17.04.2023

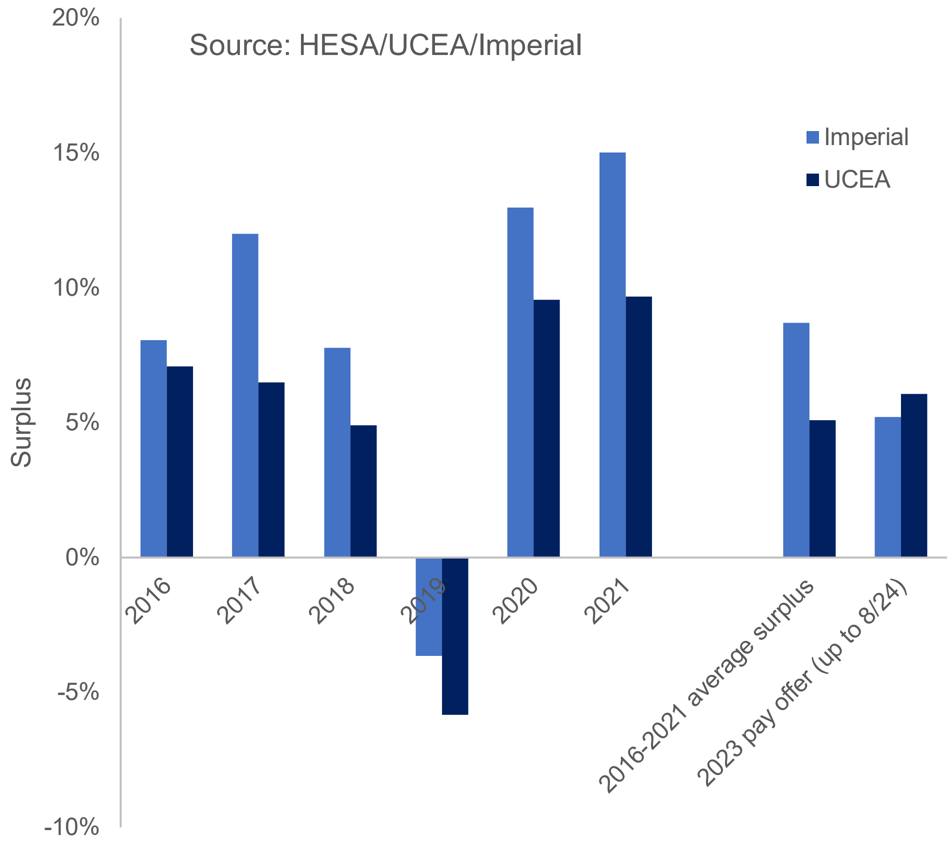
Dear Audrey,

Thank you for sending the College's offer on pay which was placed on the College website on Tuesday 04 April 2023.

Based on feedback from our members who viewed this letter on the website, the joint trades unions could not recommend your offer to their members. We note that it is appears almost identical to the national pay offer as presented by UCEA. However, although the headline figure in your offer appears to be 0.2% higher, for most employees of Imperial this offer is actually lower than the national offer: up to August next year the UCEA offer is worth 6.06% (backdating 2% by 6 months with a subsequent cumulative 3% increase) compared to Imperial's 5.2%, and – all other things being equal - it would take more than seven years before the Imperial pay offer amounted to more than UCEA's.

This is particularly disappointing since UCEA argued that their offer was explicitly pitched to be affordable even by institutions in severe financial difficulties, citing a median surplus of 2% for UCEA members. Imperial is not one of those institutions, with an average surplus of 6% over the past seven years: its income continues to rise (as you pointed out) and it should be able to afford to pay comparatively more.

The plot below shows the percentage surplus for Imperial and other UK universities in UCEA for the period where we have comparable figures. It is clear that Imperial has consistently a higher surplus, 8.7% compared to 5.1%, on average 62% higher for the six most recent years that we have comparable figures. This larger surplus gives Imperial considerably greater scope to protect staff incomes than the average UK university, and even more than the universities facing financial difficulties. To claim that Imperial can only afford an offer that is in fact even lower than UCEA's for the next seven years is directly contradicted by Imperial's comparative financial position, as your own figures show.



We were also disappointed that your letter did not confirm your earlier willingness to consider bringing forward payments to May 2023 or backdating it as UCEA has done with some of their offer to help address the cost-of-living crisis facing staff. We understand that management 'notes' our claim for payment in May 2023, but we had been hoping for agreement.

Your letter mentions the possibility of a two-year pay settlement. At our last meeting the joint trades unions responded that we would be prepared to consider one and would make a decision based on what would most benefit staff at Imperial. Our position remains the same.

We would like to reiterate that our claim was a modest one based purely on a desire to maintain the value of pay to December 2022 in a cost-of-living crisis. This currently requires a rise of 10.5%.

If it would make it easier for College to meet our claim, we would be prepared to discuss sequencing. Since prices appear volatile, with inflation currently rising rather than falling as predicted, it would, however, be necessary to protect staff interests. The joint trades unions believe that a staggered settlement might be acceptable to members. We would suggest 8.5% payable now (with a floor of £3000), a further 2.0% in November 2023 when increased fees have been received by the College, and an August 2024 settlement equivalent to the rate of inflation in December 2023. We would, however, look to protect those on lower incomes and suggest that their pay uplift should be paid in full immediately.

Our suggestion does offer the very lowest paid slightly more than 10.5% but they need it more. The current rate of inflation (at its lowest measure, CPI) is 10.4% but this figure significantly understates the cost-of-living challenge facing our members. Inflation in basic items like food is in the region of 16% rents are rising rapidly and utility bills will rise again this month, following the withdrawal of government support. These all hit the lowest paid harder than those on higher incomes.

There are a number of points in your letter which need addressing. Firstly, the figures in your table do not match those given in the text of your letter. In particular (but not only), the floor of £2000 does not equate to 10.5% for the lowest paid. Other percentages in the table also appear to inflate the value of this offer.

In addition, you have once again deliberately conflated cost-of-living settlements (which are negotiated and are designed to maintain the real value of pay) and contractual increments. Those increments have nothing to do with the value of pay and are a recognition of the growing experience of staff the longer they stay at Imperial. They are known in advance and incorporated into budgets; more significantly, as we have demonstrated several times, they have little net effect on the pay bill overall since people join and leave all the time. In that respect, your table of 'continuous employees' does not represent the cost of pay settlements to College. Indeed, in 2021-22, the last year for which figures are available, the overall cost to College was less – not more – than the pay settlement. You state that 50% of staff receive increments. That means of course that half the staff at Imperial do not, making such a confusion profoundly unfair.

You also referred to national benchmarking. Putting aside the immediate point that Imperial likes to position itself among the leading universities globally and recruits staff internationally, this is also a false comparison. Imperial's pay rates *should* be higher than any national average since it is based in London; its pay rates incorporate an element for the associated additional costs. The reference to national benchmarking is therefore unhelpful.

We look forward to progressing negotiations at our meeting on Friday 21 April 2023. It would facilitate the process if we could have sight of any improved offer before that meeting.

Best wishes,

Amanda on behalf of the joint trades unions

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

Tom Pike – UCU; Vijay Tymms – UCU; Charlotte Kestner UCU; Tanya Hunt – Unison; Boyana Petrovich – Unison; Susan Parker – Unite; Mark Keeping – Unite; Trevor Strickland – Unite; Andrew Murray – Unite; Ahlam Khamliche – Unite