

Gillian Keegan
Secretary of State for Education
Via e-mail

22 March 2024

Dear Secretary of State

Teachers' Pension Scheme

I am writing to impress upon you the importance of the Department for Education (DfE) changing its stance and agreeing to provide additional funding for universities to cover the increased cost of employer contributions to the Teachers' Pension Scheme.

The DfE has agreed to cover the increased costs for school and colleges, but not for higher education providers. If this position stands, it will be catastrophic for university staff and the entire sector. Committing to working 'with the HE sector to explore how [to] best support those providers affected' will not cut it.

This refusal to provide funding amounts to a conscious policy choice to remove significant resources from the post-92 part of the higher education sector, exacerbating financial difficulties in a number of institutions, threatening the livelihoods of our members, and widening inequities within the sector. Failure to fund increased TPS costs for universities is all the more inexcusable given the changes to contribution rates are the result of a government decision.

In this context, we were extremely disappointed if not wholly surprised to learn that UUK and UCEA have approached the Minister for HE asking for post-1992 HE institutions to be allowed to pull out of the Teachers' Pension Scheme. We would ask you to reject this request and, by funding the increased employer contributions, to ensure that university staff can enjoy secure livelihoods and a decent retirement.

We believe that any wholesale opt out could also weaken the Teachers' Pension Scheme as there are significant numbers of active members in the scheme from HE establishments (approximately 56,000). There are already a number of independent schools considering opting out and we understand that this could have further detrimental impacts on valuations of the scheme in the future if numbers of active members were to diminish.

Our members are an integral part of the country's public education system and as such deserve proper terms and conditions including a decent, defined benefit, public sector pension – just like their colleagues in schools and further education colleges.

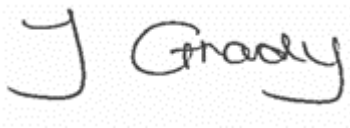
As you know, post-92 universities do hugely important work in their communities, and have a vital role in bringing under-represented and low participation groups into higher learning, including mature students and those who are the first in their families to

attend university.

Failure to provide additional funding will do irreparable damage to these crucial institutions, potentially leading to widespread job cuts and course closures. To protect Britain's higher education sector, the livelihoods of those who work in it, and the integrity of the TPS, I urge you to change course.

I would welcome the opportunity to meet with you at the earliest opportunity to discuss these matters.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Jo Grady'. The signature is written in a cursive style with a large initial 'J'.

Dr Jo Grady

General Secretary