

Kirsty Williams AC/AM
Ysgrifennydd y Cabinet dros Addysg
Cabinet Secretary for Education



Llywodraeth Cymru
Welsh Government

Our Ref: MA-P-KW-1268-18

Lynne Neagle AC
Chair
Children, Young People and Education Committee
National Assembly for Wales
Ty Hywel
Cardiff Bay
CF99 1NA

13 April 2018

Dear Lynne

Thank you for your letter of 27 March on behalf of the Children, Young People and Education Committee. You raise a number of points in relation to the ongoing dispute concerning the University Superannuation Scheme (USS), which I have addressed below.

Impact of the proposed USS changes on the number and quality of staff who would remain in Wales following any such changes.

It is important to note that the USS is a UK-wide pension scheme and that this is, therefore, a UK-wide dispute. Although it affects individual Welsh institutions and their staff, the issues being debated are of relevance across the wider HE sector in Wales and beyond. In addition, pension arrangements are a matter for individual employees and their employer. As such, it is not possible for the Welsh Government to attempt to second guess how the proposed changes might affect individual staff and their decisions regarding employment at particular institutions.

The direct impact on Welsh students and those studying in Wales of any consequential reduction in staff numbers and/or quality.

I am aware that the industrial action taken by University and College Union (UNCU) has had, in some instances, an impact on students. However, I understand that institutions in Wales are actively engaged in preparing contingency plans to minimise the impact on the student experience. I am concerned about the impact on students and I am pleased that UCU has encouraged its members to prioritise the rescheduling of teaching in order to minimise any disruption.

Bae Caerdydd • Cardiff Bay
Caerdydd • Cardiff
CF99 1NA

Canolfan Cyswllt Cyntaf / First Point of Contact Centre:
0300 0604400

Gohebiaeth.Kirsty.Williams@llyw.cymru
Correspondence.Kirsty.Williams@gov.wales

Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

The overall impact of both of the above points on the wider Welsh economy, given the crucial economic role played by higher education on Wales's domestic and international position.

As I have noted above, this is a UK-wide issue. It is not possible at this stage to gauge the potential longer-term impact on the Welsh economy. You will know that I am a strong advocate for the civic and cultural, as well as economic role, played by higher education in Wales, and will continue to promote and support these activities.

Apparent deficiencies in the governance arrangements in place to establish university staff views on the proposed changes to the scheme, and the way in which universities' risk tolerance has been considered by the Pensions Regulator.

These are matters for the USS and the Pensions Regulator and it would not be appropriate for me to attempt to respond on these points.

Finally, your letter urges me to *'convene as a matter of urgency a meeting of relevant individuals, including Wales's Vice Chancellors, to seek a resolution as soon as possible'*.

As autonomous bodies, HE institutions are responsible for employment matters, including pensions. However, I and my officials have had a number of discussions and meetings in recent weeks with sector representatives, both the unions and employers. I encourage all parties to continue their discussions on securing agreement on a solution.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Kirsty Williams', written in a cursive style.

Kirsty Williams AC/AM

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Cabinet Secretary for Education