

## Important information for UCU members at Lancaster University

Your Union on Campus

December 2012

### Negotiation of Employment Procedures Approaches Five-Year Mark

The management-union negotiation of new procedures governing redundancy, redeployment and fixed-term contracts began in January 2008 and as we approach the five-year anniversary it is unclear whether we are closer to agreement than we were when we started; in important respects, we are now heading backwards.

The basic obstacle has been the inconsistency of management's positions. At important junctures in 2009 and 2012 when the Human Resources Division appointed new senior staff members, these new managers have let it be known that the draft procedures negotiated by their predecessors were not fit for purpose. In 2009, after over a year of negotiation, the procedures that had been drafted were scrapped and we started again from scratch. Now what?

On 12<sup>th</sup> November 2012, management failed to meet a deadline for making what we hoped would be their final revisions to the wording of the redundancy procedure. At the time of writing, the negotiations have yet to re-start. Consequently, we don't yet know whether management intends simply to meet the unions' objections to identified ambiguities in the wording of the procedures that the unions have long pointed out or whether it wants to make more extensive changes. The campus unions have made it clear that they will not accept any new revisions except ones that make the procedures more favourable to employees.

We need clearly written procedures that ensure the protection of the rights of employees at risk of redundancy. But even written procedures are no guarantee that this employer will observe the rights the procedures appear to guarantee, because this employer has a record of overriding the rights enshrined in painstakingly negotiated procedures whenever it is inconvenient for managers to observe them.

Because management began to breach the newly agreed disciplinary, capability and grievance procedures from the moment they were adopted in

October 2010, this UCU branch declared management to be in breach of the procedures. In the summer of 2011, a general meeting stated that the branch was not to adopt the new redundancy procedure until a review of the operation of the disciplinary, capability and grievance procedures had been satisfactorily completed. The review of the procedures, which had proceeded haltingly because management had participated only intermittently, has now collapsed. In October 2012 management withdrew from the talks, having refused to correct the most significant past abuses to which UCU had drawn its attention.

Let's consider two areas to illustrate the seriousness of the failings in the operation of the procedures, which management has refused to correct: first, the transparency of the capability and disciplinary processes, when members can be sanctioned for alleged failures of performance or conduct, and second the misuse of the capability procedure.

In supporting members called to capability or disciplinary hearings, UCU case workers have asked that all management evidence be subject to normal evidentiary processes. We have asked that evidence be submitted prior to a hearing so that it can be scrutinised and challenged. That is not only fair; it is what the written procedures require. Management has, however, said that it can, at its own discretion, accept evidence that bypasses those normal evidentiary processes; and that those holding hearings can also seek advice from third parties which might shape the outcome of the hearing but which might never be disclosed to the employee. Far from repudiating past abuses, these management positions indicate management's indifference to standards of fairness and its willingness to transgress the requirements of the written procedures.

The capability procedure is now being misused, both through its selective employment in targeting individuals with whom managers don't get on, and through its misapplication to cases of illness where that procedure does not fit. At the start of 2012, management committed itself to talks with the campus

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unions so that the long-standing policy on sickness absence can be reconciled with the capability procedure. Now, over ten months since management made that commitment, those talks have not started.

Delay and obfuscation; erratic and inconsistent conduct; wasted effort both by volunteer union negotiators and salaried managers; disagreements about basic standards of fairness; a lack of management commitment to abide by the written procedures: what is the management strategy here? If it is to keep us walking up a down escalator, never making make progress and heading backwards with every step we take, the strategy appears to be working perfectly.

## Get Involved!

Lancaster UCU has vacancies for reps in the following areas:

**Environmental ("green") Rep**  
**Union Learning Rep**  
**UCU Caseworkers**

If you're interested in taking a more active role in your union, please contact the LUCU Branch administrator (Louise Banton) at [lbanton@ucu.org.uk](mailto:lbanton@ucu.org.uk) to find out more. Training and ongoing support is provided.

## Forthcoming AGM

Wednesday 23<sup>rd</sup> January 2013 at 1.00-2.00 in Bowland North Seminar Room 10. All members are invited to attend.

## Pensions

The Government tell us that in this time of austerity we have to make cutbacks. That doesn't explain why members of all final salary pension schemes are being asked to suffer cutbacks for all time! UCU is fighting this injustice at local and national level.

### Why bother?

Your pension is that part of your salary which you have chosen to give up today to provide an income when you stop working. It is under attack from many quarters: by the Government and the media, who have attempted to whip up the public into believing that everyone in a final salary pension scheme will be a lottery winner at retirement! The majority of members of the UCU at Lancaster are in the Universities Superannuation Scheme, a privately funded pension scheme. It receives no government money and relies entirely on the contributions of

employees and employers, a fact conveniently 'forgotten' when final salary schemes are being 'bashed' by those who stoke the resentments of employees in the private sector, few of whom remain in final salary schemes.

The change that has recently been forced on all members' benefits is effectively a reduction in salary. In line with the Government's attack on all public sector pensions, there are now two USS pension schemes, the Final Salary (FS) and the Career Revalued Benefits (CRB) schemes. Both of these are 'defined benefits' schemes, which means the benefit payable is worked out using a known formula.

The majority of people reading this will be in the final salary scheme, that is, they became a member of the USS FS scheme before 1<sup>st</sup> October, 2011. Staff who joined the University after this date and who are eligible to join USS will now be in the CRB scheme. Some members of the Lancaster UCU might think that this change doesn't affect them, but think again. The two-tier scheme means that new entrants will be paying the same as existing members for a vastly inferior pension. This is unsustainable in the long run. The employers have made it clear that their preferred objective is for everyone to have a career-average pension rather than the final salary scheme. Now that they have introduced an inferior career-average pension for some staff, they will use divide and rule to force down the level of pension benefits for everyone in the future. Because the FS scheme is now closed to new members and is no longer receiving new funds, as members retire and draw benefits there may come a time when the funds can no longer meet existing liabilities. Clearly then, the recent changes, the changes we went on strike to stop, affect the majority of members of the USS pension scheme.

Irrespective of which part of the USS scheme an individual is in, the government change from the Retail Price Index (RPI) to the Consumer Price Index (CPI)<sup>1</sup>, for all public sector pensions, means an automatic lowering of the annual increases in pensions being paid. The USS pension will be affected due to its being directly linked to the Pension Increase Act and, like other public sector schemes, it will not keep up with inflation.

<sup>1</sup> Subject to a 5% inflationary cap

### Retirement age

Although the government phased out the Default Retirement Age on 1<sup>st</sup> October 2011, the normal retirement age for USS members is 65. The normal pension age, however, is to be linked to the increase in state pension age.

The benefits an individual member receives are calculated as:

Final Salary	
Pension = pensionable salary x 1/80 x pensionable service	+ 3 x pension as tax free lump sum

The Career Revalued Benefits section provides benefits based upon your salary for each year that you are a member. At the end of each scheme year in which you have been a member, benefits are calculated using the following formula:

Pension each year = pensionable salary x 1/80	+ 3 x pension as tax free lump sum
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The “pension each year” is added to any previous years’ benefits, and each year your benefits are revalued until you retire.

*Scheme details for both the FS and CRB sections are available from the USS website at <http://www.uss.co.uk/SchemeGuide/Pages/default.aspx>*

## Why did the UCU take action and what has been achieved?

The employers forced through their changes after refusing to negotiate over changes to USS or UCU's tabled counter-proposals. The UCU, like most unions, believes that everyone should have the right to retire with dignity and a decent pension. The Government and our employers see it a little differently, and have been quite prepared to skew the facts to suit their needs. The key point they used to force through change to the USS pension scheme was the cost of providing current USS benefits – and the virtual certainty of further increases in costs which they said were no longer sustainable. These views ignored the robust state of the USS scheme. USS is the second biggest occupational pension scheme in the UK and according to its website is 'one of the . . . most stable pension schemes in the UK'. In the twelve months to March 2010, USS grew by £4.5bn during a significant economic downturn in what was described as a ‘good investment performance’ by the fund's managers. At its valuation in 2008, the scheme was in surplus. The employers’ argument ignored these facts and the UCU’s proposals, which would ensure the continued strength of the USS scheme without reducing member benefits. The end result was the forcing through of unnecessary change affecting all members of the USS pension scheme both now and in the future.

UCU members took strike action and the prolonged period of working to contract in pursuit of a claim for a fair pension for all. Whilst some successes have been achieved in other public sector areas, the UCU has not achieved more than a modicum of success in retaining or increasing the benefits of the revised USS pension scheme. The UCU negotiators have, however, overseen the reinstatement of the 12-month extension to the right to take unreduced pension benefits if a member is made redundant. It was only as a result of the action taken by members that the employers’ representatives returned to the negotiating table. The UCU has refused to sign the proposed pension package as put forward by the employers, and negotiations with the employers via the Joint Negotiating Committee are continuing. The final shape of the USS and all public sector schemes was to have been made known in February/ March 2013, but is somewhat behind schedule so may not now be out until later in the year.

The employers have taken advantage of straitened times by shifting the weight of funding the pensions scheme more heavily onto members and by reducing the value of the benefits that retirees will draw. The only thing that can protect your interests from similar attacks at the local level—for example, bullying, increased workloads and aggressive use of employment procedures—is a strong and active branch. Do not wait until your job is on the line before you volunteer as a case worker or departmental rep, and don't expect the branch's current volunteers to carry the whole load. In hard times, the branch needs your active involvement more than ever.

## Over £1 million wasted on external consultants

A Freedom of Information Act request has established that the University spent £1.1 million on the services of the external consultants who helped plan the flawed Business Process Review, suspended after many problems arose in its execution.

We continue to believe that the VC was right to order a pause in order to evaluate the BPR rather than bulling ahead because of the costs already sunk into it. The revelation of the consultants’ fees does, however, raise the wider issue of the use of external consultants.

The advantage that they can bring is that they may have experience on which we can draw of processes that are novel to this institution; it may appear wise to take advantage of hard-won lessons from elsewhere.

The disadvantage is that external consultants may have a template that they apply to institutions regardless of their particular features, or that the lessons they learned elsewhere don't apply here. There are probably many instances where the external consultants bring unwanted baggage, not useful

experience—but how can one know that until they arrive? What checks and balances are there against following bad advice once one has paid an exorbitant fee for it? A change of managerial regimes is one of the few moments when one can undertake a candid evaluation not just of the results of a particular consultation but of this whole process of the outsourcing of management's proper managerial responsibilities. Who currently evaluates whether the huge consultants' fees are well spent, and how independent and well-informed are their judgments?

We hope that this episode will therefore be the starting point for an honest conversation about the costs and purposes of consultations, and for the devising of objective and transparent mechanisms for auditing the effectiveness of the consultants' services.

## Sabbatical Leave

It has come to this branch's attention that management is surveying the sabbatical entitlement of some employees and has asked at least one member to forego a period of accrued sabbatical entitlement.

Members of academic staff have a contractual right to sabbatical leave based on the period they have worked, the normal entitlement being one term of leave for every seven terms of service. This does not mean that every member has an automatic right to a term of sabbatical leave as soon as they have racked up seven terms of qualifying service, or a year of leave after seven years: your Head of Department (HoD) has some discretion in prioritising the sequence of leaves, working them around the department's teaching and admin needs. However, no one—neither an HoD nor anyone else in the management hierarchy—has a right to reduce your leave entitlement nor to recalculate it by starting the clock ticking on your qualifying period at some date later than the date that you began an academic contract containing the relevant sabbatical provision. If someone asks you to forego a period of leave, you are under no obligation to accept such an arrangement, and we strongly advise you to contact the branch if you receive any such proposal—particularly if you are subjected to any pressure (although we would be interested to learn about any proposals of this sort).

In some departments, recently appointed staff members are given a measure of relief from some teaching or administrative duties as they become established in the department and design new

modules or write new lectures. As long as a staff member is in full-time work and is fulfilling the duties assigned by an HoD, no such arrangement should affect the rate at which their sabbatical entitlement accrues.

The recent cases of which we have become aware highlight the dangers inherent in straying from the contractual sabbatical arrangement and moving towards ad hoc teaching and admin relief arrangements. Unless for sound and objective reasons—such as the appointment of an inexperienced staff member—such arrangements are open to perceptions of favouritism; they require invidious comparisons between the work of one staff member and another; and they almost inevitably mean that one staff member's research progresses apace while the burden of teaching and admin duties falls on others, leading to differentials in career progression. With all the obvious difficulties that teaching and admin relief schemes engender, we wonder why they have spread across the institution. Such arrangements become pointless and incomprehensible if management takes away with one hand (in sabbatical entitlement) the teaching relief that it has given with the other. Staff members in some departments feel so strongly about the principles involved that they have voluntarily boycotted the ad hoc teaching and admin relief schemes their departmental management has introduced.

[Note that there are sometimes complications in the calculation of sabbatical leave entitlement—for example, periods of sabbatical leave do not themselves accrue further leave entitlement and neither do periods of unpaid leave; you may not have accrued any leave entitlement if employed as a teaching fellow before you were employed under a standard lecturer contract. If you are unhappy with the way your leave entitlement has been calculated, you may request a written explanation from Human Resources. Do approach the branch if you want advice or if the result still seems unsatisfactory.]

## Social Media Update

Call it coincidence but a couple of weeks after we circulated the UCU legal advice on Social Media to the membership we received an invitation from management to look at a draft social media policy.

Further information will be available at the forthcoming AGM on Wednesday 23<sup>rd</sup> January 2013.

