

Professional Services Staff Grade 2-5 pay uplift and additional pay increases

Briefing for JUC Friday 31 January

31 January 2025

University Context

The Higher Education sector in the UK is facing challenges and uncertainty including low home fees and strong competition recruiting for international students. The new government acknowledges these issues but has many funding priorities. Universities must therefore manage their finances sustainably.

The University, despite being in a relatively strong financial position, has seen a significant decline in operating surplus caused by rising costs (such as salaries and utilities) and only a small fee increase from home students. From April 2025, changes to employer national insurance NI contributions will increase the University's costs.

Significant increases in Grade 2-5 pay 2022-25

The University is committed to increasing pay for staff in Grades 2 – 5. Recent pay awards and reforms have made pay competitive for Grade 2-5 staff.

- **Salary Increase:** Between August 2022 and March 2025, equivalent FTE salary points for Grade 2-5 will have risen by at least 11.6% and up to 25.0%.
- **Comparison:** The Consumer Price Index CPI-H (including housing costs) from August 2022 to December 2024 rose by 10.9%. The median average FTE salary increase for Grade 2-5 staff, including increments, from August 2022 to March 2025 will be 23.0%.
- **Additional performance pay increases:** Additionally, the University rewards Grade 2-5 exceptional and one-off contributions through its Performance Based Pay Scheme. In 2024, £262k performance-based pay was paid to Grade 2-5 staff and this additional pay will continue.

The University must work within its budget and the final pay offer made for 2024/25 is the highest it can provide.

Update / Response to Union Pay Claim.

The University's pay uplift increase is in two stages from 1 August 2024 and 1 March 2025. The University's final offer represents an average increase in total FTE salary between August 2024 (after any due increments had been applied) and March 2025 of **4.54%**.

Additional to Pay Uplift Increases in Pay

- **35 hour working week/increase in hourly rates:** The University will also be implementing the 35-hour working week with effect from **June 2025** which will further increase hourly rates by 2.8%.
- **Increase to Group Retirement GRP Pension Employer Contribution and total pay**

Employees in the University's "Group Retirement Pension" (GRP) scheme who contribute at least 1% of their salary will see an increase the University's contribution to their pension scheme increase from 10 to 12%. This results in an additional to the 2024-25 pay uplift increase in total pay (salary plus employer pension contribution) of 2%.

Sickness policy

Improving the sickness policy to be the same as for other staff with 6 months full pay, followed by 6 months half pay.

Additional Discussion Points

The Trade Unions have raised the following issues for discussion:

- Real Living Wage
- Performance-Related Increments for Grades 2 and 3
- Workload
- Sickness Absence Trigger Points

The University is committed to meaningful discussions on these topics and will report progress as it happens.