

United Learning teachers' pension scheme proposal

On 7 November 2023, United Learning Trust (ULT) opened a consultation on changes to the existing pension arrangements for staff in independent schools.

Currently, all teachers working in United Learning independent schools are automatically enrolled into the Teachers' Pension Scheme (TPS). However, United Learning is considering two options for teachers working in its independent schools from September 2024, including allowing teachers to continue to pay into the TPS or opting instead to join the Aviva Pension Trust for Independent Schools (APTIS) which is a defined contribution (DC) pension scheme.

Option 1 – remaining in the TPS

For those teachers who wish to continue paying into the TPS, in order to remain in the scheme, United Learning expects them to fund the additional 5% employer contribution from their own wages from September 2024.

This would see your salary reduced by 3.5% (the remaining 1.5% would come from reduced employer National Insurance Contributions (NICs) and pension contributions).

The Trust has claimed that this is to offset the increased employer contributions rates for the TPS, which will rise from 23.68% to 28.68% from April 2024.

Option 2 – APTIS DC pension scheme

As an alternative to the TPS, United Learning is offering the chance to join the Aviva Pension Trust for Independent Schools (APTIS) DC pension scheme. In that scheme, the amount paid in pension contributions by United Learning would reduce to either 20% or 10% (with a 10% uplift in salary).

You would be able to vary your contributions into the APTIS scheme (provided you give three months' notice), meaning that the rate you contribute to your pension could be as little as 0%. As such, the benefits for members in retirement would not match those available to teachers who are members of the TPS.

Furthermore, it is important that members are aware that United Learning would have the right to alter the arrangements for teachers' pensions. This could mean further changes or deterioration to your pension entitlements in the future.

The Employer is seeking the views of teachers employed in United Learning independent schools as part of its consultation process.

NASUWT advice and guidance

The changes being considered to pension arrangements for teachers in United Learning independent schools would constitute a fundamental change to teachers' pay and rewards, as well as a worsening of your terms and conditions of employment.

Enrolment in the TPS is a fundamental element of a teachers' pay and reward package. Teachers in all state schools, academies and 918 independent schools have access to the TPS.

The TPS is a defined benefit scheme, meaning that teachers can plan for a secure retirement, whereas a DC pension scheme is a 'retirement savings plan' – which is dependent on the vagaries of the stock market.

As such, the value of the APTIS DC pension can go down as well as up, whereas membership of the TPS means you will know how much you will receive each month, allowing you to plan ahead. Unlike a 'retirement savings plan', your TPS pension will be paid as long as you live, and will not be exhausted over time.

Indeed, United Learning acknowledges that the TPS is 'a gold-plated pension scheme: it offers excellent retirement benefits'.

In addition, United Learning recognises that the APTIS scheme does not provide a death in service benefit, or early retirement benefit (e.g. ill-health early retirement), which are benefits members are eligible for under the provisions of the TPS.

Furthermore, the APTIS scheme makes it clear that costs apply for the running of your pension and managing your investments.

ULT's published accounts show that they are in good financial health and no evidence has been provided to date to suggest to NASUWT that the Trust cannot afford to continue to be part of the scheme.

NASUWT has successfully opposed TPS pension changes through strategies up to and including industrial action in a number of independent schools.

Industrial action is always a last resort; however, a strong ballot result at United Learning independent schools sends a clear message to governors and trustees that NASUWT members are not prepared to accept the changes proposed.

The Union has prepared a model response that individual members can use in the event that the Employer seeks to consult with staff on proposed changes to teachers' pensions. This can be accessed at:

www.nasuw.org.uk/unitedlearning.

If a meeting has not taken place with NASUWT members at your school, please get in touch with us. If you do not have an NASUWT contact/representative, it would be helpful if members meet to elect one from the members in your group.

Please see below the email addresses for your NASUWT Regional Centre if you would like to get in contact. All correspondence is confidential. Alternatively, you can use the address UnitedLearningMAT@mail.nasuw.org.uk to contact the Union with your issues and concerns over the ULT proposals. When doing so, please indicate your membership number (if known) and place of work. All emails received will be treated confidentially.

Response from the Employer

United Learning initially reported to trade union colleagues that it was having to look very carefully at how it could ensure financial viability of its independent schools, including consideration of alternative pension schemes/models which might be implemented moving forwards.

'Independent schools have faced difficult times in recent years, with the impact of the pandemic and rising energy and other costs.

'We are working with the central team to protect our future financial position, by managing reserves, increasing income from sources other than fees, and driving efficiencies through things like group procurement. We have also needed to consider how best to manage the impact of increased employer contribution rates for the Teachers' Pension Scheme.'

NASUWT has requested detailed financial information from United Learning. Without being given access to the detailed financial information by the employer as part of a meaningful collective consultation, we are not in a position for our pensions experts to verify this.

Unfortunately, the reality is that placing an expectation of members to pay the increased employer contribution to access the TPS is unfair, particularly if this results in members having to offset this against any pay progression or cost-of-living increase during an ongoing cost-of-living crisis.

It cannot go unnoticed that cost-of-living increases (when awarded) for teachers working in United Learning independent schools have been differentiated across the different academies based on the cluster a school is in. This means that some teachers will be paying more as a proportion of their salary to stay in the TPS – a situation that NASUWT believes is wholly unacceptable.

Ultimately, the proposals from the Trust represent a long-term saving to United Learning at the expense of their greatest resource: its teachers.

The ULT annual report states:

'Inspiring teaching is what gives access to difficult concepts and the thrill of intellectual discovery.'

Indeed, the letter issued to members across United Learning independent schools goes on to say:

'We are very proud of the way this school has managed these challenges and continues to deliver an excellent education to our students.'

<p>United Learning independent schools in London:</p> <ul style="list-style-type: none"> • Surbiton High School, Kingston, Surrey 	<p>London Regional Centre: london@mail.nasuwt.org.uk</p>
<p>United Learning independent schools in the south-east:</p> <ul style="list-style-type: none"> • Ashford Prep School, Ashford, Kent • Ashford Senior School, Ashford, Kent • Banstead Prep School, Banstead, Surrey, • Coworth Flexlands Prep School and Nursery, Chobham, Surrey • Dunottar School, Reigate, Surrey • Embley Park, Romsey, Hampshire • Guildford High School, Guildford, Surrey • Rowan Prep School, Esher, Surrey • St Ives School, Haslemere, Surrey • The Royal School, Haslemere, Surrey 	<p>South East Regional Centre: southeast@mail.nasuwt.org.uk</p>
<p>United Learning independent schools in the North West:</p> <ul style="list-style-type: none"> • AKS Lytham, Lytham, St Annes, Lancashire 	<p>North West Regional Centre: northwest@mail.nasuwt.org.uk</p>
<p>United Learning independent schools in the East Midlands:</p> <ul style="list-style-type: none"> • Lincoln Minster School, Lincoln 	<p>East Midlands Regional Centre: eastmidlands@mail.nasuwt.org.uk</p>
<p>United Learning independent schools in Yorkshire and Humberside:</p> <ul style="list-style-type: none"> • Tranby Independent School, Anlaby, East Yorkshire 	<p>Yorkshire and Humberside Regional Centre: yorksandhumber@mail.nasuwt.org.uk</p>



E-mail: advice@mail.nasuwt.org.uk

Website: www.nasuwt.org.uk