



Your Ref:

Date: 21 July 2025

Our Ref: 250721 Phillipson B/MW/LB

Rt Hon Bridget Phillipson MP
Secretary of State
Department for Education
Sanctuary Buildings
Great Smith Street
London
SW1P 3BT

Dear Bridget,

Government Policy on Alternatives to Public Service Pension Schemes in the Public Sector

Firstly, let me thank you for your correspondence to the NASUWT of April 2025, which was a response to the Joint Teacher Union General Secretaries' correspondence of 15 July 2024 expressing alarm at the United Learning Trust (ULT)'s proposals to offer a higher salary in exchange for opting out of the Teachers' Pension Scheme (TPS). Such employees would be enrolled in a workplace defined contributions (DC) pension scheme with a significantly lower employer contribution (correspondence enclosed).

I also wish to offer the NASUWT's support for changes to the academies funding regime, so that 'novel' or 'repercussive' payments on the part of academies can only be made with Department for Education (DfE) approval.

The NASUWT has drawn attention to the adverse repercussions of the ULT pension proposals on both the TPS and Government income and is grateful that you recognised this in your correspondence of April 2025.

The NASUWT also welcomes the DfE's clarification to the TPS Scheme Advisory Board (SAB) on 2 July 2025 that the Government recognises the repercussive nature of the ULT pension proposals.

Furthermore, the NASUWT has welcomed ULT's announcement to the workforce unions, on 1 July 2025, that it is pausing the implementation of its workplace DC pension plans and will not proceed with these on 1 September 2025.

The NASUWT is, therefore, extremely concerned about recent media reports that the Government is considering permitting the whole of the public sector to adopt pension arrangements whereby employees opt out of their relevant public service pension scheme (their auto-enrolment scheme) in return for a higher salary. If media reports are accurate, the Cabinet Office Permanent Secretary is leading discussions within the Government on the adoption of such practices.

Alongside our sister public sector trade unions and the Trade Unions Congress (TUC), the NASUWT is very clear that the arrangements seemingly under discussions in the Cabinet Office pose a very real existential threat to the continuation of public service pension schemes, including the TPS. They also threaten Government income in an era of extremely tight Departmental Spending Limits.

The NASUWT, therefore, asks you to take the following actions:

- Confirm to the ULT and the TPSAB that the DfE will prohibit ULT's alternative workplace pension scheme to the TPS, and that any similar proposals from academies and free schools will also be prohibited;
- Confirm publicly that the DfE will not adopt the 'swapping pension for pay' proposals currently being attributed in the media to the Cabinet Office.

The NASUWT would be grateful for any lobbying which you are able to carry out within the Government against the 'swapping pensions for pay' proposals which are currently attributed to the Cabinet Office Permanent Secretary.

Please don't hesitate to contact me should you wish to discuss this correspondence.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'M. Wrack', is positioned above the printed name.

Matt Wrack
Acting General Secretary

Enc: Correspondence on ULT pensions proposals – 15 July 2024 and April 2025