Rt Hon Baroness Jacqui Smith
Minister of State for Skills
Department for Education
Sanctuary Buildings
Great Smith Street
London SW1P 3BT

By email

15 January 2025

Dear Baroness Smith,

UCEA paper - Financial stability in HE: enabling a sustainable approach to pension provision

UCEA welcomes the Government's commitment, contained in the Skills White Paper, to seek to better understand concerns within the post-1992 higher education (HE) sector about pension provision.

I am writing to advise you that, to help articulate these concerns, we will shortly publish the attached position paper, which outlines the case for how enabling a sustainable approach to pension provision can help to improve financial stability in HE. The paper sets out the background to HE participation in the Teachers' Pension Scheme (England and Wales) and the impact successive increases in the TPS employer contribution rate have had on post-92 HE institutions, at a time when many are facing significant financial pressures.

The paper also outlines how continuing participation in the TPS, without similar Government funding to that given to schools and colleges, does not represent value for money; creates competitive disadvantage for post-92 HEIs, diverts resources away from education and research and is leading to fragmentation of the HE workforce.

On behalf of the HE sector, we ask Government to implement changes to the public service pension scheme regulations to enable HEIs to choose the pension schemes they wish to offer staff to improve the financial stability of the post-92 HEIs.

In order to discuss these important issues further we would like to invite you to attend a meeting with representatives from post-92 HEIs to discuss HE participation in the TPS.

We hope that you would find such a meeting helpful and we would be more than happy to work with your office to identify mutually convenient dates.

Yours sincerely,

Raj Jethwa

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