UCUBAN/HE32 15 May 2018

University and College Union
Higher Education Branch Action Note

To	HE Branch and local association secretaries, branch chairs and presidents.
Topic	**National Negotiators' Report to the Higher Education Sector Conference, May 2018**
Action	To consider national negotiators' recommendations and circulate report to members
Summary	**This Branch Action Note provides an update report on the New JNCHES negotiations 2018/2019, the employers' final offer and the national negotiators' recommendations to HE sector conference 2018.**
Contact	Paul Bridge, Head of Higher Education

Dear Colleagues,

Please find attached the HE National Negotiators' Report to HE Sector Conference 2018, which appears as motion HE1 on the HE Sector Conference Agenda.

Paul Bridge, UCU Head of Higher Education

ACTION REQUIRED: To consider and circulate to branches

National Negotiators' Report to the Higher Education Sector Conference,

31 May 2018

1. Introduction

The outcomes of New JNCHES in the last five years have resulted in three rejections and three UK pay disputes and two agreements. In regards to the pay uplift, all five outcomes have focused on the bottom of the pay spine. With the exception of 2014, the outcomes on pay have not kept pace with inflation.

UCU has achieved increases ahead of the public sector cap but these increases are not enough to retain the real terms value of pay. The HE employers appear to have de-prioritised pay. Pay increases above inflation are not the norm in New JNCHES. In the wider setting the vast majority of HE employers can pay more but choose not to. The negotiating machinery enables them to do this. At the time of the claim, the value of pay has reduced by about 19% since 2010.

In addition because of new legal obligations with regards to employers paying circa £9 per hour by 2020 as a result of the Tory governments National Living Wage, pay outcomes are focusing on increasing the lower spine points. This leads to disproportionate uplifts at the bottom and puts strain on the single spine and pay differentials. Whatever their intentions the employers failure to address pay and pay equality and related matters in general is undermining the credibility of UK level pay negotiations.

UCU is committed to reducing the gender pay gap, addressing wide spread casualisation and tackling excessive workloads and hours.

2. Background

In recent years the Higher Education Committee (HEC) has developed pay claims based on the policy positions emerging from HE Sector Conference (HESC). For this pay round HEC agreed a number of pay principles that have also shaped and directed the UCU approach to developing the national (UK) pay claim with the other HE trade unions:

- The principles underpinning the pay claim should be those of catch up and keep up.

- The principles underpinning the pay equality claim should be elements that seek to address; the position of casually employed / zero hours staff, hourly paid lecturers, FTC, the HE gender pay gap and pay equality.
- More recently the impact of increasing workloads.

At the meeting in October 2017, HEC agreed, among other matters, two pay motions which covered; pay, pay equality, precarious contracts and workload. The motions were to be debated and decided at the special HESC in November 2017. Both confirmed the principles that UCU would want in any joint trade union claim. The special HESC did not take place due to the quorum not being reached, however these approved motions formed the basis of further HE national negotiators discussions on 24 January 2018 and then the UCU approach to a meeting with the other HE unions on 29 January 2018.

3. The National Claim 2018/19

At the HE trade union side meeting on the 29 January 2018, it was agreed that the following would be taken back to be considered within each unions democratic structures:

- Pay – a consensus around a headline figure of 7.5% or £1500 whichever is the greater.
- A gender pay demand – agreed in principle.
- A demand in regards to precarious / exploitative contracts – agreed in principle.
- A demand linking increases in workload and excessive hours to the decline in the rate for the job - agreed in principle.
- £10 living wage for all.
- A Scottish JNCHES subcommittee.

A number of other matters were also discussed such as trade union criteria for participating in JNCHES working groups, proportionate increases to all spine points and the National Living Wage.

At its meeting in March 2018, HEC discussed these and other pay and pay equality matters and the campaign. HEC made a number of decisions in regards to the development of the claim and campaign and delegated final authority to agree a claim to the HEC officers as advised by the national negotiators. Further discussions took place with the other trade unions and a joint HE trade union claim was agreed on 21 March and submitted to UCEA in advance of their board meeting on 22 March.

Branches have been updated on all developments – https://www.ucu.org.uk/he2018

The Joint Trade Union Claim can be found at Appendix A

The Campaign

HEC discussed the following campaign themes; the cumulative loss in members' pay since 2009, the projected cost of living increases over the next 18 months, pay inequality and gender pay, the stark contrast with senior pay, wide spread casualisation, the sector's healthy levels of income and reserves, and the intensification of work and workloads over recent years and the impact on pay rates.

HEC agreed the campaign should be focused on the following headline themes;

- VC and senior pay
- Pay Equality
- Casualisation
- Loss in the value of pay
- Workload

The campaign materials can be downloaded here - HE national negotiations 2018-19

4. New JNCHES negotiations

On 26 March 2018 the first of the three New JNCHES negotiations took place. The trade unions side presented our claim and the employer's representatives at UCEA gave a response. UCEA confirmed they had a mandate to negotiate and will respond in detail to the unions claim however no opening offer was made.

The trade unions side expressed disappointment and frustration at the UCEA approach.

At the second meeting on 13 April 2018, UCEA made an opening offer which is summarised below:

Pay; an increase to all spine points of 1.7% or £350 whichever is the greater.

Gender pay; Some qualified further joint work (to be developed) on gender pay building on the new work stream developed by the gender pay group established as result of last year's settlement.

Workload and excessive hours - UCEA rejected a monetary payment in recognition of the excessive hours worked. Hours of work are a locally determined matter but UCEA will consider how they may be able to comment further in this regard.

Precarious work – UCEA do not wish to progress a UK level action plan to tackle the wide spread use of exploitative contracts. UCEA have indicated a willingness to consider some work in regards to the most insecure contracts.

Scottish JNCHES – UCEA are not supportive of establishing such a fora. The trade union side has agreed to respond in detail before the final meeting.

The trade unions side again expressed disappointing at the offer as it fell some way short of even keeping the value of pay in line with the increases to the cost of living and offered nothing meaningful to address the serious and wide spread issues of pay inequality, workload and precarious employment in the sector.

The unions urged UCEA to seek a fresh mandate from the board in advance of the final New JNCHES meeting on 10 May 2018.

The full and final offer was made on 10 May 2018. Full written details can be found at Appendix B

A summary of the final offer follows:

Pay Headlines

Pay 2% increase for staff on spine point 16 and above. £425 for staff on spine point 15 and below.

The pay offer falls disappointing short of the pay claim and pay continues to erode and fall behind comparable professions. The offer does not keep up with inflation or address the loss in pay over the last 10 years. It is in the bottom quartile of recent public sector settlements.

Pay related matters

The offer on gender pay is that the current working group will continue and look at developing a survey and review action plans. Overall the offer ensures that gender pay is a priority JNCHES matters however it does little to immediately address the gender gap in HE.

Precarious contracts

The offer is for limited work in regards to fixed term contracts and variable hour's contracts with a focus on data analysis. It falls way short of the action needed to urgently address wide spread precarious employment and improve security for the most vulnerable staff in the sector.

Workload

The offer does not involve action to deal with excessive workloads or compensate members for the excessive hours worked. It does not recognise the decline in the rate for the job.

Scottish JNCHES Sub Committee

UCEA are not supportive of progressing the development of a Scottish subcommittee.

5. <u>National Negotiators' commentary</u>

UCU negotiators expressed their disappointment and concern with the offer.

It is the view of the negotiators that UCEA has missed an opportunity to start to redress the loss in the value of members pay by making a pay offer based on the sector's ability to pay. UCEA may have also misjudged the mood of members at this time.

The negotiators pressed the claim and positioned the employers offer in the context of the strategic choices the sector has before it and the level of priority UCEA give the pay and related matters set out in the trade union claim.

During the negotiations UCU stressed the demands in the claim, the cumulative loss in members' pay since 2009/10, the projected cost of living increases over the next 12 months, the keep up and catch-up up nature of the demand, the stark contrast with senior pay, the sector's healthy levels of income and reserves, and the intensification of work and workloads and the high levels of unpaid additional work.

The negotiators position is clear; pay should be understood as an investment in staff not a cost.

In addition, the negotiators pressed the employer's side take urgent action to address the unacceptable level of precarious and casual employment, develop action plans to tackle the gender pay gap and to compensate members for the excessive hours worked.

The lack of a meaningful response to the pay equality and related demand is hugely disappointing and again reflects poorly on UCEA's commitment at a UK level to address a range of significant equality issues in the sector. However this outcome is consistent with the approach taken in recent years, and UCU is well placed to progress gender pay, precarious employment and workloads at institution level. UCU can and must continue to demand and publically campaign for agreements that lead to the reduction of precarious employment contracts in HE, action to address the gender pay gap, mandatory equal pay audits, and workload risk assessments.

UCU has participated in a number of JNCHES gender pay working groups in recent years that have been focused on analysis, producing guidance and occasionally recommendations but very little action. The current working group has more focus on action orientation however progress is slow.

Last year HEC approved model claims covering gender pay audits and model claims, this was circulated to branches – https://www.ucu.org.uk/article/5364/Login?returnarticleid=8196

To date over 40 branches are actively engaged in local gender pay audit activity.

In regards to tackling wide spread precarious the UCEA offer is not meaningful. Last year the trade unions withdrew from the JNCHES precarious contract working group as it was not credible or serious about tacking the urgent steps that need to be taken.

As with gender pay, HEC approved model claims covering various precarious contract types were circulated to branches –

https://www.ucu.org.uk/media/7823/Negotiating-on-casualisation-in-higher-education-a-UCU-bargaining-guide-for-branches-Jan-16/pdf/ucu_bargainingforbetterjobs_he_revjan16.pdf

To date over 50 branches are actively engaged in local campaigns and bargaining activity.

Finally, in regards to workload and excessive hours, HEC has approved model workload claims and new guidance to assist branches – https://www.ucu.org.uk/article/2422/Local-bargaining

Workload, stress and the decline in the rate for the job as a result of increased unpaid hours is a priority issue for UCU. A number of HE pilot branches are working with the head office team on increasing their capacity, H&S reps network and developing demands.

The positon of the other trade unions

All four unions; Unison, Unite, EIS and GMB, will consider the final offer via their democratic structures and have indicated they are likely to undertake a consultation with branches and members during May and June.

6. Recommendations

The National Negotiators recommend that:

1. In line with the policy established by conference, the UCEA final offer is put to members in a consultative ballot with a recommendation to reject. The ballot will include not only the option to accept or reject the employers' final offer, but also in the event members reject, whether they are prepared to take sustained industrial action in the form of strikes and action short of a strike.

2. The consultative ballot will open on 6 June and close on 27 June and the result will be considered by HEC on 29 June.

3. Should members accept the final offer UCU will write to UCEA and confirm an agreement has been reached in respect of the 2018/19 New JNCHES round.

4. Should members reject the final offer UCU will register a failure to agree and invoke the New JNCHES dispute resolution procedure.

5. UCU should coordinate the dispute resolution talks with other HE trade unions who are also in dispute.

6. At least 50% of members should participate in the consultation.

7. If a majority of members indicate they reject the final offer and are willing to take sustained industrial action then UCU will make preparations for a statutory ballot to take place, develop a Get The Vote Out Campaign, a ballot period, the type of action, its duration, and the timing of action to coincide with the start of teaching in the autumn. The plan will be reported to the HEC in June for further development and endorsement.

8. A series of four regional and devolved nation branch briefings will take place in September and October.

9. UCU should continue to support branches lodging and negotiating local claims on gender pay, precarious contracts and workload.

Appendix A - Joint Higher Education Trade Union Pay Claim 2018/19

Submitted on 21 March 2018

New JNCHES claim 2018/19

The Higher Education trade unions national claim for 2018/19 is:

- An increase to all spine points on the 50 point national pay scale of 7.5% or £1,500 whichever is greater
- £10 per hour minimum wage with all HEIs to become foundation living wage employers ensuring all campus staff are paid at least the foundation living wage rate.
- Nationally agreed framework for action to close the gender pay gap by 2020.
- Nationally-agreed framework for action on precarious contracts
- Nationally-agreed payment to recognise excessive workloads
- To establish the Scottish Sub-Committee of New JNCHES as set out under the New JNCHES Agreement. The main purpose of the sub-committee would be to deal with matters not currently being dealt with at the New JNCHES Committee.

This year's joint higher education national pay claim is aimed at ensuring that everyone working in higher education, whatever their role, has a fair and decent pay uplift. The unions believe that agreement on this claim will start to address falling standards of living, deliver improvements in staff morale, and pay equality and precarious employment that universities urgently need to tackle.

This claim has the support of the five trade unions and is designed to set out a framework for positive dialogue on ways in which a number of employment related matters can be addressed. This one claim has a number of elements addressing pay as well as a number of serious institutional and sector issues. The unions believe that by jointly progressing our claim, benefits will be delivered to our members' working lives and as well as to the institutions.

Universities for a long time have relied on the goodwill of all employees to work excessive hours and take on more work without increases in their pay. The claim addresses this matter.

The joint unions are now challenging universities to address pay that has significantly fallen behind inflation, to address, the gender pay gap, precarious working practices and the growing divergence between nations.

We believe that there would be merit in individuals and institutions having a degree of certainty around financial and workforce planning at a time when much else is uncertain.

Background

The higher education sector, as much of UK economy and industry, is facing a period of uncertainty due to a number of factors, in particular Brexit and the varying fees regimes in the UK and the current Fees review. This is acknowledged by the joint trade unions and this claim is submitted to seek to reach agreement with the employers on a pay settlement for the coming year.

The pay settlement in 2017/18 for the majority of HE staff was yet another below inflation uplift. This is against a backdrop of staff reporting ever increasing workloads, increasing casualisation and working hours and increased work-related stress.

As always UCEA added 1.5% incremental drift into their calculations of the annual pay award in their press releases. This is unacceptable, as UCEA knows. Each HEI chooses its own grading structure, thus incremental drift is a local issue for each Finance Director to deal with locally and not inserted into the national pay negotiations.

The continued erosion of the value of take home pay in recent years is felt across all grades of staff in higher education covered by the national pay spine.

The joint unions are making clear that this year members' pay needs to increase by both a 'keep up' and 'catch up' amount. The claim has two key elements for the majority on the 50 point pay spine – both RPI ('keep up') and an additional amount to start to make good the loss in members pay since 2009.

The joint unions believe that meeting the claim in full will start the process of eliminating the losses in pay due to sub-inflationary increases over the past eight years.

In 2016/17 UK universities reported a record surplus of £2.27 billion and in 2015/16 the surplus was £2.34 billion.

Whilst the financial accounting and reporting regulations for HE changed last year, the sector has still achieved significant surpluses.

New JNCHES negotiations can and should result in decent pay increases and not the real terms declines seen in recent years. The trade union side want national bargaining to work and be effective. However, for the bargaining process to work it needs to result in outcomes that recognise the real value of the contribution of staff. A pay offer that does not deliver this message raises concerns about the effectiveness of New JNCHES.

The unions genuinely want to secure an uplift in members' pay and employment that they will be able to recommend to members to enable an agreement to be reached for the next twelve months.

Pay

The trade unions are seeking a positive response from the employers to our claim at the first JNCHES meeting on 26 March. We are seeking an increase to the pay spine that addresses the following issues for 2018/19:

The value of members' pay has declined and continues to fall. Since 2009, the cumulative loss to pay (compared to rises in RPI) is over 17%.

If inflation increases as predicted by the economists advising the Treasury, then by the end of this year the total real terms decline in pay since 2009/10 will be 19.3%.

It is the trade union side's view that these and future negotiations should start from the basis that existing salaries will at least be increased by RPI inflation as the opening position.

Relieving pay compression

The joint trade unions have welcomed the positive impact on the pay of the lowest-paid workers in higher education of minimum wage and living wage legislation, and of the series of pay settlements in the sector in recent years that have boosted pay for those on the lowest points on the spine.

At the same time the sector has been facing the increasing issue of stagnating and falling pay for our members at the top of grades. Increasing numbers of staff are at the top of their pay grade and therefore do not benefit from pay increments, receiving only the general pay rise from each annual settlement. These have been consistently below inflation. The sections in this claim on loss of value, inflation forecasts and settlement data, when compared with the pay increase contained in recent settlements, show how far behind both the cost of living and average pay settlements the pay in HEIs has fallen. Our members at the top of grades have therefore faced a steady erosion in their pay packets from below-inflation settlements together with no increment.

HEIs are facing increasing problems of recruitment and retention for these roles. Recruitment and retention premia are usually used as a temporary solution to a temporary problem, but are increasingly being used by HEIs inappropriately as permanent payments, to offset the fall in the value of pay for those at the top of their grades.

The joint trade unions are seeking in this year's settlement recognition of the dwindling value of pay for those at the top of grades, an issue already being addressed by the NHS. To do this, there are a number of possible routes that JNCHES should consider.

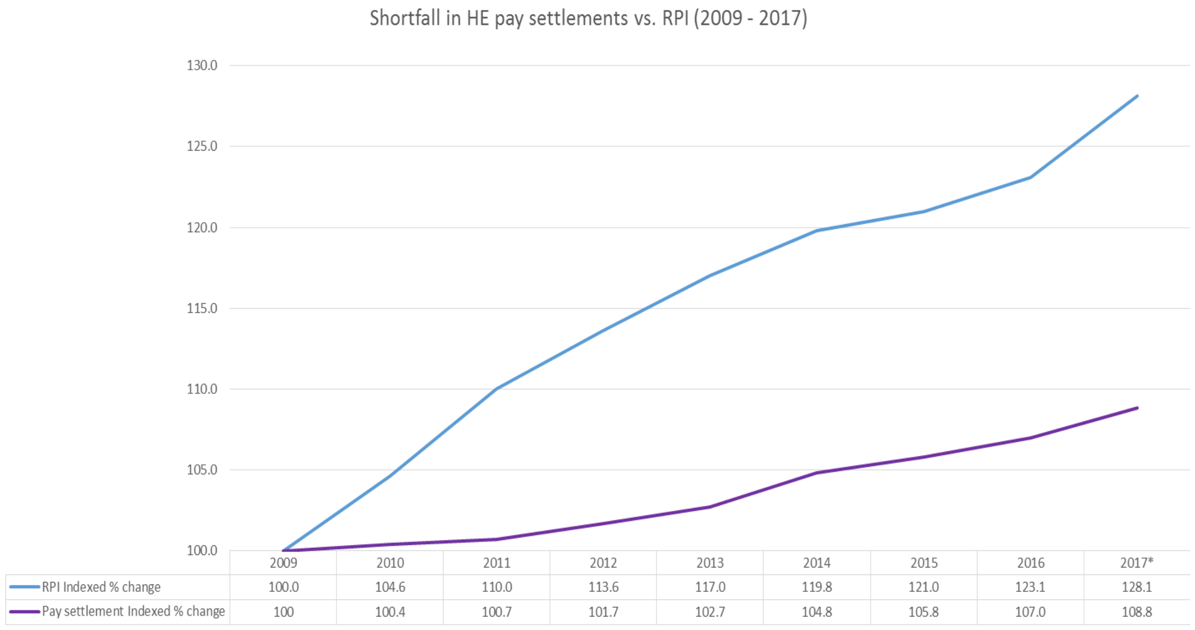
Loss in value of pay

The loss in value of pay has resulted in HE staff having less disposable income and facing increasing financial difficulties. In 2016 83% of union members told us that their pay had not kept up with the increasing costs of living.

From a 2009 baseline, pay awards in higher education have resulted in an indexed increase of 8.8% over eight years. In the same time period, the RPI index has increased by 28.1%. The amounts to a real terms loss of pay of 19.3% for higher education staff since 2009.

If the total chance in the RPI index is taken through to December 2017, to account for additional loss of pay since the last pay award in August 2017, the total increase is 29.7%, leaving workers in higher education 20.9% worse off since 2009.

Year	RPI annual change %	RPI Indexed % change	Pay settlement %	Pay settlement Indexed % change
2009	Baseline	100.0	Baseline	100.0
2010	4.6	104.6	0.4	100.4
2011	5.2	110.0	0.3	100.7
2012	3.2	113.6	1	101.7
2013	3	117.0	1	102.7
2014	2.4	119.8	2	104.8
2015	1	121.0	1	105.8
2016	1.8	123.1	1.1	107.0
2017*	4.1	128.1	1.7	108.8



Inflation forecasts

The most recent RPI figure, for December 2017 and published in January 2017 is 4.1%.

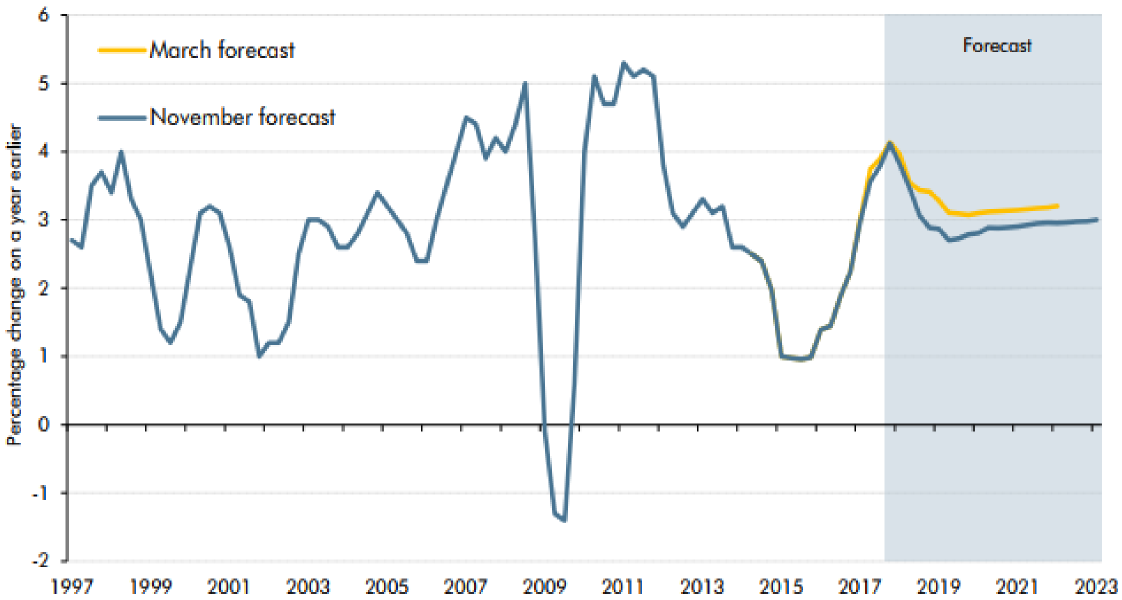
HM Treasury's Forecasts for the UK Economy: a comparison of independent forecasts complies RPI forecasts for the next two years from a range of 41 forecasters including 23 City forecasters, 17 independent non-City forecasters and the Office of Budget Responsibility.

The latest sort term forecasts, published in January 2018, show that RPI will remain above the 3% level into and throughout 2018. The median RPI forecast is 3.1% and some forecasters expect RPI to maintain its current level around 4% throughout the year.[1]

[1] https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/674229/PU797_Forecast_for_the_UK_Economy_Jan_2018.pdf

Similarly, the Office for Budget responsibility has recently published long term forecasts through to 2023. These show that the OBR also expects RPI inflation at 2.9% throughout 2018, a slight dip to 2.7% in 2019 and a stable long term rate of 2.9-3.0% for the four years from 2020 – 2023.[2] Additionally, Incomes Data Research predicts RPI to stay above 3.3% through to April 2019.[3]

Chart 3.20: RPI inflation



Source: ONS, OBR

Latest settlement data

The median whole economy settlements for the last three months of 2017 was 2.3% and private sector settlements were 2.5%. [4]

Analysis of 32 settlements from October – December 2017 by Incomes Data Research also shows that the upper quartile for settlements across the whole economy was 3.0% and the private sector upper quartile was 3.25%.

[2] http://cdn.obr.uk/Nov2017EFOwebversion-2.pdf

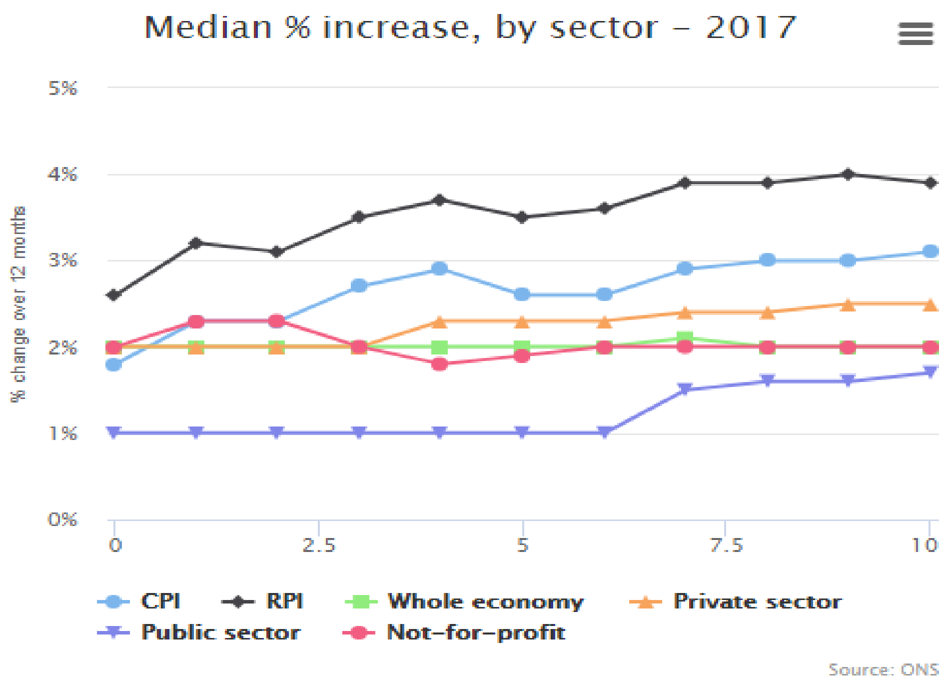
[3]

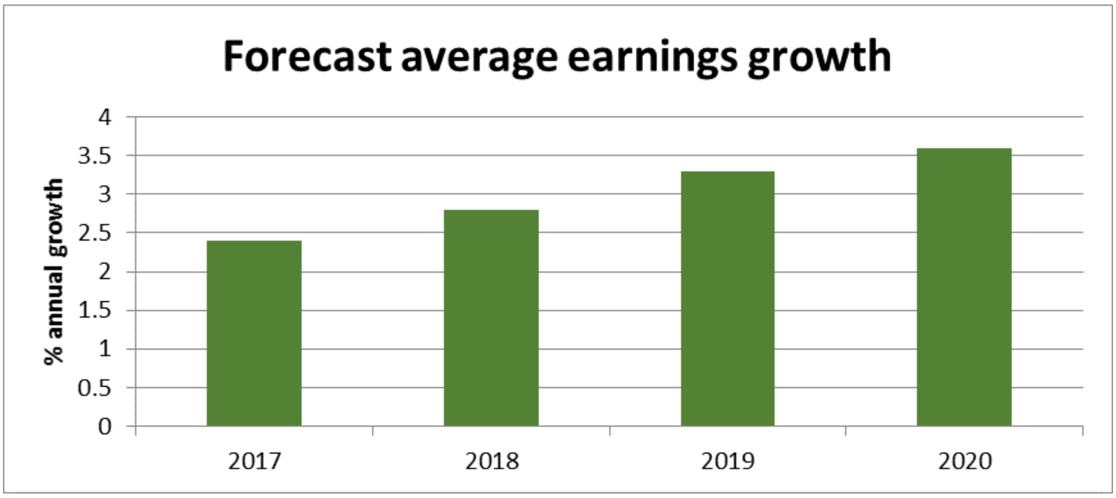
[4] http://www.incomesdataresearch.co.uk/economy-pay-awards-rise-to-2-3/

Pay settlement data - three months to end of December 2017				
	Whole economy	Private sector	Manufacturing & primary	Private services
Lower quartile	1.44%	2.0%	2.08%	1.53%
Median	2.3%	2.5%	2.65%	2.0%
Upper quartile	3.0%	3.25%	3.0%	3.65%

Based on 32 pay settlements

Analysis by IDR also shows that settlements steadily increased (from a very low base) across most sectors throughout 2017. These are predicted to continue to rise throughout 2018.





Fall in real value of pay August 2009 - August 2016

HE spine point	Fall in real value of annual pay 2009/10 - 2016/17	Fall in real value of monthly pay 2009/10 - 2016/17
	£	£
22	3,723	310
29	4,616	385
30	4,760	397
35	5,543	462
36	5,715	476
43	7,065	589
49	8,467	706

Continuous rise of VC, principal and senior pay

The unions remain concerned about the high levels of remuneration, lack of transparency and oversight continue to shape the context of senior pay awards in the sector. University vice-chancellors received an average remuneration package of £289,756 in the last academic year – 6.5 times the average pay of their staff – and more than 40% of HEIs pay their VC more than £300,000, with 8.4% paying their VC more than £400,000, according the latest Times Higher Education pay survey 2018. Twenty nine universities increased their VC's pay by more than 10% at the same time as staff on the 50 point pay scale received a 1.7% pay rise. Overall VC pay increased by 3.2% - almost double the percentage that other HE staff received[5].[1]]

The latest UNISON FOI data highlights that from the 148 respondents identified 5,886 staff earned

[5] https://www.timeshighereducation.com/features/times-higher-education-v-c-pay-survey-2018

more than £100k per year2016/17.

Totals for 2016/17 paid to Vice Chancellors from responses received to UNISON FOI December 2017.

Vice chancellor salary (2016/17)		Other benefits (2016/17)	Payment in-lieu pension (2016/17)	Pension (2016/17)
£36,037,954		£575,564	£862,276	£3,173,483

This contrasts to the number of staff identified in the responses to the UNISON FOI as being paid below the Accredited Living Wage. The accredited Living wage is calculated and used as a benchmark by the Living Wage Foundation. A number of universities are accredited Living Wage employers.

Currently 10,144 staff earn below the Accredited Living Wage, almost double the number earning above £100,000 per year.

The Trade union side believe that the pay multiplier of the lowest paid and the highest paid members of staff in HE should be no more than a factor of 10.

Affordability

The HESA finance figures released in March 2018 show that in 2016 income for all UK universities rose by another £930 million, taking the total increase in income since 2009/10 to £8.87 billion.

With Capital expenditure increasing by more than £1.2 billion since 2009/10 and staff costs decreasing year on year to a new low of 52.9% of income, it is clear from university accounts that investment in higher education staff has been deprioritised in favour of investment in buildings and the hoarding of increasing reserves - £44.27 billion in 2016/17, which have more than tripled since 2009/10. [6]

[6] HESA Finance Plus 2016/17 dataset, March 2018

Total for all UK HEIs	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	7 year % change
Total Staff costs as a % of Total income	56.6%	56.2%	55.5%	55.2%	55.4%	54.9%	54.6%	52.9%	6.54%
Total Capital expenditure	£3.61 billion	£3.73 billion	£2.79 billion	£3.11 billion	£3.90 billion	£4.28 billion	£4.58 billion	£4.87 billion	34.90%
Total Income	£26.80 billion	£27.56 billion	£27.92 billion	£29.14 billion	£30.74 billion	£33.20 billion	£34.74 billion	£35.67 billion	33.10%
Surplus/Deficit for the Year	£0.82 billion	£1.20 billion	£1.11 billion	£1.08 billion	£1.18 billion	£1.58 billion	£ 2.34 billion	£2.27 billion	176.83%
Total reserves	£12.33 billion	£14.64 billion	£14.75 billion	£17.90 billion	£19.44 billion	£21.24 billion	£40.48 billion	£44.27 billion	259.04%

Gender Pay

Nationally-agreed action for institutions to close the gender pay gap by 2020 by taking the following steps:

The joint unions are calling on UCEA and individual universities to close the gender pay gap across the whole workforce by 2020. Every year the official pay data in UK higher education shows continuing, shameful and persistent pay inequality. UK universities promote the values of equality, yet it is nearly 50 years after the Equal Pay Act the sector still has huge gaps in the pay of men and women. Whilst the gender pay gap in higher education may have reduced, there is still a significant problem that needs to be addressed with an overall median sector pay gap of 12.2% and a mean sector gap of 12.0% for academic staff and gaps of 11.1% (median) and 9.9% (mean) for professional support staff. Progress to eliminate the gap remains too slow, at the current rate of change it would take another 40 years to close this gap.

For a third year the joint unions are calling for clear and decisive steps to be taken by the national employers in overseeing action planning by universities to finally tackle the gender pay gap. The action taken by a small minority of universities shows that it is possible to eliminate the gender pay gap should the will be there. Over the past few years joint union/employer work has established best practice, case studies and benchmarking. The time has now come for universities to agree clear action plans with the unions to ensure that this problem is addressed and eliminated in a systematic and strategic way. We require all HEI’s to identify reasons for their gender pay gap to their joint negotiating committee and what actions each HEI is going to do to address issues to eradicate the gender pay gap.

In 2017 the median and mean salaries for all staff in HE were reported by ASHE[1] showing that male salaries continue to rise more quickly than women's in HE:

	Median	% change	Mean	% change
All staff	32,137	2.0	34,006	1.5
Male	36,769	1.7	38,987	2.0
Female	27,509	1.5	29,164	1.0

Working proactively to eliminate the gender pay gap makes business sense, makes moral sense and shows staff that the sector is committed to tackling this entrenched discrimination.

Higher Education (HESA 2015/16 data)

- The gender pay gap across HE equates to a shortfall of £5,576 (median) and £5,983 (mean) per year for each female academic working in HE. In total, this difference in average pay is a gender pay gap of £545 million (mean) or £508 million (median) per year. The total salary spend on female academics is £1.5 billion less than it is for male academics
- At 156 HEIs women are paid less than men, on average, and at only 8 HEIs are women paid equal to or more than men
- The gap is larger at the so-called 'elite' Russell Group institutions (15.1%)
- While over half of all academics are women, only 24% of Professors are women. It is clear that women are not being promoted to the top academic posts.

The joint unions are seeking:

A sectoral commitment to close the gender pay gap by 2020.

Workload

Increasing workload and work related stress are issues for all grades and roles across campus.

The trade unions wish to make it explicitly clear that actions need to be taken by employers to reduce unsafe and excessive workloads, and that such workloads in effect mean staff are doing more work for less pay.

In 2016 UCU conducted a thorough survey of workloads in the higher education sector.

A total of 12,113 higher education members provided responses, and provided a clear indication of how working hours and workloads have increased in recent years; how our members' jobs have changed and how they are expected to do more in less time.

The headline findings of the survey were:

[1] https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/datasets/industry4digitsic2007ashetable16

- Academic staff working across all disciplines at all types of universities work an average of 50.9 hours FTE per week. This is 37.6% above the usual contract of 37 hours per week and amounts to almost two free days of work per week.

- Nearly four in ten (39.0%) of academics work more than 50 hours per week and a staggering 28.5% of academic staff work an average of more than 55 hours per week

- Professors (56.1 hours), principal research fellows (55.7 hours) and teaching assistants (54.9 hours) reported the highest average FTE hours per week

- A significant proportion of academic staff say are working unreasonable, unsafe and excessive hours (12.8%)

- The vast majority of all staff (83.1%) reported that the pace or intensity of work has increased over the past three years

- Across all staff working in HE, More than a quarter of respondents (28.8%) said that their workloads were unmanageable all or most of the time. Two thirds of staff (65.5%) stated that their workload was unmanageable at least half of the time

Total academic staff costs in 2015/16 were £9.96 billion. The unpaid additional work done by staff in HE amounts to an approximate total of £374 million per year.

The mean average salary for all staff employed on academic contracts in 2015/16 was £47,001[7], and the ONS puts the median figure for HE teaching professionals at £49,197.

Using the lower mean average figure, the average academic is providing approximately £17,672 of unpaid labour each and every year.

Therefore, our joint claim incorporates a demand for partial compensation for the significant unpaid and unrewarded work undertaken by staff in higher education over recent last years.

The trade unions are clear that a payment in recognition of the excessive workloads for this year does not mean we accept that a long hour’s culture is acceptable – we do not. Preventing the issue arising in the first place needs to be addressed.

Precarious and casual contracts

Some universities rely on hourly-paid staff to do as much as half of all their teaching. The trade unions view is that the true scale of universities' reliance on an hourly-paid workforce is impossible to quantify because many refuse to hand over the data.

- Some universities may use hourly-paid staff for up to 50% of their teaching

- Data suggests, on average, universities use hourly-paid staff for 27% of their teaching

- Majority of universities refuse to come clean about their use of hourly-paid teaching staff

A total of 96 did not complete the UCU FOI request. Thirty-six ignored the request and 60 said they did not hold the full information or it would take too long to obtain it.

[7] HESA staff record, bespoke dataset, 2015/16

UCU submitted a Freedom of Information request to universities. Using the data generated by the 38 universities who did return information, the union estimates that most universities use hourly-paid teachers for between 15 % and 40% of their teaching, with an average of 27%.

A report by UCU in 2015 found that 40% of university staff on insecure contracts said they earned under £1,000 a month. Almost a fifth (17%) said that they struggled to pay for food and a third (34%) said that they struggled to pay rent or mortgage repayments. A similar amount (36%) said that they struggled to pay household bills like fuel, electricity, water and repairs

The joint unions are seeking a commitment from UCEA to a joint call for universities to commit to a new institution-level action plan to create greater security of employment. The joint call to institutions will set out that each institutional action plan should be agreed with the relevant unions and should include as appropriate, specific commitments to:

- Begin time-limited negotiations with the relevant unions
- Commit to ending the use of zero hours contracts
- End the use of worker arrangements for teaching staff in favour of employee contracts
- Transfer more hourly paid staff onto fractional employment contracts
- Commit to moving more research staff onto open-ended contracts and work with unions on action plans to create greater employment security for researchers.

As part of the joint call, universities will be invited to submit jointly agreed action plans for review by July 2018 and to report on progress against these plans in time by December 2018 to inform the following pay round.

A joint monitoring group will assess universities' success in developing and then implementing plans and will report to JNCHES in December 2018. A joint report will then be written and co-authored by the unions and UCEA and published in January 2018 updating on the sector's progress.

Scottish JNCHES

The New JNCHES Agreement expressly acknowledges the reality of the establishment of devolved HE sectors for the devolved administrations within the UK, and that a sub-committee of the NEW JNCHES Committee may be formed to look at HE issues for any of the devolved administrations. There is clear evidence that there are some diverging trends and structures emerging with Scotland relative to the rest of the UK. The fair work convention is Scotland specific, and a Scottish JNCHES would need to ensure that this is embedded within Scottish HEI's and is beyond the scope of the full JNCHES. A Scottish JNCHES provides the appropriate forum for legitimate discussion and engagement on this issue.

For this reason, the trade union seek the activation of the Scottish New JNCHES Sub-Committee to look at Scottish issues.

Over the past year, the importance of having a Scottish sub-committee has become more pronounced. The ways in which Brexit will affect Scottish universities may be different from HEIs in England given the different funding and tuition fee regimes. The Higher Education Governance (Sc) Act 2016 is being gradually implemented, with dialogue taking place on this and other key sectoral employment issues in Scotland already taking place out with New JNCHES.

The trade unions claim is to establish the Scottish Sub-Committee of New JNCHES as set out under the New JNCHES Agreement. The main purpose of the sub-committee would be to deal with matters not currently being dealt with at the New JNCHES Committee.

Conclusion

Based on all of the data presented above, it is clear that HEI's are able to fund pay increases and to meet our claim. Whilst there is economic and political uncertainty the HE sector is able to address the increasingly acute problem of sub-inflationary pay rises highlighted in this pay claim.

The unions are concerned that the increasing downward wage pressures and upward workload pressures are creating institutions in which morale is suffering. This claim provides clear ways in which pay, discrimination, workload, and employment practices can be addressed.

HE staff contribute in so many ways to delivering the world class education at British HEIs and need and deserve a pay rise as well as working conditions which provide stable and fair employment.

Now is the time for employers invest in their biggest asset when global competition is increasing and the UK's position in relation to potential students and staff, in the EU and beyond, is uncertain.

This claim is a reasonable one and an accurate reflection of the key concerns of our members working in universities across the country. The unions believe that this claim should form the basis for a pay offer that we can recommend to our members. This pay claim aims to ensure that everyone is valued and that the hard work of all is recognised and rewarded.

Appendix B - New JNCHES negotiating round 2018-19:

Detail of the final offer made by the employers at the negotiating meeting on 10 May

At the third and final negotiating meeting, held on 10 May 2018, the employers made the following final composite offer and response on all elements of the joint trade union claim:

1. Pay elements

1.1 An offer of a base pay uplift of 2% on the New JNCHES pay spine points or £425, whichever is the higher, from 1 August 2018. In responding to the trade union request to address increases towards the lower paid, there would be higher (above 2%) increases up to point 15 on the pay spine values, as follows:

2018-19 – Illustration of the £425 increase on points 2 to 15

Pay point	Annual salary value from 1 August 2018	Percentage increase on 1 August 2017 values
2	15842	2.76%
3	16146	2.70%
4	16460	2.65%
5	16766	2.60%
6	17079	2.55%
7	17408	2.50%
8	17751	2.45%
9	18189	2.39%
10	18688	2.33%
11	19202	2.26%
12	19730	2.20%
13	20275	2.14%
14	20836	2.08%
15	21414	2.02%

Note: Percentage increases are rounded to two decimal points.

1.2 On London Weighting, the employers would make a recommendation that those post-92 institutions that retained a separate London Weighting allowance would increase this by the same amount as the 2% base uplift.

1.3 If an HEI is in serious financial difficulty it may defer implementation of the above increases by up to 11 months in order to minimise job losses.

1.4 It was acknowledged that the projections[8] for future increases in National Living Wage, i.e. from April 2020 and subsequent years, will be a matter for some HE institutions to consider in the future. This is more likely to be the case where a 37 hour working week operates. This may require a review of the use of lower pay spine point(s) and grading arrangements; a matter for institutional determination that an HEI would take forward in discussion with their recognised trade unions.

2. Other elements

2.1 **On gender pay:**

UCEA has done much to ensure that the Gender Pay Gap joint work done under the auspices of New JNCHES has been well-used by higher education institution (HEIs) and it provides links to all the sector-level joint work done with the HE trade unions, including:

- The 2015 New JNCHES Gender Pay Working Group Report (with HEI case studies to understand the nature of gender pay gaps and how to address them).
- The 2016 New JNCHES Higher Education gender pay gap data report (a detailed look at sector-level HESA and ONS gender pay gap data).
- Annual updates of the 2016 New JNCHES gender pay benchmark data including UCEA Briefings on HE gender pay gap infographics, Examining the gender pay gap in HE.
- The 2018 New JNCHES Equal Pay Reviews and Gender Pay Gap Reporting Guidance for HEIs.

The employers are also very committed to closing the gender pay gap and concur with the trade unions' view that it is through actions at HEI level, as well as tackling wider societal challenges, that progress will be made in closing the gender pay gap.

There have been three years of successful sector-level work through New JNCHES on this issue, with more to come this year. It will be useful to take stock of the findings from the current work on HEIs' action planning and the involvement of recognised trade unions, and consider the learning from HEIs' interventions and narratives. The publication of gender pay gaps this March /April by all larger employers in England has been a watershed moment. Statutory reporting has shown that no sector is immune from the difficulties presented by this important issue. We also note that sector-level work on this issue is being undertaken by Advance HE; this will be a qualitative examination of the gender pay gap narratives submitted by HEIs in England, to be published in June 2018. Advance HE says it will be aiming to "contextualise the statistical data, explore the explanations given by HEIs for their gaps, and highlight their current or proposed policies to mitigate this inequality".

As part of a composite settlement in 2018-19, UCEA offers:

i) A New JNCHES working group has just begun (in April 2018) new sector-level joint work which focuses on the action planning that HEIs are undertaking to tackle the gender pay gap[9]. This comes at a time when there is an intense spotlight on gender pay gaps, from

[8] The latest Low Pay Commission forecasts are available in its December 2017 report on page 172 (Table 5.4) https://www.gov.uk/government/publications/national-minimum-wage-low-pay-commission-report-2017

[9] The agreed Terms of reference for the current work, together with links to published joint reports, are available at http://www.ucea.ac.uk/en/empres/paynegs/new-jnches/joint-working/index.cfm

the media, Government, employees, trade unions and employers, following the first statutory publications of data by employers in England. The aim will be to conclude this work and launch a report of its findings in the autumn of 2018.

ii) In order to assist the momentum for continuing progress in closing the gender pay gap in the period to 2020, UCEA and the trade unions will use the established annual calendar for New JNCHES engagement to maintain an overview of sector-level data and developments. To do this the parties would use the autumn 'special' meetings of JNCHES and the Strategic Issues meetings organised in the spring and agree that gender pay gap would be a substantive item on the agendas for these meetings.

2.2 **On casual employment**

The employers remind the trade unions of the substantial work already undertaken on this topic. A particularly successful piece of past joint work related to the improvement of sector-level data; the parties were able to agree a set of recommendations to HESA and these were subsequently adopted in full. This has been a significant development which will mean that the individualised Staff Collection for 2017-18 will for the first time incorporate new markers for 'zero hours contract' and 'hourly paid contract', which will enable an assessment of the extent of such 'variable' employment arrangements.

The New JNCHES negotiations for 2016-17 also led to an agreement that the parties would jointly work on a project with two strands: one looking at variable hours working as an alternative to 'zero hours' and one at support available to staff on fixed-term contracts delivering teaching. This work commenced in early 2017 and, whilst it was disappointing to the employers that the trade unions decided to pull out of the working group in autumn 2017, the employers recognise that these employees are an important part of HEIs' workforces and see value in producing new material to help employers reflect on their practices. UCEA will, therefore, be concluding this work in consultation with a working group of representatives from HEIs. The report will be published within the next fortnight and will incorporate a framework of considerations intended for the managers of those engaged on fixed-term contracts.

The trade unions have indicated that they are keen to see 'actions' in HEIs and UCEA encourages the trade unions to use their status as the recognised employee representative bodies in individual HEIs to raise any specific concerns they have regarding arrangements in that HEI. We point also to the existing framework that is available in the form of the New JNCHES principles on the employment of casual and fixed term staff.

As part of a composite settlement in 2018-19, the employers offer:

iii) Recognising the trade unions' concerns about the casual workforce, the parties recommend that the New JNCHES principles **underlying good practice in fixed-term and casual employment** (from 2002) can be used as a 'framework' within HEIs at such time as they undertake reviews of their arrangements. HEIs are encouraged to seek input from their recognised trade unions.

iv) With the aim of improving our shared understanding of the extent of fixed term and variable employment arrangements across the HE workforce, the parties commit to undertaking a joint sector-level review of the 2017-18 staff record data focusing on the new 'hourly-paid' and 'zero hour' markers. The 2017-18 record will be published by January 2019 and the parties will convene a steering group for this work before then (in late autumn of 2018) to agree the data specification required in order to undertake a thorough sector-level analysis. Both parties (employers and trade unions) would withhold commentary on analysis using the new data fields until this work is completed.

2.3 **On workloads**

HEIs have mature health and safety cultures, with leaders, managers and staff representatives well aware of their health and safety responsibilities. For a range of HE roles, including academic roles which have very high degrees of autonomy and self-direction, HEIs will appreciate the importance of staff working within maximum working hours under the Working Time Regulations 1998, where staff have not opted out (an average of 48 hours a week over a 17 week period). Workplace health and safety committees are widely found and the trade unions are given facilities to enable the activities of designated health and safety representatives.

Employee concerns about their working hours and any concerns regarding impact on their health must be dealt with on an individual basis with the employer. Under the Health and Safety at Work etc. Act 1974 (Section 2), employers have a duty “to ensure, so far as is reasonably practicable, the health, safety and welfare at work of [its] employees". This includes an obligation to provide and maintain systems of work and a working environment which are, as far as is reasonably practicable, safe and without risk to health. Safe systems of work would cover working hours. The duty of care is owed to each employee as an individual and trade unions can support their members in this regard. There are many available resources to support HEIs in their management of stress and this will be supported by the ‘stress and mental wellbeing resource pack’ that has now been developed by UCEA and trade union representatives through the Higher Education Safety and Health (HESH) Forum.

The trade unions have raised in the New JNCHES negotiations this year an explicit claim for “payment to recognise excessive workloads”. The employers regard this as inappropriate to be addressed in negotiations on the uplift to the national pay spine and would expect recognised trade unions to pursue any claim about an “excessive workload” that they wish to support in respect of individual staff members at institutional level.

The employers recognise that a ‘long hours culture’ can have damaging effects for individuals and consequently for organisations. If there are expectations around ‘long hours’ in more senior roles, these may also be a potential factor in deterring those with caring responsibilities, including many women, from seeking promotion and may have a negative consequences on progress in closing the gender pay gap. A TUC report looking at the whole UK economy in 2008 noted, “The TUC's primary concern has been the impact of long hours on health. However, we are also concerned that so many senior positions disproportionately rely on long hours. This will help to exclude women from those roles, since they still bear the greater part of caring responsibilities.”[10]

As part of a composite settlement in 2018-19, UCEA offers:

Workload and working hours are not matters for New JNCHES as these are for institutional level determination. The parties do, however, note the potential negative consequences of excessively long hours for individuals and organisations and encourage the consideration of the potential presence of ‘long hours culture’ within HEIs’ staff health and wellbeing strategies, as would be appropriate in any other organisation.

2.4 **On a Scottish sub-committee of New JNCHES:**

The employers explained the position that a case has not been accepted for there being specific matters within the scope of New JNCHES negotiations where it would be appropriate to convene a Scottish sub-committee and presented a paper summarising the collective position following further consultation with the relevant HEIs. As agreed, the trade unions had provided examples of topics they believed were New JNCHES issues with a Scottish dimension that would not be dealt with under the main New JNCHES committee. The employers had discussed the matter with UCEA Board members and had also sought the direct input and views of the 15 Scottish HEIs participating in the 2018-19 JNCHES pay round on the topics raised by the trade unions, sharing with those HEIs the paper as presented by the trade unions amplifying this matter in their Claim, received on 23 April 2018. The responses from the employers on each point were set out in a paper circulated to

[10] TUC report, ‘The return of the long hours culture’ (https://www.tuc.org.uk/sites/default/files/extras/longhoursreturn.pdf)

the trade unions on 9 May[11]. In summary all of the 15 participating Scottish HEIs were supportive of New JNCHES role as a UK-wide negotiating body and noted that the specific Scottish issues were either being dealt with at institutional level and/or discussed at the forum for Scottish discussion convened by Universities Scotland.

The Scottish HEIs would offer assurances that they are actively engaged with their recognised trade unions at an institutional level on employment matters with a Scottish dimension such as the Fair Work Convention and the Equally Safe Policy. They are clear however that these are not matters which they would address through multi-employer negotiating arrangements of the kind the trade unions are seeking through the request to use the New JNCHES machinery.

[11] Both the trade unions' paper of 23 April 2018 and the Employers' response dated 9 May 2018 are available at http://www.ucea.ac.uk/en/empres/paynegs/Current-Pay-Negotiations/index.cfm