Draft Update by Michael Bromwich, Professor of Accounting and Financial Management Emeritus at LSE, to '[Time for Agreement](#)'. The original article was based on the USS March 2022 monitoring, the update below is based on the June 2022 FMP.
23 August 2022

USS: All Benefits can be Restored if Current Conditions can be Sustained

The Table below compares the contributions required for benefits with cuts in the conditions of the June monitoring with estimates of those required for benefits without cuts in the same economic setting. Information about the no-cuts setting was provided in prior monitorings but not in June.

	£s bn	**% of salaries per year**		
	deficit £bn	**Future service contributions**	**Deficit recovery contributions**	**Total contributions**
June monitoring with cuts	£1.8bn surplus	21.2%	0.0%	21.2%
Estimated June monitoring no-cuts	£0.4bn surplus	31.8%	0.0%	31.8%
Variances between monitorings with cuts and with no- cuts	£1.4bn surplus	+ 10.6%	+0.0%	+10.6%
Total current contributions until next valuation				31.4%
Available funds with current contributions for restoring benefits or reducing contributions				31.4%-21.2%= 10.2%

Bill Galvin has cautioned that the June monitoring is likely to be overstated and that monitorings are not full valuations. The cuts can be restored with extra contributions of 10.6% above the 'with cuts' total contributions. This funding is available from existing contributions assuming no reduction in contributions. The trade-off between improved benefits /lower contributions may cause further major industrial conflict if red lines are maintained.

Contact details for Michael Bromwich
https://www.lse.ac.uk/accounting/people/visiting-faculty/michael-bromwich