Joint Imperial College Trade Unions Pay Claim 2019

*Prepared jointly by Unite, Unison and UCU at Imperial for Management, 29/4/2019*

As in previous years, our claim considers both the cost of living to staff and the affordability of the settlement to College. The former is informed by ONS statistics and an annual report commissioned by College from NIESR quantifying the additional costs of living in London.

**Pay at Imperial**

Below is a comparison between the pay settlement at Imperial and measures of the cost of living from national and London based indices, over the entire period of the data and tabulated over comparable periods, with the difference to the Imperial pay settlement in brackets:

<table>
<thead>
<tr>
<th>Year</th>
<th>Imperial settlement</th>
<th>CPIH</th>
<th>CPIH London</th>
<th>CPI London private rent</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011-2017</td>
<td>9.3%</td>
<td>9.3% (0%)</td>
<td>10.7% (-2.4%)</td>
<td>13.0% (-3.7%)</td>
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<tr>
<td>2005-2017</td>
<td>30.5%</td>
<td>32.4% (-1.9%)</td>
<td>37.7% (-7.2%)</td>
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<tr>
<td>2005-2018</td>
<td>34.4%</td>
<td>35.6% (-1.2%)</td>
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</table>
The pay settlement at Imperial has failed to keep up with the national CPIH since 2005 and has fallen some way behind the NIESR derived London indices, with real-terms pay falling by 7.2% against CPIH London from 2005 to 2017, and 3.7% against CPI London private rent from 2011 to 2017, probably the best measure of the actual living costs in London. Last year’s 3% increase ensured that the settlement from 2005 to 2018 for the first time in seven years just matched CPIH over the same period. Imperial staff have faced considerable downwards pressure on living standards over most this period, with staff worse off in real terms compared to 2005.

However, the salary bill at Imperial has not seen quite the same variation over this period. Below is plotted both the Imperial pay settlement and the salary bill per head since 2005. Last year’s 3% settlement is included, but will not be reported until the end of this year.

While the settlement and the salary cost have in general matched closely, there has been more recent divergence since 2011, particularly in the last two years. Staff pay has always been a combination of annual increases with individual progression and awards, but in general such individual increases do not contribute to overall growth in salary costs, as can be seen in the plot. Therefore the significant divergence of the last two years indicates the emergence of a different allocation of salary increases.

Last year we identified that the divergence in salary costs was due to a large increase in the number of staff paid over £160k. The additional amount paid to these 111 staff cost more than the individual increases awarded to the remaining 7489. This year, the rise in salary costs is also associated with exceptional pay increases for the highest paid staff.

While the average rise in per capita salary costs was 3.44%, considerably higher than the 1.2% settlement, salaries for the top five highest paid individuals, excluding the President and Provost, rose on average by 10.8%. The large increases were not restricted to the very highest paid: the top ten enjoyed an average 10.4% increase, and the top twenty 9.3%. Expanding the comparison to include the top 250 highest paid staff paid over £100,000, the average increase was 5.44%. Of course, given overall constraints in the College budget, if a
large proportion is spent on the highest paid, there is less for all other staff, and so while the average pay as a whole went up by 3.44%, for staff outside the top 250 the increase was only 1.98%.

The 3% annual settlement of 2018 should be put into context that for the previous two years management were able to allocate 3.70% for 2016 and 3.44% for 2017 for pay, disproportionately awarding that increase to the highest paid in College, while the annual settlement for the rest of staff was 1.2% and 2%. Overall, therefore, while the budget available for salaries has increased by more than 10% over the last three years (3.7%, 3.44% and at least 3%) staff have seen settlements that have not kept up with the cost of living in London.

This is clearly not sustainable. Imperial cannot function on the basis of financially motivating just the highest paid while letting real salaries fall for the rest of the staff. College faces a considerable challenge in attracting and retaining the best academics, researchers, and teachers and providing world-class technical and administrative support for its mission. This has been undermined by the sizeable shift in salary spending to the highest paid seen for the last two reported years.

The 2018 settlement of 3% should therefore not serve as a one-off increase to try to moderate the anger of staff who are willing to take action in defence of their pay and conditions. Rather it should be part of a longer-term shift of resources to rebuild salaries. We accept that the reform of salary structures is also part of this shift, but it is important to note that the upgrading of entry-level salaries removed lower points that could no longer be offered with any expectation of recruitment. Therefore, it is critical that College build on this start with a sustained improvement in overall salary levels to underpin the new salary structures and maintain and improve recruitment and retention.

**Affordability**

The unions accept that our claim has to be seen in the light of affordability to College. Increases in the salary bill of more than 3% for the last three years have been seen as affordable by management.

Last year again we were told that the Provost Board thought it best to ‘taper’ cost of living increases to allow a redistribution to the lower paid. Yet for two years, the very much larger redistribution to the highest paid has not mentioned. Affordability has not been an issue as far as the highest paid are concerned.

At the same time, Imperial’s capital expenditure continues to rise: College has spent more than £1.5 bn since 2011, of which more than £1 bn came from internal surpluses. Clearly, management is willing to prioritise allocating its surplus to buildings rather than to staff.

**Our claim**

5.44%, representing the sum of the 1.8% for the latest CPIH figure, and 3.7% for the shortfall in salary levels compared to CPIH London private rent since 2011. This also matches the increase paid last year to the highest 250 staff at Imperial.

The JTUs acknowledge the agreement in the 2018 pay settlement to establish working parties on workload, gender pay and limiting the use of fixed-term contracts. Nonetheless, because of the demands of other work, progress has been extremely limited. The JTUS therefore call for sequential, time-limited talks on each of these with a view to reaching agreement on the use of fixed-term contracts by November 2019, gender pay by January 2020 and workload by April 2020.