UK university employers go on offensive with vote to slash pensions—Take the struggle out of the hands of the UCU!

Robert Stevens
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On Tuesday, the Universities Superannuation Scheme (USS) joint negotiating committee (JNC) voted through massive attacks on pensions meaning workers in the higher education sector losing tens of thousands of pounds from their retirement income. The cuts are set to come into effect in a matter of weeks.

Under the proposals, employer contributions to the pension scheme will rise from 21.1 percent to 21.6 percent, and higher education workers' contributions from 9.6 percent to 9.8 percent. The salary threshold at which members stop receiving defined (guaranteed) pensions benefits will fall from £60,000 to £40,000 and other benefits will accrue at a slower rate. A proposal by the employers for a 2.5 percent cap on annual inflation increases is deferred—with inflation currently at nearly 8 percent—but only until a valuation of the USS expected next year.

The JNC is comprised of five representatives of Universities UK (UUK), the employer body, and five members of the University and College Union (UCU). The UCU delegation voted against the employers' proposal. The decision to approve was passed by the casting vote of JNC chair Judith Fish.

Her USS biography notes that she has "more than 25 years' experience working in pensions as a scheme actuary, corporate adviser, employer and as a trustee." Among her previous roles was Head of Pension Risk at Santander bank in the UK. The UCU notes that Fish "once again cast her vote in favour of the employers' proposals."

With the current 10 day strike, higher education workers have struck every year over pensions since 2018. That year, they held the largest strike in the history of Britain's higher education sector.

The UCU leadership eventually sold out the strike, following a rebellion of the membership against its initial attempt to impose a rotten deal. At the time, the UCU claimed it had extracted concessions from UUK, but this was a lie. Management only committed to convening a "Joint Expert Panel, comprised of actuarial and academic experts nominated in equal numbers from both sides." It is through this bureaucratic machinery that UUK were able to extract further concessions in subsequent years, preparing the way for the current all-out offensive.

The employers voted through their pension cuts after the UCU did everything it could to avert the latest strike and make a deal at its members' expense. Prior to industrial action beginning on February 14, UCU leader Jo Grady sent Universities UK CEO Alistair Jarvis and JNC chair Fish the union's proposals aimed at "averting widespread industrial action," based on promising "a serious compromise on the part of UCU…"

They included increasing maximum employee contributions from 9.6 to 11 percent and employer contributions "slightly more" to 23.7 percent from April to October this year. They would then increase again to 11.8 percent for members and 25.2 percent for employers from October. From April 1, 2023, members would pay a maximum of 9.8 percent and employers a maximum of 25.2 percent "so as to secure current benefits or, if not possible, the best achievable as a result of the call on the USS to issue a moderately prudent, evidence-based valuation [of the pension scheme]".

Following Tuesday's vote, striking workers immediately spoke out on social media. One wrote, "In 1999, I signed up to the university pension scheme… After this latest huge cut, the guaranteed pension I eventually retire with will be 50% less than what I was originally promised. Across this time—a 40 year period—30% of my salary will have been paid into the pension. My eventual pension will be worth about 30% of my average salary—but given a typical academic life expectancy, will only be paid out for about 20 years. Where has all the money gone??”

Another commented, “In concrete terms, my future pension will be cut to 60%,” and another, “I am not quick to anger, but once I am crossed, there is no going back. And someone just stole a quarter of a million pounds from me.”

Dr Fiona Kyle tweeted, “I feel so disheartened, sad and angry. HE [higher education] relies upon our goodwill but doesn’t value us. I feel this vote might be the vote that changes the course of many lives.”

One academic said, “That’s my pension cut to £9500 a year. I’m a professor and mine will be better than others. It’s increasingly clear to me that the universities would rather we didn’t have pensions and are happy for us to live in poverty after we retire.”

The *Financial Times* pension reporter tweeted Wednesday morning, “I have covered UK university sector disputes over #pension cuts since 2017 and can say that I have not seen members so angry as they are today over fresh cuts to their retirement benefits. The anger has reached a new depth. This does feel like a turning point.”

This was confirmed by several replies, including from one higher education worker who said that if the UCU and Jo Grady “weren’t planning to make this the line in the sand, this is where it is now drawn and all out strikes are now the only answer.”

Aware of the growing anger, Grady issued a statement to UCU members declaring, “These cuts may take effect from April, but they are not irreversible and this dispute is far from over. Your elected representatives on the higher education committee (HEC) will be meeting on Friday 25 February to decide our next steps. Employers could call on USS now to conduct a new valuation—as UCU continues to demand—where these cuts could be replaced by a better package of benefits.”

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The UCU posted a statement, with Grady fronting an accompanying video, saying that members should “Prepare for escalating action to save our pensions.”

Higher education workers can have no faith in such statements. The UCU is incapable of leading a fight because their entire agenda is one of “compromise” with employers that, as Grady herself pointed out, “are united in their refusal to invest even a penny more in staff.” Whatever the outcome of Friday’s meeting, university workers must draw the lessons of the last five years and take the dispute out of the hands of the union bureaucracy.

The UCU has proved it cannot be reformed. After the mass rebellion of union members in 2018, Hunt walked out of her own annual congress three times to block motions demanding the leadership be held to account for its actions. She eventually resigned the next year, with a half-a-million-pound payout.

Hunt’s replacement, Grady, ran as the “fresh” left candidate committed to reversing years of attacks on pensions, pay and conditions. She was backed by the UCU’s various pseudo-left formations, including the UCU Left—politically dominated by the Socialist Workers Party—who proclaimed Grady as “a leap to the left.” But she has picked up exactly where Hunt left off.

Education workers must urgently turn to the formation of rank-and-file committees, which can organise and act independently of the UCU. These should reject the divide-and-rule strategy of the union, which has parcelled off the fight against pensions, pay, inferior contracts and conditions into myriad disputes. As a result, the final three days of strikes at 68 universities next week are purely over the issues of pay and conditions—when the employers have just imposed staggering pension cuts on hundreds of thousands of workers in the USS!

A joint offensive of education workers in the higher, further and school-age education sectors, in alliance with students, is required to defeat the offensive of the employers backed by the government, proceeding with its marketisation agenda and intent on clawing back the hundreds of billions shelled out to the corporations and the super-rich during the pandemic.

This is the programme of the Educators Rank-and-File Safety Committee. We call on educators to contact us, attend our meetings and receive our regular newsletter.