

## **Education Children and Young People Committee**

Ivan McKee Minister for Public Finance Scottish Government T3.60 The Scottish Parliament Edinburgh EH99 1SP Direct Tel: 0131 348 6225 Fax: 0131 348 5600 ecyp.committee@parliament.scot

> 13 June 2024 Via E-mail

Dear Minister,

## Teachers' Pension Scheme (Scotland) Amendment Regulations 2024 (SSI 2024/147)

The Education, Children and Young People Committee considered the Teachers' Pension Scheme (Scotland) Amendment Regulations 2024 (SSI 2024/147) at its meeting on 12 June and agreed to write to the Scottish Government seeking clarification.

The Committee notes from the policy note that the Chief Secretary to the Treasury has confirmed that the UK Government will provide funding for increases in employer contribution rates and that, for devolved administrations, the Barnett formula will apply.

The Committee is writing to ask the Scottish Government to set out the process for Barnett consequential funds being provided to the Scottish Government in relation to employer contributions, including confirmation of whether the funds have been received and whether the funds will be provided on an annual basis.

The Committee also asks the Scottish Government to confirm that this funding will be passed to local authorities to meet the costs of the increase in employer contributions, and to clarify whether it is obligated to do so.

The Committee also seeks clarification on arrangements for colleges and universities. During recent evidence sessions on college and university funding, the Committee heard that colleges and universities were no longer being provided with funding to meet increases in employer contributions.

In evidence to the Committee on 5 June 2024, Mary Senior of UCU highlighted that the UK Government is providing funding for the additional contributions for schools and colleges, and as a result of this there are Barnett consequentials for the Scottish Government. UCU wrote to the Scottish Government in October 2023 asking for funding to continue and increase in line with the increase in contributions; however there was no response. Mary Senior told Committee members:

"There is an added complication, because the increase in funding for contributions to the teachers pension scheme in England was 5 per cent. Therefore, I asked the Scottish Government, "If the increase in funding for contributions is 3 per cent in Scotland and 5 per cent in England and you're getting the Barnett consequentials for schools and colleges, aren't you getting a bit more, which you could use to support the post-1992 universities?" I have never had an answer to that question." – <u>Official Report, 05/06/24</u>

The Committee asks the Scottish Government to confirm whether it will receive Barnett consequentials on the basis of 3% or 5% employer contributions.

The Committee intends to consider this SSI again at its meeting on 19 June. The Committee therefore requests a response to this letter by lunchtime on Tuesday 18 June at the latest, with apologies for the short timescale.

Yours sincerely

Sue Webber MSP Convener