JTU Response to 2019 third offer
9 July 2019

College Offers
We are pleased to see that you have been able to offer at least a consistent set of figures with this offer. However, the proposed settlement is clearly below one of your previous offers, of 2.5% with an increase quoted for £59,000, subsequently reduced to 2.25%. The choice of £59,000 to frame the offer would not appear to be a random error. It equates to £1327.50 at the subsequently lower level of 2.25%, hardly a likely choice for a ceiling. It equates to £1386.50 at the latest 2.35%, again not a likely choice. However, £59,000 equates to £1475 at 2.5%, precisely £100 higher than the £1375 ceiling proposed in the second offer.

It is therefore very reasonable to assume that the errors in the second offers made were as a result of incorrectly reducing a draft of a 2.5% settlement with a £1475 ceiling. The first error was not to alter the 2.5% in the examples from the draft, while cutting 2.5% to 2.20%, and then 2.25% in the amended offer, and the second error was not to change the £59,000 example point, which makes no sense as a choice under anything other than a 2.5% offer.

The figures of the confused second offer therefore give us every reason to believe that a 2.5% settlement with a £1475 ceiling, covering salaries up to £59,000 was in fact the offer that was originally intended, rather more than your “full and final offer”.

Proportion of salary costs allocated to the highest paid positions
Management were given our calculations on the 5.4% increase between 2017 and 2018 in the top 250 posts several weeks ago. Management have not come back to us identifying any errors, but now state, while offering no justification, that the proportion allocated is “unchanged”. This is at best a very poor example of feedback for which any Imperial academic would be strongly criticised. But given the unquestioned basis of our calculations, this appears more likely an attempt to ignore an issue rather than address it. Management’s attempts here sit uneasily with their professed aim to support the lower paid. Offering to supply full figures next year hardly provides support for management’s position in these negotiations.

Cost of living and affordability
As all the indices show, the cost of living is rising faster in London than nationally. Quantifying that difference was the motivation for contracting an independent estimate of London CPI. Management have however failed to incorporate that difference into each year’s settlement, and it is this past failure to match the cost of living in London that set our claim. For management to present national CPI as a benchmark for their offer is to deny the reality that staff at Imperial face.

Management claim that a recurrent £20m cost is unaffordable to College, instead transferring that loss of earning value to staff. In fact management have consistently underestimated College’s cash position year-on-year. This is best seen in the cumulative difference between management’s forecasts and the actual outcome:

The consistent underestimation of cash flow is clear, with an average cashflow of £24 m a year in excess of forecasts.

Our response
Management claim that 2.35% is their final offer. However, there is ample evidence that not only is a higher offer affordable, but also a pay offer of 2.5% was their original intent. If management at this point will amend their offer to 2.5% across the board (i.e. applicable to all staff), with the £600 floor, we would be willing to consult our members on this without recommending rejection.