

Annual General Meeting 2011

1. Apologies
2. Minutes of AGM 2010
3. Matters arising
4. LA Committee Report
5. Treasurer's Report
6. Election of officers
7. Any other business

Committee Report

Introduction

- Local issues dwarfed by national picture
- Severe pressures on management
 - work intensification, stagnant pay, grade deflation possible ‘low-road’ strategies
- Union voice crucial in these uncertain times
 - UCU is *our* union and representative
 - we are a member-led organisation

Committee Report

Member involvement

- Comments on the blog
 - Comments by email
 - Discussion at General Meetings
 - Acting as a Departmental Representative
 - Joining the LA Committee
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- We need lots of eyes and ears to respond effectively in members' interest

Committee Report

Review of 2010/11

- **Personal case work**

- 37 new in last year (19 ongoing)
- common issues: fixed-term contracts; stress; grievance
- 4 case workers: volunteers needed!

- **Redundancy Issues**

- redundancy avoidance part of national claim
- Local and Regional UCU negotiating a local agreement on redundancy avoidance
- will include procedure for proper consultation, mitigation and fair process in handling ending of fixed-term contracts
- UCU require other issues affecting staffing to be included (e.g. restructures)

Committee Report

Review of 2010/11: local policies

- **Role profiles and promotion**
 - new, agreed system in place
 - work remains on career development and promotion (new agreement for September)

- **Hourly paid contracts**
 - new policy agreed to ensure fairness and consistency in use of these essentially fixed-term appointments
 - Local and Regional UCU effort; sets a national precedent
 - will take effect from September

Committee Report

Review of 2010/11: other issues and events

- **Grievance policy**
 - operational failings evident; meeting with University to resolve
- **Senior staff recognition**
 - University has effectively ‘derecognised’ staff above grade 10: campaign continues
- **Researchers’ workshop**
- **Anti-Bullying workshop**

Committee Report

Review of 2010/11: looking ahead

- **Workload**

- University review from September
- UCU requested holidays be included
- we must be vigilant: what are intentions? – report your concerns

- **Terms and conditions**

- University is likely to request greater ‘flexibility’ – but flexibility for whom?
- University is increasingly using focus groups – we need to ensure this does not undermine bargaining

Committee Report

National issues: USS

Achievements from existing action

a. Contribution rate

- The employers originally wanted USS members to pay an additional 2% in contributions.
- *UCU's negotiators successfully fought for a much lower increase of 1.15%, with new entrants not having to pay any increase in the current contribution rate of 6.35% (to reflect the fact that they have a much inferior scheme).*

Committee Report - USS

b. Type of scheme

- The employers originally wanted both existing and new staff to move to an inferior Career Average Revalued scheme (CARE) with reduced benefits for everyone, including existing members.
- *UCU opposed the employers' inferior proposals. The employers finally agreed to protect the final salary scheme for existing members.*
- For new entrants, the employers then put forward proposals for a 1/80th CARE scheme (with any lump sum reducing the amount of annual pension)
- *Again, UCU pressure has seen them move to a 1/80th CARE scheme and a lump sum 3 times the annual pension without a reduction in the annual pension.*

Committee Report - USS

c. Rejoiners

- The employers originally wanted existing members with a break in employment of just 6 months to lose their existing right to remain in the final-salary section.
- *UCU pointed out how unfair this would be to fixed term staff, those on career breaks, and those made redundant in the current economic circumstances and we won an increase in this protection from 6 to 30 months.*

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d. Inflation caps

- The employers wanted to apply an inflation cap to pensions on the following basis:
 - Deferred pensions to be revalued annually in line with CPI up to a limit of 2.5%
 - Pensioners (for service from the point of change) and CARE Revaluation to be capped at 5% with a sliding scale of ½% for every 1% increase in CPI above that up to 10% giving a maximum of 7.5%
- *Now – the inflation cap is the same for all on a sliding scale up to a maximum of 10%*

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e. Retirement

- The employers wanted increases in pension age to apply to all.
- *Now, those close to retirement (over 55 years at April 2011) are protected.*
- Employers have also given up the discretion to cease their contributions at age 65 years or 40 years of service.
- Members over 55 years of age can now draw their pension (with actuarial reduction of benefits) as a right.

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f. Redundancy

- To date, the employers have to fund the lifting of actuarial reduction of pensions for members to be made redundant and who are over 55 years (and for those with protected rights). The employers had wanted to withdraw the redundancy protection with immediate effect.
- *Now, this change has been delayed until April 2013.*

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g. Future costs

- The employers originally wanted any future costs to be shared between the employers and USS members by increasing contributions on 50/50 basis.
- *Now any increases will be allocated on the default position of 65% to the employers and 35% to employees.*

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Outstanding issues:

On redundancy

- the employers' package still removes the members' entitlement to an unreduced pension if made redundant after age 55
- the effect is to make it cheaper for them to sack people over 55 years of age
- this has nothing to do with the future health of the pension fund

- during the talks UCU was told that the annual sector-wide cost of retaining the current arrangements was just £28m. To put this in perspective, this is a tiny amount (0.19%) of the £14.6 billion total staff costs in the sector

Committee Report - USS

Outstanding issues:

The employers' long term plan to reduce their pension contributions

- throughout the talks, the employers have wanted to ensure that they would never have to pay more than their current contribution rate of 16%
- they wanted to create a 'buffer' - a surplus of income over the money the actuary says the scheme needs
- proposed CARE generates 6.55% buffer - more savings than are necessary

Committee Report - USS

Outstanding issues:

The employers' long term plan to reduce their pension contributions

Why? The following statement from an Employers' Pension Forum document makes it clearer:

“In the long term it is possible that the employers' proposed changes will produce savings that will enable the employers' contribution rate to be reduced to a more realistic level during the extended period when university finances are likely to be severely constrained. It is impossible to indicate what the likely long term employer contribution rate might be although we believe that ideally it should be closer to 10% - as envisaged at the time USS was first established – although this will take many years to achieve because of the relatively slow transition to the new CARE scheme.”

Committee Report - USS

Outstanding issues:

- There is evidence that when employers create a two-tier benefit system in final salary schemes, within a few years they close the beneficial scheme
- The employers' imposed package effectively closes the current scheme for new entrants and leaves them with a very poor CARE scheme and much reduced benefits
- This is bad for new entrants
- *But* it also threatens the current protection that we have won for existing members
- The gap between the schemes is so great that there is a major financial incentive for the employers to come back and force existing members onto the poor CARE scheme for their future service.

USS changes – why we should be worried

1. Lecturer - aged 30, on spine point 37 and you continued to work until you were 65

	Pension p/a	Lump sum	Total expected benefits	Difference between protected final salary and CARE schemes
current provision	34,100	102,300	993,000	
Existing members under 55				
Protected final salary (EPF proposals)	32,600	97,800	949,000	
New entrants				
EPF proposals (CARE 1/80 th)	24,400	73,200	710,000	239,000
UCU Counter proposals (CARE 1/65 th)	31,500	94,500	917,000	32,000

USS changes – why we should be worried

2. Lecturer - aged 30, promoted to senior lecturer after 10 years

	Pension p/a	Lump sum	Total expected benefits	Difference between protected final salary and CARE schemes
Current provision	39,500	118,500	1,150,000	
Existing members under 55				
Protected final salary (EPF proposals)	37,800	113,400	1,100,000	
New entrants				
EPF proposals (CARE 1/80 th)	27,100	81,300	789,000	311,000
UCU Counter proposals (CARE 1/65 th)	35,100	105,300	1,022,000	78,000

USS changes – why we should be worried

3. Researcher – aged 25, on point 37 on pay spine, leaving after 12 years

	Pension p/a	Lump sum	Total expected benefits	Difference between protected final salary and CARE schemes
Current provision	7,900	23,700	232,000	
Existing members under 55				
Protected final salary (EPF proposals)	7,800	23,400	229,000	
New entrants				
EPF proposals (CARE 1/80 th)	6,800	20,400	199,000	30,000
UCU Counter proposals (CARE 1/65 th)	8,500	25,500	249,000	+20,000

Committee Report - USS

Congress 2011 motion:

Conference instructs HEC to re-ballot members and develop a major programme of sustained and disruptive industrial action targeting such areas as admissions, assessments and examinations for the next academic year in support of the counter-proposals submitted.

Committee Report - USS

Further action on USS:

What do we think?

Proposed motion

- The University of Bradford UCU Local Association notes with extreme concern the sweeping cuts to the HE budget, the trebling of tuition fees and the incoherent access policies announced by the government
- The Local Association also notes that these changes have been decided on without adequate consultation and were not included in the governing parties' election manifestos
- Against this, the University of Bradford UCU has no confidence in the policies of the Minister of State for Universities and Science
- We call on the government to delay publication of its White Paper on Higher Education to allow for proper consultation and public debate on the proposed reforms, which have the potential to inflict immense and lasting damage on Higher Education in the UK