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4 April 2023

To the Joint Trade Unions' Local Pay Representatives

Dear Colleagues,

Without prejudice

As we open the 2023/2024 local pay negotiations with UCU, Unite and UNISON (the Joint Trade Unions or JTUs), the College representative negotiating team are entering into these negotiations in good faith with the aim of ensuring that we are able to offer a fair and sustainable base pay award for all our staff.

At our meeting on 31 March 2023 we reiterated the College position which is that we consider the 2022/23 negotiations closed.

As our recognised JTUs, you attended the University Management Board meeting on 28 March 2023 to present your claim and we understand that the over-riding objective of your pay claim continues to be “to maintain the value of median pay at Imperial since 2005”, against a backdrop of high inflation.

We were saddened to read the personal accounts from your members of how the rising costs have affected them. We acknowledge the impact that continuing high levels of inflation are having on costs of living, including high energy prices, rent and food prices. Given these unprecedented times, we would be open to making a two-year offer if this would help your members. This could include bringing forward an element of the 2024/25 pay award.

Since 2005 the cumulative percentage increase of the College pay awards has been up to 45.8% (Appendix A). This is greater than the cumulative percentage increase of the national pay awards in the same period, when local pay bargaining was introduced – with national awards up to 35.9% (2022), this is a difference of 9.9 percentage points. We do however recognise and acknowledge that this has not fully matched inflation.

We note that your pay claim predominately focuses on the impact of inflation on base pay, while the University Management Board has to consider the wider Total Remuneration Package (TRP) when reviewing the specific level of investment to be made in the pay award. The College's TRP approach considers all elements of pay and benefits received by staff. From the start of the current academic year up until the end of February, the College has invested an average of 5.6% in salaries (please see the continuous employee analysis table at Appendix B). This includes the annual automatic increments that benefit circa 50% of staff. For eligible academic, teaching and research staff, this automatic increment corresponds to an average increase of 4.3%; for professional, technical, operational and learning staff, this constitutes an increase of 2.5% – and these are both *on top of* any across-the-board base pay rise. The College also completes an annual review of the College salaries against external national benchmark data (the latest information was published in July 2022) and for all grades the College is ahead of our relevant markets.

Cost of your pay claim

We welcomed the opportunity on 17 February 2023 to provide you with an update on the College's finances to inform your pay claim. Your headline claim is for an across-the-board inflation increase of 10.5%, which would be a recurring cost of circa £58m (including £18.7m externally funded costs).

We note your pay claim also requested an early implementation date of May 2023.

College Pay Offer 2022/23

The University Management Board appreciates the efforts that you make on an annual basis as part of this process to represent the best interests of our staff. The Board are committed to supporting our staff during this difficult time and have carefully considered your pay claim, which you presented at the March Board meeting.

The Board considered the affordability of any pay award in the context of the College's current financial position. They compared the year-to-date financial position up until the end of February 2023 with the same period in the prior year. Income has risen by £73m but this has been matched by an equivalent rise in expenditure. The largest rise in income has been in donations and endowments (£19m) but this is for specific purposes. The increase in income from tuition fees and education contracts has been £16m, with fee rates advertised before the increase in inflation seen last year. Staff costs this year are £20m higher than in the same period for last year and non-staff operating expenditure is £40m higher (the latter including increased utility costs). Looking at the financial forecast for next year, we are anticipating higher income from tuition fees which is enabling us to invest more in staff and non-staff operating expenditure – the former needs to cover the cost of additional staff as well as the pay award.

With this in mind, our pay offer for 2023-24 equates to a recurring cost of circa £26.9m (including up to £9.3m externally funded costs). At our meeting on 31 March 2023 we asked for your views on how the award should be configured and you shared with us that you would respond once you received the formal offer letter. We have therefore configured our offer recognising the greater impact of the current economic position on our lower-graded staff and we have capped the increase at the top end – please see the new proposed pay scale at Appendix C.

The offer is distributed as follows:

- 5.2% across the board increase subject to a:
 - £2,000 minimum payment
 - £4,000 maximum payment

This will mean an increase of 10.5% for the lowest pay point. As mentioned earlier in this letter, this is in addition to circa 50% of staff receiving an automatic incremental salary increase on top in October 2023.

As you suggested, this offer will be placed on the College Local Pay Bargaining website, two hours after it has been sent to you.

We look forward to discussing this pay offer at our next meeting, including the option of bringing forward an element of the 2024/25 pay award.

Yours sincerely

Audrey Fraser on behalf of the College negotiating team

*Cc: Harbhajan Brar – Director of HR
Richard Craster – Dean of the Faculty of Natural Sciences
Peter Haynes – Vice Provost (Education & Student Experience)
Tony Lawrence – Director of Finance
Tim Venables – Faculty Operating Officer, Faculty of Engineering
Lynne Cox – Director of Research Office
Jane Neary – Director of Campus Services
Olivia Anderson – Reward & Policy Adviser*

*CC: Staff side representatives
Tom Pike – UCU
Vijay Tymms – UCU
Amanda Sackur – UCU
Tanya Hunt – Unison
Boyanna Petrovich – Unison
Susan Parker – Unite
Andrew Murray – Unite
Ahlam Khamliche – Unite*

Appendix A

College increases in comparison to National

Date of increase	Higher Education	Imperial College London
1 August 2005	3.4%	3.4%
1 August 2006	Higher of 3% or £515	Higher of 3% or £590
1 February 2007	1%	1.2%
1 August 2007	3%	Higher of 3% or £490
1 May 2008	Higher of 3% or £240	3%
1 October 2008	5%	5%
1 August 2009	0.5%	0.5%
1 August 2010	0.4%	0.5%
1 August 2011	£150 (0.5%)	Higher of 2% or £500
1 August 2012	1%	Higher of 1% or £800
1 August 2013	1%	2%
1 August 2014	2%	2%
1 August 2015	1% (with up to 2.65% on points 1 to 8)	Higher of 1% or £450
1 August 2016	1.1% (with up to 3.1% on points 1 to 7)	1.2% on first £61,000, 0.5% on above
1 August 2017	1.7% (with up to 2.4% on points 1 to 16)	2% on first £67,110, 0.5% on above (except SP1 which received 3%, and SP2 which got 2.5%)
1 August 2018	Higher of 2% and £425	Higher of 3% or £1,000 – subject to maximum increase of £3,000
1 August 2019	1.8% (with up to 3.65% on points 2 to 16)	5.3% to 1.5% (£1,080)
1 August 2020	0	1.6%
1 August 2021	1.5%	1.8%
1 August 2022	3.0% (with higher uplifts for lower spine points)	3.3% (subject to minimum increase of £1,500 and £3,300 maximum payment). Higher % increases awarded to lowest spine points

Appendix B

Continuous Employee: Compares the same group of employees

Analysis has been undertaken on the application of the pay award, Pay Review exercise, promotion exercises and staff movement from July 2022 and February 2023. The analysis ranks employees by their Full Time Equivalent (FTE) basic salary in July 2022, and puts them into groups of 250 employees, with the highest salaries ranking 1-250. It compares this group of individuals' salaries against their salary in February 2023. Employees must be employed at both points in time to be included. The analysis excludes Clinical staff, NHS Nurses, Senior Research Investigators and those on zero or variable hours contracts.

The table below compares each group's average salary across the two periods mentioned. This is then shown as a percentage difference from their previous average salary. Higher average salaries in February 2023 include incremental movements and increases as a result of the 2022 Pay Review exercise. It shows an average increase of 5.6%.

Note this is showing pay increase for those at Imperial in Jul 2022 and Feb 2023. It excludes those on zero or variable hour contracts, Clinical Academics, Clinical Researchers, Nursing Grades and Senior Research Investigators.

Rank of 'Continuous Employee' in Jul 2022	Average FTE IC Basic Salaries Jul 2022	Average FTE Basic Salaries Feb 2023	Difference in Ave FTE Basic Salaries	Average of % Difference of Salary
1-250	£160,352	£165,417	£5,064	3.2%
251-500	£105,646	£109,672	£4,026	3.8%
501-750	£89,240	£93,039	£3,799	4.3%
751-1000	£77,977	£81,700	£3,723	4.8%
1001-1250	£71,526	£75,107	£3,581	5.0%
1251-1500	£68,833	£71,801	£2,968	4.3%
1501-1750	£66,188	£70,305	£4,117	6.2%
1751-2000	£62,414	£66,421	£4,007	6.4%
2001-2250	£59,773	£62,575	£2,801	4.7%
2251-2500	£57,560	£61,116	£3,556	6.2%
2501-2750	£54,470	£57,972	£3,501	6.4%
2751-3000	£51,505	£54,672	£3,168	6.2%
3001-3250	£49,341	£51,872	£2,531	5.1%
3251-3500	£49,210	£51,439	£2,229	4.5%
3501-3750	£48,250	£50,153	£1,902	3.9%
3751-4000	£47,225	£50,914	£3,689	7.8%
4001-4250	£45,647	£48,843	£3,197	7.0%
4251-4500	£44,710	£48,063	£3,353	7.5%
4501-4750	£43,227	£46,623	£3,397	7.9%
4751-5000	£41,738	£45,002	£3,264	7.8%
5001-5250	£40,664	£43,424	£2,760	6.8%
5251-5500	£39,720	£42,021	£2,301	5.8%
5501-5750	£38,574	£40,585	£2,011	5.2%
5751-6000	£37,516	£40,336	£2,820	7.5%
6001-6250	£35,538	£38,261	£2,723	7.7%
6251-6500	£33,720	£35,972	£2,252	6.7%
6501-6750	£30,883	£33,424	£2,541	8.2%
6751-7000	£24,613	£26,702	£2,089	8.5%
7001-7043	£21,958	£25,241	£3,284	15.0%
Grand Total	£56,078	£59,200	£3,121	5.6%

Appendix C

52 point pay scale

Spine Point	Proposed for 2022 / 2023	%age Increase of proposed on current	£ Increase of proposed on current
Representative fixed salaries	£304,000	1.33%	£4,000
Representative fixed salaries	£254,000	1.60%	£4,000
Representative fixed salaries	£204,000	2.00%	£4,000
Representative fixed salaries	£154,000	2.67%	£4,000
Representative fixed salaries	£104,000	4.00%	£4,000
Representative fixed salaries	£94,000	4.44%	£4,000
Representative fixed salaries	£84,000	5.00%	£4,000
52	£80,471	5.20%	£3,978
51	£78,214	5.20%	£3,867
50	£76,106	5.20%	£3,762
49	£74,125	5.20%	£3,664
48	£72,126	5.20%	£3,566
47	£70,202	5.20%	£3,471
46	£68,315	5.20%	£3,377
45	£66,485	5.20%	£3,287
44	£64,750	5.20%	£3,201
43	£63,036	5.20%	£3,116
42	£61,345	5.20%	£3,033
41	£59,772	5.20%	£2,955
40	£58,197	5.20%	£2,877
39	£56,680	5.20%	£2,802
38	£55,187	5.20%	£2,728
37	£53,773	5.20%	£2,658
36	£52,409	5.20%	£2,591
35	£51,055	5.20%	£2,524
34	£49,769	5.20%	£2,461
33	£48,523	5.20%	£2,399
32	£47,357	5.20%	£2,341
31	£46,159	5.20%	£2,282
30	£45,072	5.20%	£2,228
29	£43,996	5.20%	£2,175
28	£42,932	5.20%	£2,123
27	£41,933	5.20%	£2,073
26	£40,902	5.20%	£2,022
25	£39,989	5.26%	£2,000
24	£39,141	5.38%	£2,000
23	£38,283	5.51%	£2,000
22	£37,477	5.64%	£2,000
21	£36,680	5.77%	£2,000
20	£35,904	5.90%	£2,000
19	£35,201	6.02%	£2,000
18	£34,456	6.16%	£2,000
17	£33,773	6.29%	£2,000
16	£33,132	6.42%	£2,000
15	£32,491	6.56%	£2,000
14	£31,850	6.70%	£2,000
13	£31,281	6.83%	£2,000
12	£30,712	6.97%	£2,000
11	£30,163	7.10%	£2,000
10	£29,595	7.25%	£2,000
9	£29,088	7.38%	£2,000
8	£28,561	7.53%	£2,000
7	£28,075	7.67%	£2,000
6	£27,599	7.81%	£2,000
5	£27,185	7.94%	£2,000
4	£26,761	8.08%	£2,000
3	£26,742	10.00%	£2,000
2	£26,453	10.00%	£2,000
1	£26,205	10.50%	£2,000

29 point pay scale

Spine Point	Proposed for 2019 / 2020	%age Increase of proposed on current	£ Increase of proposed on current
Representative fixed salaries	£304,000	1.33%	£4,000
Representative fixed salaries	£254,000	1.60%	£4,000
Representative fixed salaries	£204,000	2.00%	£4,000
Representative fixed salaries	£154,000	2.67%	£4,000
Representative fixed salaries	£104,000	4.00%	£4,000
Representative fixed salaries	£94,000	4.44%	£4,000
Principal Research Fellow / Professor/Teaching Fellow (Level 7)/Professor of Education	£88,491	4.73%	£4,000
Senior Research Fellow / Reader/ Teaching Fellow (Level 6)/ Reader/Associate Professor of Education	£77,644	5.20%	£3,838
29	£74,970	5.20%	£3,706
28	£71,866	5.20%	£3,553
27	£68,890	5.20%	£3,406
26	£66,032	5.20%	£3,264
25	£63,305	5.20%	£3,130
24	£60,682	5.20%	£3,000
23	£58,179	5.20%	£2,876
22	£55,782	5.20%	£2,758
21	£53,478	5.20%	£2,644
20	£51,271	5.20%	£2,535
19	£49,165	5.20%	£2,431
18	£47,210	5.20%	£2,334
17	£45,334	5.20%	£2,241
16	£43,541	5.20%	£2,153
15	£41,826	5.20%	£2,068
14	£40,194	5.24%	£2,000