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**Universities and Colleges
Employers Association**

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Dear Sally

IMPLEMENTATION OF THE FRAMEWORK AGREEMENT

UCEA and AUT representatives met on 14 April to discuss your union's concerns about implementation of the Framework Agreement for the Modernisation of HE Pay Structures. You and your colleagues helpfully elaborated on the three points in Malcolm Keight's letter of 22 February and emphasised the degree of AUT's concern on these. This is the letter I promised recording the main points of the employers' response.

Slow progress towards implementation

All concerned recognise that introduction of these new pay structures is a major challenge, for both HE employers and unions. Adequate and robust preparatory work is essential in each HE institution, with proper exploration of the implications of new grading and progression arrangements before they are implemented. In all this the constructive engagement of all parties locally is crucial. Unfortunately, the delays in ratification of the Framework have foreshortened the implementation timetable. The agreed deadline of August 2006 is still some 16 months away, but we recognise your disappointment that more HEIs will not be introducing new pay structures earlier in the 2-year transition period.

However, for our part we are encouraged that all universities and HE colleges are committed to implementation and that - despite the difficulties - about a third intend to implement in full by August 2005 with the remainder following over the coming academic year. This contrasts quite favourably with the progress of pay modernisation in other parts of the public sector - such as the NHS, local government and FE.

Like AUT, UCEA is looking to see implementation as early as possible in as many HEIs as possible, and we have a substantial programme of activity to assist this process and to help ensure that changes are introduced effectively and in line with the Framework's objectives. This includes: much written guidance,

national seminars and workshops (some of which have included union speakers), establishment of a regionally-based Framework Support Network, alongside ad hoc advice to individual institutions. Personally, I have taken a number of opportunities (most recently at the UUK Conference last month) to emphasise to Heads of Institutions the importance of introducing new pay structures in an effective and timely manner, and the importance of their own engagement. I will continue to do this.

We welcomed your reiteration of the AUT's commitment to partnership working in HEIs' development of new pay structures. There is a good deal of activity on these lines in many institutions, and some very positive developments to report, but we agree with you that there is room for improvement elsewhere. The HEFCE-funded project on partnership working should help in this regard, and we value the AUT's participation in that. You expressed some concerns about HEIs perceived as unwilling to start meaningful negotiations. Equally, we hear of places where progress has faltered because of the reluctance of one or more union to join or continue dialogue. As I said, the process needs constructive engagement from both sides.

A particular difficulty in some universities has been the request by union representatives that the institution commits to a detailed prescription in advance of negotiations. That seems to us quite contrary to the partnership approach commended in the Framework. That said, however, we do recognise that there can be merit in reaching and promulgating agreements in principle, after some initial partnership negotiation, on the shape of the pay structures then to be progressed in detail.

Finally on this topic, I should record that we were of one mind on the value of promoting widely successful outcomes to these local negotiations. There is a ready audience on both sides to hear what agreements can be developed (whilst recognising that the detail may not always be replicable in differing local circumstances).

Memorandum of Understanding

Our discussions on the MoU focussed on the application of the "no detriment" provisions and your wish for joint guidance on interpretation as regards future employees. The employers' view is that such guidance is not necessary: the texts of the MoU and Framework Agreement are sufficiently explicit. In particular the MoU records that *"...new pay arrangements ... will be designed with the intention – as far as practicable and foreseeable – of avoiding detriment to the present pay progression expectations of academic and related staff ..."*. The Framework Agreement is equally explicit that a university's new pay structure (so designed) should apply to all staff within its ambit. There would also be difficulties in respect of equal pay law in seeking to operate different pay structures in parallel for equivalent staff without objective justification. None of that, however, precludes the possibility of transitional arrangements which both sides agree may be necessary to protect the interests of existing individual members of staff - and we are equally agreed that any such arrangements would apply to a minority and should indeed be transitional not long-term.

To avoid any risk of misinterpretation, I should also reiterate that the MoU identified exclusions from the "no detriment" commitment quoted above. These

included scope for elements of detriment where staff agreed that, taken overall, a package of changes to pay arrangements is acceptable.

Role Profiles for Academic-related Staff

Now that generic role profiles for senior administrative, library and computing staff are being agreed locally, UCEA will be activating the MoU commitment to invite HEIs to contribute these to a database which can be accessed by other universities and their staff. Officers had some earlier discussions on the nature of this and we intend to issue the invitation to HEIs within the next three weeks. For the avoidance of doubt, I should make clear that we do not envisage any further vetting process with respect to the profiles contributed.

Pay Progression and Performance

In addition to the points in Malcolm's earlier letter, you also raised concerns about the way some institutions' pay structure proposals meshed with performance management arrangements. You reiterated the AUT's commitment to contribution-related progression as described in the Framework Agreement and the JNCHES guidance (to which AUT signed up earlier this year). You also recognised the value of effective management arrangements to support staff development needs, and the need for proper procedures to tackle unsatisfactory performance. But you made very clear the AUT's opposition to conflation of these, particularly where it might be perceived to undermine the agreement in the Framework that "*staff will have a normal expectation of annual progression up to the contribution threshold for their grade*". We noted your concerns and reiterated UCEA's commitment to that Agreement.

Others' interest

In view of the wider interest in these issues, UCEA will be circulating copies of this letter to the other unions in membership of JNCHES, to Mary Stacey, and to its subscribing universities and HE colleges.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Geoffrey Copland', written in a cursive style.

GEOFFREY COPLAND
Chair, UCEA