University and College Union

UCUBAN/HE29 21 March 2018

University and College Union
Higher Education Branch Action Note

To	**All Higher Education Branch Secretaries, Presidents and Chairs**
Topic	**National Claim 2018/2019**
ACTION:	**To note the submission of the Joint HE Trade Union National Claim; to circulate to members and encourage branch discussion and campaign activity**
Summary	**The National Claim has been agreed by all five HE trade unions and has been submitted to the Universities and Colleges Employers Association (UCEA) and can be found in this circular. The first New JNCHES meeting is on Monday 26 March.**
Contact	Paul Bridge, Head of HE pbridge@ucu.org.uk

Dear Colleagues

The Joint Higher Education Trade Union National Claim has been agreed by the five HE trade unions; UNISON, Unite, EIS, GMB and UCU, and has been submitted to UCEA in advance of the first New JNCHES negotiating meeting on 26 March.

The claim, which covers pay, equality, workloads and precarious contracts, is attached to this circular.

Branches are encouraged to circulate to members, to discuss at branch meetings to consider campaign activity.

Background

In recent pay rounds, HE sector conference and the HEC have agreed the principles and specific demands that UCU should discuss with the other unions and seek to have included in any joint claim:

- pay claim principle of 'keep up and catch up'
- gender pay equality
- the reduction in precarious contracts
- Workload

At its meeting in October 2017, HEC agreed two pay motions based on these principles which then formed the basis of discussions with the HE unions in regards to the development of the joint claim for 2018/19.

A meeting of joint HE union negotiators took place on 29 January 2018 where the following pay claim elements were discussed and taken back to HEC for consideration.

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

At the HEC meeting earlier this month, HEC agreed the progress in the development of the claim to date and considered the pay campaign. Further discussions then took place with the other unions.

HEC considered the popularity of the local gender pay and anti casualisation claims and campaigns with branches. HEC also agreed to develop a campaign that included,

- VC, Principals and senior pay
- The sectors ability to pay, the expenditure on new buildings and declining staff pay
- Gender pay
- Action on precarious contracts and casualisation
- Workloads

HEC approved that materials will be developed in line with these campaign objectives and distributed to branches to support the campaign.

HEC also approved that the final development and sign off of the joint claim be delegated to the HE national negotiators. The HE negotiators and the other trade unions agreed the claim on 21 March, the claim is attached below.

The New JNCHES negotiating timetable is;

Monday 26 March	First new JNCHES meeting
Friday 13 April	Second new JNCHES meeting
Thursday 10 May	Third new JNCHES meeting

Branches will be updated with developments during the negotiations.

Paul Bridge
Head of Higher Education

Action required
To note the submission of the Joint HE Trade Union National Claim.
To circulate to members and encourage branch discussion and campaign activity.

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.

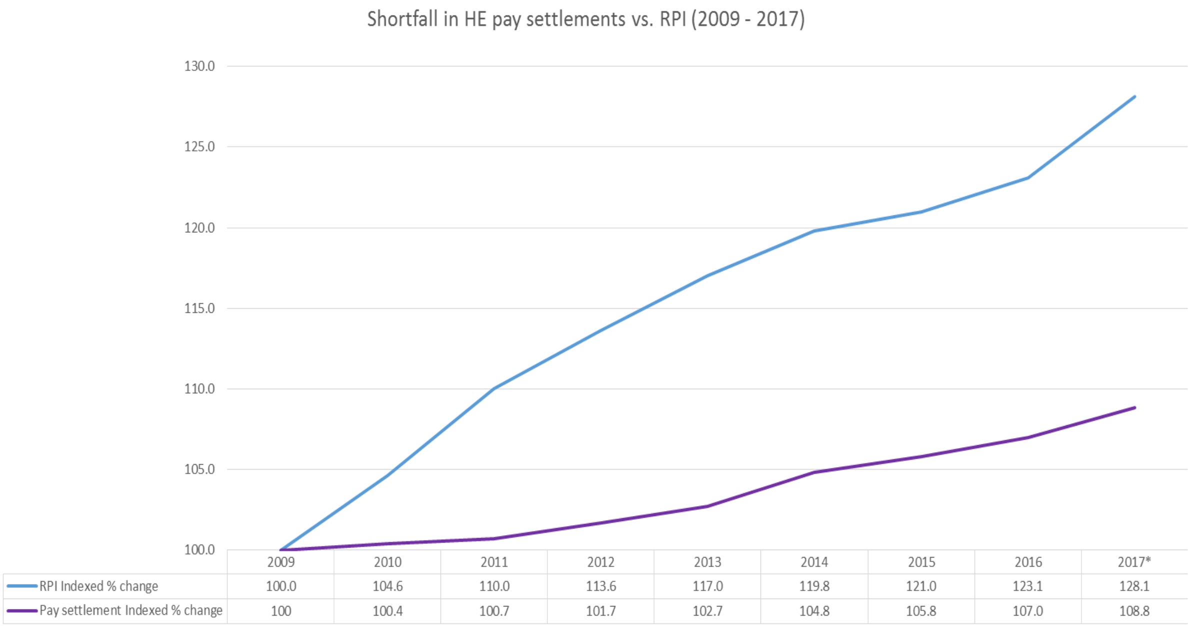
Loss in value of pay

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

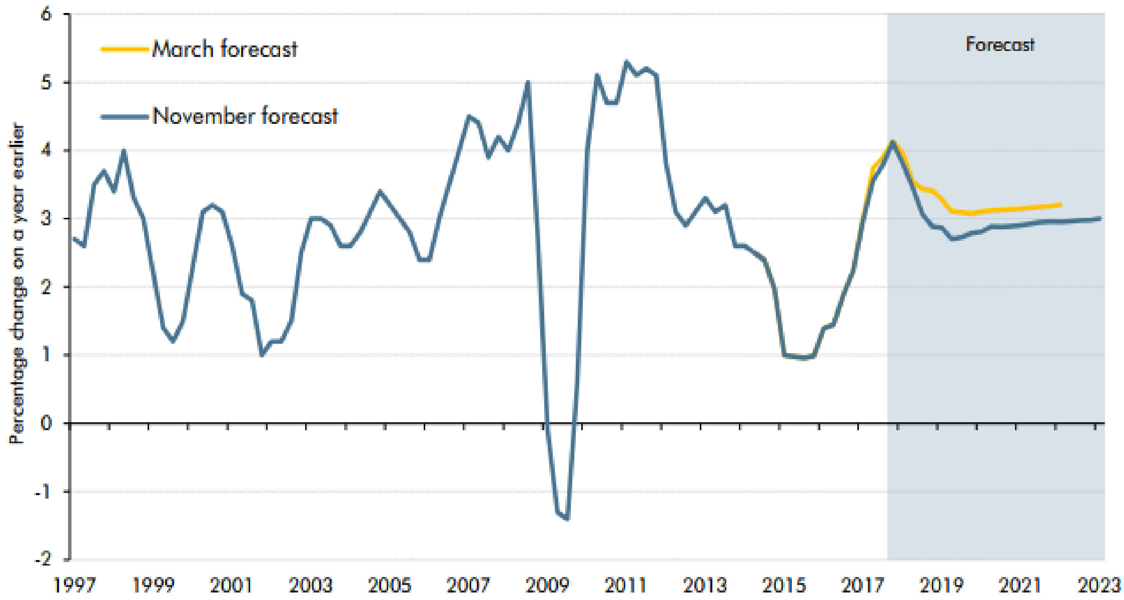
The most recent RPI figure, for December 2017 and published in January 2017 is 4.1%.

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]

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%.

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

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

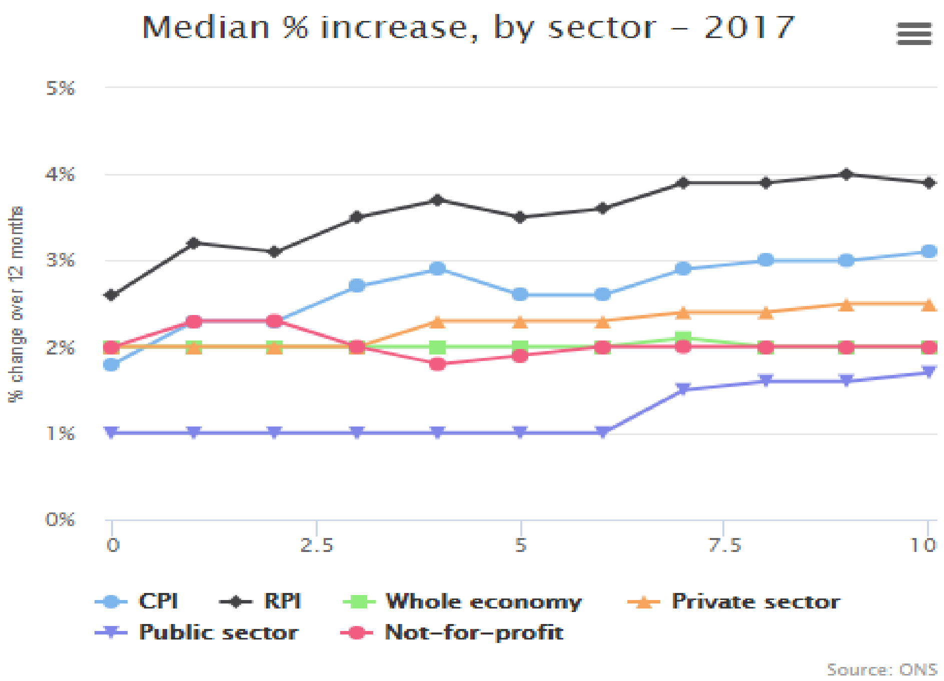
[3]

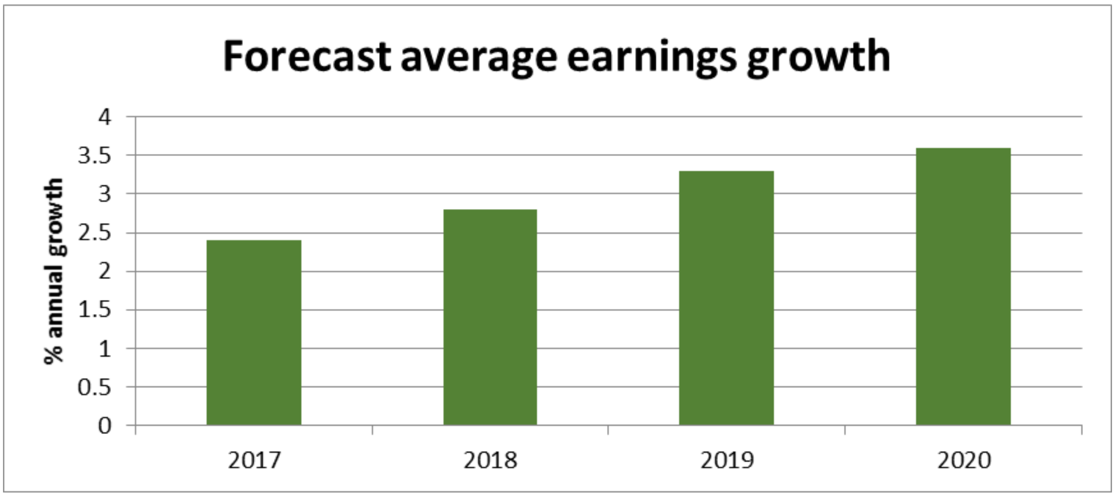
[4] http://www.incomesdataresearch.co.uk/economy-pay-awards-rise-to-2-3/

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 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

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

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]

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%

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

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.

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

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:

- 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. .

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

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

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.