

Issues facing the Higher Education sector

UNISON paper for Senedd Children, Young People & Education Committee
June 2025

Summary

Welsh universities are in crisis. Hundreds of job losses are expected with a catastrophic effect on staff, institutions, students, communities and the Welsh economy.

It's dishonest for universities to talk about enhancing the student experience when this is significantly undermined by the scale of job cuts.

There's an urgent need for Welsh government to decide what it wants the HE sector to deliver and for this to be properly funded. It must produce a detailed industrial strategy which outlines the skills and number of graduates Wales requires for the future across a range of jobs and ensure universities have the capacity to train these young people.

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A crisis unfolding

Welsh Higher Education Institutions (HEIs) are in an absolutely dire financial situation. With a very tough funding settlement and facing shortfalls of millions of pounds, they have responded by proposing hundreds of redundancies. The scale of the crisis and likely eventual job losses will be devastating for Wales.

Student numbers in Higher Education have dropped dramatically over the last 14 years. Today, we have the lowest number of Welsh student applicants in years and are particularly exposed to the significant decline in international students wishing to study in the UK. This has been described as a perfect storm for Welsh HEIs.

All eight universities are cutting jobs. They have almost finished redundancies amongst the business and professional support staff and now they are reviewing academic staff numbers. UNISON members note redundancies have not really impacted on HEIs highly paid senior management.

This short paper details the urgency of the situation and the need for Welsh government intervention and reinforces the positive impact universities have on their local communities and the wider Welsh economy.

UNISON Cymru call for action

Welsh government provided £18.5m of support to Welsh HEIs in February this year, but in a context where Cardiff University alone has a £30m shortfall, clearly this sum is nowhere near enough.

Additional funding is essential. However, more importantly this should be directed by a clear idea of what Welsh government wants from its HEIs and informed by a detailed industrial strategy planning the skills and jobs Wales needs for the future. Once that has been determined, universities should be funded appropriately.

Simplifying here to provide an easy example, a strategy might include:

By year X Wales needs Y amount of Z workers (for example, social workers, teachers, nurses and doctors, police, etc.) who need to be trained at our HEIs.

Without a strategy and funding, Welsh universities will continue to contract, shedding staff and closing unprofitable courses. The number of professionals available to enter each sector in Wales will reduce.

Without Welsh government intervention, there will be a year-on-year reduction in staff, damaging the reputation of our HE sector. Universities may not be in the public sector (they are classed as charitable organisations), but they are doing a public service.

We also urge Welsh government to urgently work with the UK government to review the visa situation for foreign students. Though this is a more short-term measure and a more sustainable funding model is required.

Frustratingly, Welsh government seems to be waiting to see how the UK government responds before it reacts. The gravity of the situation means we can't afford to wait. If no action is taken, the sector will continue to contract. HEIs and their staff are desperate to learn when Welsh government will intervene.

Job cuts now mean talented people are leaving the sector in large numbers. Welsh HEIs face a brain drain and there is a risk if universities further contract that young people here either decide university is no longer an attractive option, or that they leave to study at an English university that still offers the course they are interested in.

Governance and unions as social partners

The HE sector is not covered by the social partnership duty and it cannot be right for staff members to first learn of serious problems with their employer from the evening news.

When trade unions are trusted and valued as true partners, consulted at the outset and throughout, more creative and fairer responses could surely have been found to the challenges faced, than blanket mass redundancies.

There is an obvious argument in favour of more employee/trade union voices representation on the senior management boards.

Marketisation has failed and the outlook is bleak

Marketisation has failed on all counts. It has encouraged universities to operate as a business, focused on profit and away from providing education and learning that is open to all and free.

Marketisation means universities are more likely to attract the children of higher earners than working-class people.

The introduction of tuition fees provided substantial new funding allowing universities to expand, but it was a flat fee. As the tuition fee lost value with inflation, universities sought new revenue with aggressive marketing to wealthy international students. This income disguised the fact there wasn't enough money to cover costs from home students.

Job cuts have meant for example that staff numbers at the University of South Wales have contracted by 5% over the last year. Other universities are not as far along the process, though the closure of Trinity Saint David's Lampeter campus has been covered in the media.

There is a real danger a university in Wales could collapse next year. Some are really struggling and are high on Medr's risk rating.

Disconnect with Further Education

F.E. numbers are buoyant and more people than ever are studying, but they are choosing not to continue in HE and they are going down the vocational route. Wales has a lower proportion of 18-year-olds attending university than any other home country. This might be because of the levels of deprivation in Wales and young people judging a degree is not worth being saddled with huge debts.

Affected workforce – who are the business and professional support staff?

Over the last few years, Welsh HEIs have targeted business and professional support staff in their drive to save money with mass voluntary redundancy programmes.

These staff are dedicated professionals and are critical to keeping Welsh universities running; they support the lecturers, maintain the buildings and look after the students. Their contribution to the whole student experience, including their academic attainment, is crucial. Job cuts inevitably damage this and it's nonsensical for universities to claim otherwise.

As the main trade union representing Higher Education business and professional support staff, UNISON Cymru represents thousands of members in administration (both support and managerial); domestic and housekeeping; maintenance; security; estates; academic; catering and coffee shops; sport; students' unions and nurseries.

They, as much as the teaching staff, make Welsh universities a success. Sadly though, Welsh HEIs have operated a two-tier approach to their employees and business and professional support staff suffer discrimination. This is explored in more detail on page 6.

Wider value of Welsh Higher Education Institutions

Universities help drive Welsh economic success and are a key lever in helping deliver a fairer society by tackling the low skills base in this country and unlocking people's potential.

In many of Wales' smaller towns, the local HEI dominates employment opportunities and importantly, provides much better paid jobs than would otherwise be available in the area. In this way HEIs act as example employers. We are thinking here of Aberystwyth, Bangor and USW in the Valleys, these are good jobs, close to home.

Mass redundancies significantly deprive local high streets of income as spending power is greatly reduced. Taking people out of employment will mean the local authorities will receive less council tax and likely have to spend more on outreach services.

Higher education is vitally important providing the skilled staff for our other sectors including our health service and local councils. We want the strongest and most highly-rated universities here in Wales. Universities must be properly funded and staffed if they are to thrive.

The sector contributes many millions of pounds to the Welsh economy and each HEI is a major local economic hub. The Welsh economy is small and not particularly diverse and a further contraction of universities would have a significant negative financial impact.

Business and professional support staff are always on the receiving end

Being a support staff worker in a Welsh university over the last ten years has been increasingly challenging. This group of workers have been the most vulnerable to mass job cuts as the financial model universities are based on has changed, along with other pressures.

Their pensions have been regularly threatened and benefits reduced in some HEIs. We have been active in supporting our members in confronting threats to privatise university services they might work in or use, such as creches and cleaning services.

There is a predominance of low pay and a growth in the use of zero hours and casual contracts along with a reliance on agency staff.

Now they are again threatened with redundancy and it is easy to understand why they feel unappreciated and unvalued.

Morale at Welsh universities has been badly undermined by a series of below-inflation pay awards.

This year's very poor pay offer of 1.4% continues that trend and there is no additional provision for the lowest paid staff. A 1.4% increase of course, is very different for a business and professional support employee earning £20,000 than a senior university executive earning £100,000 or more.

Employees are further negatively impacted by the practice of leaving support staff vacancies unfilled and general understaffing of departments. Asking workers to do much more with less, over a sustained period of years, is a common theme across Wales.

To counter this, Welsh universities need to urgently consider how they can be more attractive, rewarding and compassionate places to work.