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The Rt Hon Baroness Jacqui Smith
Minister for Skills

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Mr Raj Jethwa
Chief Executive
Universities and Colleges Employers Association
By email: R.Jethwa@ucea.ac.uk

02 September 2024

Dear Mr Jethwa,

Thank you for your kind correspondence of 26 July, in which you offered your congratulations regarding my appointment to the Department for Education. It is a privilege to serve, and I am looking forward to working with you as we deliver on our manifesto commitments. I am sorry for the delay in my response.

Opportunity must be for all – and not just for the privileged few. Furthermore, we know that individuals cannot achieve their full potential, and the economy cannot grow unless we can deliver world class skills, further and higher education (HE). This will be my particular focus.

The ministerial team has already begun work with departmental officials to put education back at the forefront of national life and deliver better life chances for all. We have already begun the process of resetting the way the department works in partnership with our workforces – including our further education and higher education staff – to ensure there are no limits on the ambitions of the next generation.

Turning to your points regarding HE employer participation in the Teachers' Pension Scheme (TPS), I recognise your concerns, and I would like to thank you for taking the time to set this issue out in detail. Thank you for letting me know that you will be writing to the Ministry of Housing, Communities and Local Government on HE participation in the Local Government Pension Scheme and I would be grateful if this could be shared with my office.

As you rightly point out, HE providers are independent from government. As such, we expect providers to continue to manage their own finances and to make the necessary and appropriate decisions to ensure their long-term sustainability.

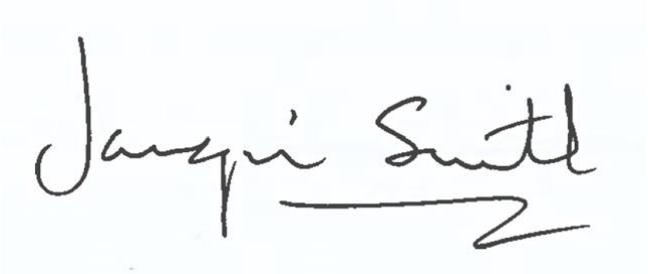
I do, however, appreciate the financial pressures that the increased employer contributions will have on HE providers, given the increasingly challenging fiscal environment, and the difficult decisions providers are already making to safeguard their sustainability.

I would like to assure you that the department is considering closely how best it can support employers in the TPS, and the Secretary of State and I will shortly be receiving advice on this issue. Following this, the department will re-commence discussions with HM Treasury. I understand that you are in close contact with departmental officials, who will keep you informed as to the progress of this work.

Regarding financial pressures more generally, the department continues to work closely with the Office for Students to monitor emerging risks and issues within the sector. As you know, universities are responsible for the pay and provision of their staff and government does not play a formal role in disputes or pay negotiations between HE providers and their staff. However, the government is committed to a sustainable funding model for HE, that provides opportunities, supports students, and maintains the world-leading status of our universities. The government keeps the HE funding system under continuous review and we will work with universities to support students and deliver for our economy.

Thank you for your kind invitation to meet to discuss the issue of HE participation in the TPS further. The government is committed to working closely with the sector to find practical ways forward to address the challenges the sector is facing, to deliver for students, and our economy. I am happy to meet, and my office will be in touch to arrange a suitable date.

Yours sincerely,



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