. As part of this valuation, the actuary will look again at the University’s contributions and will tell us if they need to change.

There have been no payments from the Plan to the University other than to reimburse the University for any expenses it has incurred on behalf of the Plan.

The Pensions Regulator (www.pensionsregulator.org.uk) has the power to impose a schedule of contributions on pension schemes, change the way future benefits build up, or give directions about how to work out the funding target. It has never used these powers on our Plan.

YOUR PERSONAL DETAILS

To provide actuarial services, including preparing this summary funding statement, the Trustees, our adviser Aon Hewitt and the Plan actuary need access to personal details about you as members and your dependants.

The Data Protection Act governs how the Trustees, Aon Hewitt and the Plan actuary use and store personal details. You can find out more about how your personal information is used to provide actuarial services at www.aonhewitt.co.uk/privacy-statement.

If you have further questions about the processing of your personal information, please contact the Plan administrators using the contact details on page 8 of the accompanying Pension Matters newsletter. General guidance is also available from the Information Commissioner’s website at www.ico.org.uk.