



SW/AMC

8 November 2021

Agnes Flues
President
University of Nottingham UCU Branch Committee

Sent by email: agnes.flues@nottingham.ac.uk and lopa.leach@nottingham.ac.uk

Dear Agnes,

Sent by Vice-Chancellor Professor Shearer West on behalf of the University Executive Board

I am writing to you following the results of the UCU ballot for industrial action over proposed reforms to the USS pension and the national pay award. You are welcome to share this correspondence with your membership at Nottingham.

While I am sure that every UCU member will have thought very hard about whether to vote and how to cast their vote, I and my UEB colleagues can only express our deep disappointment at the prospect of further industrial action.

Strikes this year would only penalise students, who are re-engaging with life on campus which is so important for their education and wellbeing after the turbulence and disruption to their school and university experience over the past 18 months.

Nationally, as the union considers this week whether to re-ballot institutions who did not make the threshold for industrial action and consults members on the form it might take, we would request that union members consider the interests of students in their responses.

With a £15 billion deficit between its current funds and its promises to future pensioners, it is indisputable that the USS pension requires reform - a position which seemed to be echoed by UCU negotiators at JNC discussions. The [proposals](#) currently under consultation with pension scheme members - backed up by £1.3 billion support from employers - form the only viable plan that keeps contributions affordable for members and retains defined benefits which are rarely seen in other schemes.

Contrary to UCU's assertions nationally, the USS Trustee is legally required to accept the March 2020 valuation. The valuation was conducted according to a changed methodology based on input from the JNC and JEP - changes which UCU called for. The USS Trustee has stated that a 2021 valuation would make no material difference to the required contribution rate and the cost of future service would in fact be higher - the government Pensions Regulator has confirmed this view in its [letter to USS](#) in July.



However, I believe we share similar concerns to the union on the pension scheme's design, its governance and the ability of early career staff to enter the current scheme. Central to the current reform proposals are formal commitments from employers to: explore alternative scheme designs, including conditional indexation; accelerate a major review of USS governance with independent expertise; and work with stakeholders, including UCU, to develop a flexible, low-cost pension option. I would invite UCU to join the conversation on these areas and help to negotiate the future rather than disrupt the present.

In terms of some of the other issues in UCU's dispute, for example on pay, I would point out that a significant proportion of University staff received combined national and local pay increases of between 3.5% and 4.5% this August, where many public sector workers have been subjected to a pay freeze. We have also instigated detailed work to tackle any pay gaps at the University by both gender and ethnicity.

I would also provide the counterpoint to some of the assertions made during your Branch's ballot campaign and highlight the actions that we have and are taking to address some of the local grievances expressed.

The University is already piloting a model of Graduate Teaching Assistants to end the use of so-called casual contracts, and the expectation is that this model will be extended to many more, if not all, Schools for 2022/23. Last year we also introduced the new [Principles for Working with Teaching Affiliates](#), developed in partnership with the University's UCU Branch to ensure fair and equitable pay across the University. Through our ongoing review of workload issues, led by Dr Nalayini Thambar, we will continue to work with staff to improve how we reduce workload and support wellbeing for our academic community.

On Campus Solutions, I have made no secret of my [views](#) on inheriting the problems of the new system on my appointment in 2017, or the impact and difficulties it has presented for staff. But I would hope that colleagues now recognise the intensive efforts that have been made since 2018 to improve the system and the data that indicates these incremental improvements. If this action had not been taken, staff would have been left to work with a complex set of ageing legacy systems that no longer worked, some of which were older than some of our current students.

Your campaign's claims about the University's financial strategy are simply wrong. Our ability to rebuild the University's finances and recommence investment in staff, students and research more quickly than many others in the sector has only been possible due to our financial strategy. UCU's alternative approach to take on additional, higher levels of debt would lead to servicing large interest payments which would only benefit banks and lenders and burden future generations of staff and students. Our auditors, regulators, University Council and financial experts all agree on this, and our credit rating agency, Standard and Poors, has recently renewed our rating as A+ which is an external validation of the robustness of our financial strategy.



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Looking ahead to the near future, it is clear that all of our colleagues, including those who voted for industrial action, have had to take very difficult decisions, and we await further decisions from UCU's Higher Education Committee this coming Friday. The prevailing concern for all of us on UEB will be to mitigate the impact of any industrial action on the education, experience and wellbeing of our students who have all experienced significant disruption to their education over the last 18 months.

Whether or how industrial action proceeds in the coming weeks and months, I trust that the debate can be conducted in the civil and constructive manner that is a hallmark of discussion at our University.

Yours sincerely,

A handwritten signature in grey ink that reads "Shearer West".

Professor Shearer West CBE
President and Vice-Chancellor
University of Nottingham