

## (2) Fwd: FW: Industrial action over USS would be damaging and unnecessary

---

**From:** Internal Communications [[internalcomms@sussex.ac.uk](mailto:internalcomms@sussex.ac.uk)]

**Sent:** 09 September 2019 13:28

**To:** [allteachfac-list@sussex.ac.uk](mailto:allteachfac-list@sussex.ac.uk)

**Subject:** Industrial action over USS would be damaging and unnecessary

### **Industrial action over USS would be damaging and unnecessary**

The University's Director of Human Resources, Sheila Gupta wrote to all staff last week to inform you that employers and union officials were due to hold further talks last week over Universities UK's compromise offer regarding USS. As a reminder, the offer would have secured existing pension benefits at a lower contribution rate of 9.1 per cent for members.

Those talks took place last week and, regrettably, no agreement was reached.

This means that, confusingly, UCU has now twice rejected an offer that exactly matches the member contribution rate recommended by UCU and UUK in September 2018, following a report by the Joint Expert Panel (JEP). This offer would have maintained all existing benefits, yet the union refused even to consult its members over the proposal.

UCU has made clear that it will not countenance any agreement that would see members paying any more than eight per cent of salary – their 'no detriment' position – and that it intends to proceed with its ballot for industrial action, which starts today.

Commented Sheila Gupta: "I hope it doesn't need to be said that another round of industrial action would be hugely costly and damaging – for those who are striking, for our students' education and wellbeing, for universities' finances, and for relationships within our institutions. It is of relevance that a compromise offer was made, which UCU had previously welcomed, but has now rejected without consulting its members.

"Given this background, industrial action does not appear as a logical route to take when this same offer was earlier seen as fine. It's worth noting that the union's rejection of the offer means that anyone taking more than one day's strike action will be worse off."

The first report from the JEP, the group that was created at the close of four weeks of extremely difficult industrial action early in 2018, recommended a 9.1 per cent member contribution rate, which was widely welcomed by all sides and UUK made exhaustive attempts to see its recommendations implemented by the USS Trustee Board.

Universities were then given three options by the USS Trustee Board – of which Option 3 came pretty close, at 9.6 per cent member contributions – within half a percentage point of the JEP's recommendation of 9.1 per cent.

Sheila continued: "Whilst we did not expect enthusiastic support from the unions – after all, nobody enjoys seeing contributions rise by any degree – most universities saw this as the least bad option and, vitally, one that allowed us all to avoid the much larger increases scheduled for October 2019 and April 2020 and to give everyone some breathing space before the JEP makes its second report, on the longer-term of the scheme, this September."

It has been widely evidenced, by the vast majority of highly skilled pensions experts who have investigated the health of USS over the past few years that some contribution increases are necessary to maintain existing benefits. The numbers have varied but even the JEP, which includes pensions experts chosen by UCU, reached this conclusion.

UCU has argued that if contributions have to increase then universities can pick up the entire bill, rather than splitting any increases 35/65, as agreed in the scheme's rules. The reality is that most universities can't. Even the increases already agreed to, which are substantial, are at the very limits of affordability for most employers.

The University has seen a real terms 'pay cut' from tuition fees of three per cent a year since 2012 and is facing growing uncertainty in the external environment. Any new demands on finances, such as pension increases, need to be found from elsewhere in the budget. The University Executive Group have confirmed that if pushed too far, this will inevitably lead to staff cuts.

Sheila concluded: "This is not meant as a threat and we would of course do everything we could to avoid that scenario. But it is important that we are all aware of the realities of university finances in the UK. I invite UCU members to consider whether an entrenched 'no detriment' position is truly serving your interests. If you decide it isn't, and I hope you do, I urge you to vote against industrial action in the upcoming ballot.

“Like so many things we are seeing in the world today, I believe the only way to move forward is to find compromise and we commit to continuing to do this every step of the way to find a path forward for Sussex that helps secure the best future for all our staff and students.”

If you would like a more detailed appraisal of the situation at Sussex, please join one of three upcoming webinars on ‘Understanding the University’s Finances’ with Finance Director Allan Spencer. The next is held on Thursday (12 September) – you can [book a place online](#).

---

**Sent by**  
Internal Communications, University of Sussex