Context

Previous pay rounds:

In recent years, the joint trade unions have submitted claims that seek to maintain the value of pay at Imperial. Claims have been based, at least in part, on the calculations of London CPIH commissioned by College. Despite this retrospective approach, awards at Imperial have failed to maintain the value of pay. For example, we indicate below what has happened over the past two rounds of negotiations.

2021-22:

In 2021-22 the joint trades unions submitted a claim of 2.1% to match inflation. Management admitted that 2.1% was affordable but imposed a payment of 1.8% because they wanted to keep 0.3% back for bonuses. As a result, members of staff experienced an erosion of the value of their pay. We now know that despite spending a third of this money set aside for bonuses on the 10 highest earners, the College staff bill still only grew by 1.6% (i.e. less than the value of the pay award). It is clear that the College could have afforded the JTU claim.

2022-23

With the prospect of rapidly-rising inflation, the joint trades unions put in a claim to protect members of staff facing the steepest price rises in 40 years. Management imposed a pay settlement of 3.3% for the vast majority, with a cap of £3,300. This represents at least a 9.3% real-terms pay cut for all but a very few, and failed to match inflation even for the very lowest-paid.

At the same time, the basic salary of the President rose £10,000, more than three times the maximum given to staff. He also receives an accommodation allowance of almost twice the median staff wage. These are not the decisions of an institution strapped for cash.

Effect of the cost-of-living crisis

In the current crisis our members are struggling. This is not a case of members not being able to afford another holiday, but staff deciding whether they can afford to turn on their heating or eat properly. Energy prices are astronomical and will
remain high. Food inflation is at 16.7%, transport and childcare costs have risen dramatically and other basics are following suit.

The joint trades unions asked members about the impact of the real terms pay cut and in less than 24 hours we were inundated with heart-rending responses.

- 75% of respondents agreed that concern about their finances is affecting their work.
- 82% of respondents agreed that concern about their finances is affecting their well being.
- 72% of respondents agreed that they were considering seeking new employment because of the pay at Imperial.
- 60% of respondents are actively seeking new employment because of pay at Imperial.

Members (and not just in lower grades) told us about going into debt, being cold and hungry as a result of rising costs. They also reported feeling alienated and exploited by what they see as a lack of compassion towards committed employees and a short-sighted failure to invest in staff. Several also pointed out that they were considering leaving or that salaries were uncompetitive given the costs of living in London.

Many of the responses could be summed up by this comment. Further quotes can be found at the end of this pay claim.

As a PTO member with nearly 18 years of service, I have always taken pride in working for this institute. However, I am currently facing financial difficulties as a result of the pay dispute. ... Despite being a two-parent household with two incomes, the rising cost of food and energy means we are in a monthly deficit that is getting worse. While management says they understand our situation, ... [t]hey are on six-figure salaries with bonuses, while we long-serving staff are being given inadequate support. Some months and the thought passed if I should use a food bank to feed my family after using up £850 of my overdraft. This means that sometimes, the only solution is to give my child a packed lunch of a simple bread and jam sandwich. I want to remind management that we are human beings too and we deserve a warm home and decent food. We should be able to afford small treats once in a while, but that seems like a distant dream now. Sometimes, I wonder if being unemployed would be a better option as the government would take care of my mortgage, and my children would be entitled to free school meals and help with buying school uniforms. ...
Timing of the negotiations

The survey referred to above shows that it is urgent to resolve the crisis of pay at Imperial. Throughout the process the JTU have been pushing for an earlier conclusion to pay negotiations, so that any 2023-24 pay deal could be implemented earlier. Management agreed to bring negotiations forward, but only by one month. This does not appear to acknowledge the pressures on staff, nor does it appear to represent a serious attempt to speed up the process which is very disappointing given the struggles staff are facing.

For this reason we are presenting this pay claim earlier than management requested, in time for the deadline for papers for the February University Management board. We are also keeping the claim simple and limited in scope for the same reason. The joint trades unions hope this will expedite negotiations; we would like to see them concluded satisfactorily for staff as soon as possible.

Joint Unions Pay Claim 2023/24

This year, as in 2022, our claim is presented in the context of significant inflation.

Because of the size of the financial burdens mentioned above, the Joint Trades Unions wish to ensure that their claim is not based on figures that date only to 2021. As higher costs feed into inflation and hit the lower-paid far more acutely, we cannot afford to wait for these increases to feed in to ONS statistics and then into NIESR’s report on London CPIH. The claim is therefore based on rising costs up to December 2022. In this respect it remains retrospective and thus minimises the costs to staff but it does avoid speculation about future prices rises.

2023 Cost of living claim

As a result, to protect the value of pay at Imperial, the Joint Trades Unions are asking for:

1. A 10.5% increase that will do no more than maintain the value of median pay at Imperial since 2005. This is based on the ONS CPIH up to December 2022, taking account of the established relationship between London CPIH and national CPIH between 2005 and 2020 (see appendix 1). The projected increase in CPIH London compared to median pay at Imperial is shown below.

2. Implementation of the pay award in May to alleviate distress as soon as possible.
Affordability

We recognise that College has a number of demands on its income, including higher costs for energy. Nonetheless, income from student fees and investments continues to rise despite the regular predictions of penury over past years. Those predictions later turn out to be unnecessarily pessimistic (as in 2020–21 to give but one example). Even if this year turns out to be an exception, Imperial’s finances are generally healthy and higher fees for international students will feed into income in 2023-4. College could, therefore, afford to cut back slightly in some areas temporarily in order to invest in its staff when they are facing severe financial difficulties.

In a recent “In conversation with the president” Hugh Brady commented:

“Some in the unions have said [staff] should be getting inflation plus 2% or 3%. If you look at current numbers that would mean a 12% pay rise. What I’ve got to consider is well what happens if we agree to that and then as predicted inflation comes flying down to maybe 2% or 3%. Then we’ve committed a lot
of resource to pay that can’t go into the student experience and can’t be used to invest in research. “

It is disappointing that the President should misrepresent the JTU position and to do so in a way that suggests a misunderstanding of the nature of inflation. Having risen by 10 – 14% in 2022, prices will not fall if inflation declines, they will merely rise more slowly. What is more, since the JTU claims are retrospective, they are based on price rises that have already happened. It should be noted that our claim is not above inflation; it would merely maintain the value of pay of staff at Imperial, on the basis of inflation in 2022 and therefore, if anything, underestimates the impact of inflation on salaries. There is no danger of overpaying staff at Imperial: if inflation in 2023 is as low as the president suggests, it will be reflected in the 2024 pay claim.

The President has also set up a false opposition between staff and the student experience and research. Both are totally dependent on staff. Demoralised staff, or vacant posts cannot deliver exciting, innovative research or excellent experiences for students. Despite outstanding results and the exceptional efforts of all staff over the past few years, this claim does not represent a real increase; it merely seeks to halt the massive erosion in the value of pay as it is eaten away by inflation.
Appendix 1

Source: NIESR, ONS with projection by log-log regression, IC JTU

London CPIH

National CPIH

ONS CPIH December 2022
Appendix 2

Source: survey carried out by UCU, Unite the Union and UNISON, February 2023

These quotes have been edited, partly for brevity but mainly to exclude identifying details. They have been divided into three sections but many included observations pertinent to all three. They offer only a small selection of responses to our survey.

Acute hardship

1. We have to move out of our current flat because we can't to pay the increased rent. I have an infant daughter and this move have been very difficult for us. ...

2. I have to skip breakfast and lunch to save for my ... travel costs ... not to mention the heating and electricity and broadband [when] I work from home. I have not been able to buy any clothes, shoes for myself since covid came in.

3. ... 10 years of low pay increases and being hit with high energy, food bills etc. have taken their toll. I'm just existing not living a happy life.

4. ... The result of this is not being able to afford 3 meals a day - coming to work / goin home on an empty stomach to a cold flat. A one off payment does not address the ongoing decline in our health, wellbeing and standard of living. Imperial must invest in its staff.

5. 19% increase in rent - 3% pay increase

6. I currently am using a food bank to help myself and an aging parent and 2 children survive, I have used up all of my savings and am taking on debt just to pay my travel expenses to and from work. It wont be long before not working is the better option.

7. Considering taking on a second job in addition to current full time role

Impact on work

8. Spending time at work checking bank statements worried about bills and mortgage. Too cold to work at home.

9. Concerns about pay and pensions have affected my abilities to deliver the outstanding research and education that Imperial strives for.

10. I am highly skilled ... I really enjoy working at Imperial but all this non response to a fair pay increase is leaving a really bad taste in my mouth and is sapping my motivation, the good feeling I had about my job has gone.

11. ... The cost of living is making question everything about working at Imperial and feel like i am always worried now.
People considering leaving

12. ...[N]ursery fees + mortgage rate increases are looking incredibly stressful and almost impossible to overcome this year. We've already cancelled any plans for holidays other than visiting family, stopped eating out, etc. Against this pretty dire financial situation there is the reality that I could be earning >£100k outside Academia in my first job, probably more like >£250k in a few years. My partner knows this, I know this, and though I love working at a university it feels like I am selfishly harming my family by persisting in working here. I don't think anyone expects to get paid as well in academia as they would in the private sector, but I did expect to be able to provide a reasonable standard of living for my family.

13. We may have to sell our house [due] to mortgage price increases. As academics (which are good jobs) this should not be the case. There is no future if you are a young academic with a family. I actively encourage my PhD students to seek work outside of academia which is a great loss to the profession.

14. ... I have started looking for work at institutions in other countries and other parts of the country where I will be paid better. More importantly, where the management of these institutions respectfully engage with their employees rather than impose poor raises outside of productive negotiations.

15. ... I am concerned for the members of my team in lower paid positions ... They are struggling to make ends meet and I am fully aware that they can get higher paid employment in the private sector. It would be extremely difficult to replace them at this point in my project. ...

16. ... I notice that our RA rates are internationally uncompetitive and problematically low compared to cost of living in London.