

HE pay – five key facts about your pay!

Why pay matters

Over recent years the value of your pay has declined. The last above inflation pay rise was 2014, which followed a dispute. In October this year the Higher Education Committee (HEC) made a number of decisions about UCU's approach to next year's pay negotiations and the development of a sustained campaign on pay; see HE news 41: <http://www.ucu.org.uk/?mediaid=618>

Here are five key facts that shape the context of HE pay as we build towards next year's New JNCHES negotiations:

- **VC, principal and senior pay**
- **pay inequality**
- **loss in the value of pay**
- **affordability**
- **casualisation**

VC, principal's and senior staff pay

There is a lot of publicity about the high levels of remuneration of vice chancellors, principals and other senior posts and the lack of transparency and oversight.

In recent years the pay of vice chancellors and principals (VC&P) has been more aligned to the remuneration of FTSE Chief Executives than to the marginal increases endured by staff in the sector.

Last year, UCU published the findings of its Freedom of Information request (FoI) on VC&P pay. In 2013/14, the average vice chancellor salary for was £260,290. Eighteen vice-chancellors enjoyed a pay increase of more than 10%, with the largest being 70.2%. On average vice-chancellors were paid 6.4 times more than the average salary of staff. The union's data also found that 20 institutions had more than 100 members of staff earning over £100,000 pa.

The latest data also shows a significant rise in the numbers of HE staff earning more than £100,000 pa. This has roughly doubled in the last couple of years, and the rising trend in senior pay continues year on year.

In 2014, there were 5541 staff paid at or over £100,000 pa. This is double the figure of 2761 in the 2011/12.

In addition to this headline, in 2014 there were 1412 staff paid at or over £150, 000, 598 paid at or over £200, 000 and 26 paid at or over £300,000.

UCU are monitoring the rises of senior staff and will produce a further report in early 2016.

Let's see how well the sector leaders do!

Inequality

The continuing gender pay gap in UK Higher Education is shameful.

According to institutional data from 2013/14 for all academic staff, there was a gender pay gap of 12.6%, a difference of £6,103 per year. The total difference in average pay received by male and female academics is a staggering £1.3 billion per year.

Loss in the value of your pay

Since 2009, the cumulative loss to your pay (compared to rises in RPI) is 14.5%.

For a member on point 43 (the top of the grade for senior lecturer in post-92 universities or a lecturer in pre-92 universities) that equates to £5,336 pa.

For a member on point 30 it equates to £3587 pa.

Based on the forecasts of twenty three City economists (collected and published by the Treasury) RPI is expected to be 2.7% in November 2016. This will increase the indexed change from 2010 to 23.9% and will increase the total real terms decline in HE pay to 17.8%. Further increases, with RPI upwards of 3.0%, are forecast into 2017.

Affordability

Sector overview - over the last five years capital expenditure has increased by 8.2%, income has increased by 14.7%, surpluses have increased by 42.9% and reserves are up by 57.4%. At the same time staff costs as a % of expenditure have fallen by 1.2%.

The latest reported figures from the Higher Education Statistics Agency (HESA) showed that the sector has over £1 billion in operating surpluses.

In addition, many institutions have been building up cash reserves over recent years.

The historic attack on your salaries has reduced the proportion that the sector as a whole spends on staff. According to HESA data, in 2012/13, universities committed only 55.4% of their expenditure to staff, compared with 58% in 2001/2.

The fact is that university managements are spending lots of money on buildings and increasing revenues and they are doing it at your expense.

Casualisation

According to HESA, there are 75,000 staff on highly casualised 'atypical' academic contracts, the overwhelming majority are engaged in undergraduate teaching, while our own Freedom of Information request found at least 21,636 university teaching staff with zero hours contracts.

The research conducted in our universities continues to be done by people with little chance of a sustainable career in higher education.

67% of research staff are still on fixed-term contracts – more than 10 years since the fixed-term regulations came into force. Our own research indicates that around a third of these are contracts of 12 months or less.

UCU believes that the sector's reliance on casualised labour represents a scandalous failure. Totally unnecessary hardship, anxiety, and fear are being inflicted on tens of thousands of people working in our universities and colleges because the sector is too lazy to take its responsibilities seriously and embrace proper workforce planning.

Wide spread casualisation in the sector impacts on all staff terms and conditions and the rate of pay.