

Review of Changes to the Reward and Progression Schemes for 2020/2021

Paper by Cambridge University and College Union (CUCU)
HR Committee, 7 July 2020

Proposed Changes

In a message to University employees on the 16th June 2020, the Vice Chancellor announced a number of changes relating to staff pay and progression schemes in response to the anticipated economic effects of COVID-19. Specifically, Professorial Pay Review 2020, Grade 12 Contribution Reward Scheme 2021, USL Contribution Reward Scheme 2021 and Researcher Increment Scheme 2020/21 will not run. The Grade 1-11 Contribution Reward Scheme 2021 will run but in a more limited capacity, open only to assistant staff in Grades 1 to 5, and only for one-off single contribution payments, and not contribution increments. For staff earning over £100,000, a *voluntary* pay reduction scheme was announced, involving a pay cut of 10% of total remuneration for a period of six months. The status of the Academic Careers Pathways (ACP) 2021, was not clearly outlined, with cancellation not confirmed, but alternatives to cancellation purportedly being considered. The email referenced the possibility of “a “titular” promotion exercise through which a staff member’s title is upgraded, even if their remuneration was not granted.

The position of the University and College Union (UCU) is that any changes to working conditions must be transparent, voluntary, and time-limited, and made only after meaningful consultation with the trade unions. None of these criteria has been satisfied. Cambridge UCU (CUCU) has repeatedly called for financial evidence from the University, both the rationale for the savings the University claims it must make, and the amount each of these measures is forecast to save. We have received no detailed evidence in response. As a result, staff are being asked to accept significant cuts merely on trust. CUCU has serious and specific misgivings about the effects of the proposed changes, which will be set out below. But above all, we do not believe the University is living up to the standards of transparency and academic rigour it professes. These sorts of decisions can and should not be taken without evidence which the University is not prepared to share, or which it has never gathered in the first place.

Concerns

CUCU has significant concerns about the individual and accumulated effects of these changes. We would note, to begin with, that while pay restraint is a voluntary choice for the highest-earning staff (over £100,000), the measures for staff on lower salaries are mandatory. We are also alarmed that, while the voluntary contribution by the highest-earning staff is clearly

time-limited - to six months - there is no end date for the other pay restraint measures, and no clear review process, making them potentially indefinite. There is thus no way to ensure that the suspension of pay progression schemes is an exceptional and singular event, as opposed to yet another tool to balance imaginary deficits. Review of any measures taken must be regular and transparent, and must include the relevant unions. The failure of meaningful consultation, based on principles of partnership working, has been stark. We believe some of these measures - such as the cancellation of incremental pay increases - may entail contractual changes, and thus require negotiation with the union.

The proposed pay restraint measures are also deeply regressive in a number of ways. They disproportionately affect staff on lower pay grades. While the voluntary contribution suggested for someone earning £100,000 amounts to a total one-off donation to the University of **£5,000** (before tax), with the cancellation of the ACP, a lecturer who would have been promoted to senior lecturer stands to lose up to **£10,000 per year**, and a lecturer who would have been promoted to Reader up to **£9,000 per year**.¹ Meanwhile, as a result of suspending the Grade 1-11 Contribution Reward Scheme, an eligible postdoc or academic-related staff member with an annual salary of £40,000 will forego up to **£2,400 per year**.²

We are deeply worried about the disproportionate effect of these changes for female and BME staff, and the likelihood that they will exacerbate existing inequalities. The proportion of female readers went up by 7% between 2014 and 2018 (the year of the most recent Equal Pay Review); we estimate that promotions account for the bulk of this change. Over the same period, the proportion of female professors went up by 17%; we estimate that promotions account for about half of this improvement, with the other major factor being retirements. Our concerns aren't limited to the cancellation of the ACP. Cancelling the possibility of point promotions, for instance, affects grades 7 and 8, which more than higher pay grades are dominated by women (Grade 7 is around 50% female to male, Grade 8 is 53% female to 47% male); as a result, it will fall harder on women. It will also impact more harshly on BME staff, of whom 56.54% are in researcher roles. While women are overall underrepresented at USL level, a greater proportion of women than men receives contribution points. Suspending the USL contribution reward scheme, will again fall harder on women. Although an Equality Impact Assessment has been undertaken for the cancellation of ACP, no such exercise has yet examined the effects of cancelling each of the other schemes, or indeed the cumulative effects of cancelling them all. Without this evidence, these measures directly contradict the University's professed commitment to tackling disparities and pay gaps for women and BME staff.

The idea of a 'titular' ACP promotion scheme has been mooted as a way of mitigating these adverse effects on equality. First, though, there is no justification for why the ACP should be treated differently from other pay progression schemes. If this Committee considers running a

¹ These figures assume, in the first case, promotion after four years of service, having been appointed on the bottom grade; and, in the second, promotion from top of grade 9 to grade 11.

² This figure assumes an increase of two increments.

merely 'titular' ACP, it should consider doing the same for the other progression schemes. Second, there is an obvious danger that staff with 'titular' promotions will be asked to do all the work of their new post with none of the pay. A 'titular' promotion means robbing people of the remuneration appropriate for their position and responsibilities; a 'titular' increase of pay increments means a pay cut. Third, a titular promotion will inevitably widen the inequality within the University; it will inflict a blow to the morale of staff whose tireless work has kept the University going; and it will cause lasting reputational damage for a University struggling to compete in an international field. If such a proposal is at all to be seriously considered, it must take account of, and make amends for, the financial losses staff are being forced to shoulder.

Requests

CUCU requests that the University shares the detailed financial evidence for these decisions, and the savings each one is projected to make, with the trade unions.

CUCU requests that the University makes public their Equality Impact Assessment for each pay progression scheme due to be cancelled for 2020/1.

CUCU requests that any 'titular' scheme must be extended to the USL Contribution Reward Scheme 2021 and Researcher Increment Scheme 2020/2, and the Grade 1-11 Contribution Reward Scheme 2021.

CUCU requests that any 'titular' scheme must be amended to ensure that effects of the resulting pay cut is time-limited to six months, with the new salary taking effect after six months in the promoted post. (So, for a post beginning in October 2021, the new salary would apply from April 2022.) This enacts a parallel 'sacrifice' to the one higher earners are taking (i.e those earning over £100k and volunteer for the 6 month 10% pay cut).

CUCU requests that staff promoted under any 'titular' scheme should be placed on a nominal pay point in line with their new post, which should be raised incrementally at the relevant stages.

CUCU requests that staff promoted under any 'titular' scheme should be offered restitution for the pay they have forfeited. This is not pay they have volunteered to forego, nor is it a manageable proportion of a very high salary, as is the case with higher earners. It is a short-term sacrifice for the University's financial health, and should be paid back as soon as possible.

CUCU requests that all these measures, and any 'titular' proposals designed to mitigate their effects, must be subject to a regular and transparent review process in consultation with the relevant unions, to make sure these exceptional measures do not set a precedent.