

## In this issue

**Negotiators Reject 1% Pay Offer for England**  
**More Progress on Implementing National Scales**  
**Building Funding Fiasco Latest**  
**Jobs & courses under threat as funding fight begins**  
**Joint FE Unions' petition statement**

## Negotiators Reject 1% Pay Offer for England

Negotiations between the six FE unions and the Association of Colleges over our 2009/10 pay claim for England opened on Tuesday 12 June with the employers making an initial offer of a 1% increase on all wages and allowances.

All the unions rejected this offer as it falls well short of the 6% catch up claim submitted and comes after years of below inflation and below average increases. The offer also contained no underpinning minimum increases to help the lowest paid. With schoolteachers due to receive a 2.3% increase this year, the offer is a step backwards on recent progress made on narrowing the continuing pay gap. Negotiators also expressed anger that pay restraint measures seemed not to apply to principals who received average increases of over 6.5% last year.

Some other non-pay elements of the unions' claim were also discussed with the following progress to report:

The AoC agreed to negotiate revisions to the existing national agreement on redundancy. The trade unions want it updated to reflect more recent legislation and with a clearer focus on avoidance of jobs losses in implementing any institutional change or restructures in colleges.

There would be further talks on the issue of the unions' claim for a transfer of part-time and hourly-paid staff to directly employed fractional contracts and on the issue of the full

implementation of the 2003/05 Modernising Pay Agreement.

However the AoC refused to negotiate an agreement on a 35 hour working week or entertain any national agreement on the use of agency workers.

Negotiations are scheduled to re-convene on 5 June. The unions have asked the employers to return to the talks with a revised and serious pay offer that addresses the pay gap with school teachers and previous low increases.

More information on the negotiations can be found at:

<http://www.ucu.org.uk/index.cfm?articleid=3881>

The FE unions' joint pay claim for England 2009/10 can be found at:

<http://www.ucu.org.uk/media/pdf/m/2/jointfepayclaim09-10.pdf>

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## More Progress on Implementing National Scales

Our IOU campaign for the implementation of the modernised pay scales agreed in 2004 continues to move forward with three more successes.

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North West London, Wigan and Leigh and Hugh Baird colleges have just reached agreement and negotiations are continuing at several other colleges where we hope agreement will be reached by the end of this term.

Members at Croydon College took a further one-day strike action on 20 May. Leeds College of Art and Design and Suffolk New College are currently being balloted and will take strike action in the week beginning 7 June if there is a yes vote and management continues to refuse to negotiate.

The current overall national position is that 58% of colleges have now reached agreement, and a further 13% have struck interim agreements or are in negotiations.

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## Building Funding Fiasco Latest

The much publicised crisis in the LSC's programme of funding FE capital works has left many colleges which thought they had cast-iron funding guarantees for their new builds wondering if they will ever see any of the money. The mismanagement of the capital fund that saw the funding over spent and left with a £1.2 billion shortfall has been reported on by Sir Andrew Foster who found the LSC and DUIS largely to blame and some colleges who jumped the gun. Since then the government announced an extra £300m in the budget for the fund which will allow for only some twenty projects to go ahead this year rather than the original seventy nine.

UCU have had two meetings with the LSC, one with the AoC and one with the Minister Sion Simon on the issue of the buildings crisis. While the LSC are still working on applying criteria developed for how to spend the capital funds made available by the budget, it is clear the majority of projects that were planned will not be able to go ahead. The LSC had previously encouraged colleges to develop projects that were more ambitious than those originally submitted. However, now projects are being scaled back in terms of scope and cost.

The minister and LSC officials have repeatedly made assurances that no college will be forced into financial jeopardy as a result of the funding problems.

However it will not be until early June that colleges will find out which projects will go ahead and at what rate of funding.

UCU is gathering information on the real impact of the capital funding crisis – any branches which had building projects planned should keep their regional office and Dan Taubman at head office updated on any financial fallout and consequences and also if your colleges' project gets the go ahead.

[dtaubman@ucu.org.uk](mailto:dtaubman@ucu.org.uk)

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## Jobs & courses under threat as funding fight begins

UCU and the other FE trade unions are set to launch an online petition as the first step in a fight for funding for Further and Adult Education that will be crucial to saving jobs and courses in the next few years. As we run up to the next general election it is vital that we raise the profile of the crucial role that Further and Adult education play in our communities and the national economy. Now is not the time to be putting the FE infrastructure, both human and capital, at risk with funding cuts. See the joint unions' petition statement below and watch out for details of where you can sign it online in the near future.

A sharp increase in the number of colleges announcing potential redundancies in the last few weeks is a sign that funding problems are starting to bite hard for the coming year in FE. Whilst a variety of reasons are being given for restructures and staff reductions, the main and underlying cause continues to be funding. Major funding pressures are being felt by colleges relying on Train to Gain funding which has been capped and allocations slashed by an average of 9%. The continuing consequences of the freezing of Adult and Community learning funds at 2005 levels and the continued tightening of other adult funding streams only serves to make matters worse.

UCU always had mixed views about the Train to Gain programme; whilst the funding stream creates employment for thousands of UCU members we have questioned the policy ethos behind it.

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However, it is hard to understand the government's thinking, capping this programme at this time, when you would have thought that funding training opportunities in the workplace, keeping people out of unemployment in work re-skilling for the future would have been protected from funding cuts.

It is still uncertain how much of a difference the extra funds for 16-18 programmes made available in the budget is having as revised allocations are filtering out to colleges. More worrying are details emerging about the efficiency savings announced in the Budget which look set to cut up to £340 million out of FE funding over the next two years. While frontline teaching provision is supposed to be protected from the cuts, with quangos and bureaucracy supposed to be the targets, it is difficult to see how this can be achieved with such swingeing cuts. So called "efficiency" measures already mooted are an increased contestability and the withdrawal of funding from failing providers.

UCU is worried about the impact the efficiency measures and funding cuts will have on the service FE delivers and the job security of the FE workforce. This all comes at a time when the nation needs a well resourced and rewarded FE sector to address the needs of the community and economy during the economic downturn.

During meetings with the Minister Sion Simon and department officials, UCU has been calling on the government to allow colleges the maximum amount of flexibility with their funding streams so that they can avoid course closures and job losses due to these cuts.

Keep an eye out for details of where you can find the online petition to sign as UCU starts its campaign to defend education and jobs.

## **Joint FE Unions' petition statement**

"We the undersigned call upon the government to protect and maintain funding for the vital economic and community services and infrastructure that Further and Adult Education provide. There is no more powerful tool than education to help people affected by the economic downturn build or retain their confidence, skills and self fulfilment. The very same education simultaneously broadens the skill base of the community and economy making it more resilient and creating the platform for future growth and recovery.

At a time when the nation is relying on Further and Adult Education more than ever, to go ahead with plans to cap and slash funding for these vital services is extremely short-sighted. Shortfalls in capital funding, frozen and reduced workplace learning allocations and slashed funding in the name of "efficiency" savings will result in course and department closures, fewer training opportunities for the unemployed and a wave of job losses across Further and Adult Education.

While the workforce in Further and Adult Education are asked to meet the challenges of the recession they have for years received pay increases well below the economy wide average and below inflation. It is vital that the human resources of these sectors are protected, valued and rewarded with job security and pay that reflect their important role in the economy and the community as a whole.

The government does have the money. We have seen unprecedented amounts of public funds bail out the banks, and it is therefore entirely appropriate and necessary that Further an Adult Education are protected from funding cuts."