

REVIEW GROUP STATEMENTS AND JOINT LETTER

1. Review Group statements

Statement from the first meeting of the Review Group held on Monday 12 November 2007

The Group discussed and agreed a set of working arrangements for the conduct of its business and possible approaches to the work of the Group.

1. Arrangements

The Group agreed arrangements for setting agendas and attendance at meetings. In relation to confidentiality and communications, the Group agreed that

- a) Following each meeting, the Chair would agree a statement with the Chairs of the Employers' and Unions' Sides and the Independent members which summarised the meeting's areas of interest and agreed next actions. Recognising that members would be called upon to report to their constituencies, and in order to manage this whilst ensuring confidentiality, the content of this statement would be the only substance to be communicated by Group members to their constituencies or in response to questions.
- b) Prior to publishing its final report, the Group would only seek media publicity in relation to its activities if this was specifically agreed in the Group.
- c) The Group would agree if it wished to write to or seek the involvement of any other person or body.
- d) Members of the Group could continue to comment, as they would in the normal course of their business, on information and data that was in the public domain; but they would refrain from making public comment on data that was prepared for the purpose of the Group's consideration.

2. Approaches

The Group considered possible approaches to gathering and analysing financial and remuneration data. It was agreed that

- a) The Office of Manpower Economics (OME) and JM Consulting would be invited to offer expert advice to the Group.
- b) The Group would ask the funding councils to release HEIs' financial forecast data on the basis proposed by HEFCE (aggregated by groups of institutions), and after consideration of that the Group would assess how useful it was and whether more detailed data might be sought.
- c) Analysis of income and expenditure data available at an institutional level would start with 2005-06. This would facilitate analysis of the 2006-07 data when that information became available in spring 2008 and provide a benchmark for comparisons.

- d) The Group at its next meeting would look at a number of more detailed proposals for the examination of remuneration data, across the full range of staff employed by HEIs.

Statement from the second meeting of the Review Group held on Friday 21 December 2007

1. The Group noted the following developments in relation to support for its work:
 - a) That DIUS had confirmed that funding would be made available, but the timetable for the receipt of funding, along with the actual level, is yet to be confirmed.
 - b) That both the Office of Manpower Economics (OME) and JM Consulting were prepared to be involved in supporting the work of the Review.
 - c) That all the funding councils had indicated they would assist and be pleased to talk to the Group at future meetings.
 - d) That a project plan is being prepared and will be available to Group members by the February meeting.
2. In relation to further work on remuneration data, the Group considered proposals and agreed the following:
 - a) UCEA officers will proceed with gathering data in a number of areas, including gathering HESA data from 2001 onwards and ASHE data to produce information on pay over time, career earnings, average salary levels and minimum wage rates.
 - b) UCEA officers will agree with a nominee from the Unions the specification for pay data to be obtained from HESA. UCEA will also look at the information available shortly from the evaluation of the Framework being undertaken with HEFCE to explore whether it would be helpful.
 - c) A small remuneration group would be formed to consider how best to address the gaps in the data already available on Framework outcomes, the best approaches to gathering data in relation to support staff pay and work on pay relativities. The group will produce a paper for the February meeting outlining what data is available now and any limitations in the data available for support staff, with proposals for any further survey or research work.
 - d) UCEA will approach its pay survey partner, CELRE, to ascertain the possibility of using some aggregation of the data gathered.
 - e) To form a separate small group to take forward the investigation of how best to assess the value of pensions in the sector, with input from OME. This group will also be asked to consider whether any other benefits would need exploration.
3. In relation to further work on financial data, the Group received a paper on HEI surpluses which will be re-presented at the next meeting with additional

comment on other indicators of financial health. In addition the Group agreed the following:

- a) To invite the funding councils, now preparing the anonymised financial forecast information requested, to speak to the Group at its next or subsequent meetings.
- b) To undertake some further work on the historical financial analysis undertaken to incorporate one or two other measures of financial health available from HEI financial statements and report back to the February meeting.

Statement from the third meeting of the Review Group held on Thursday 28 February 2008

Remuneration matters

A small Remuneration Group has met to discuss the scope and potential limitations of data sourced from HESA and ASHE. It will now progress analysis of remuneration where the data were available and consider whether further data might be required for the analysis of Support Staff remuneration; they will report this to the March meeting of the Review, having scoped the work if they believe a further survey of some kind is needed.

A Pensions Group has met and it has been agreed, depending on funding availability, that Watson Wyatt be asked to undertake a quantitative analysis of the value of pensions in the sector.

The Pensions Group will also receive information about the conditions of service survey being conducted (by UCEA) and consider how this might be used.

Financial matters

The Review Group will shortly receive aggregated financial forecast data from the funding councils. It will meet with Professor David Eastwood from HEFCE in April and will seek statements from SFC and HEFCW.

A small Data Group has been established to seek to undertake an analysis of the financial health of the sector to inform the Review Group. It is to include consideration of:

- Past income and expenditure
- Assets and liabilities
- The requirements for sustainable operation in the current HE market
- The diversity of the sector
- Expected developments in the financial and market environment for HEIs
- HEIs own forecasts of future financial performance.

Funding for the Review

DIUS is holding its decision on release of funding to support the work of the Review, awaiting the outcome of the UCU ballot on the reformed JNCHES machinery. DIUS now wished to understand the implications of a UCU vote that suggests that the environment for the review being developed and taken forward was unstable.

The fact that this funding may not now become available will affect both the work the Review can undertake, and the speed at which it can complete that work.

UCEA was enabling the work of the Group to proceed at present, beyond the contributions in kind, and Review Group members would be advised as soon as there were any developments.

Other matters

The Review Group has a project plan that will be considered regularly at its meetings to review progress and prompt any revisions to the Group's plans. It was agreed that the structure of the final report should be developed in parallel with the work to be conducted.

Statement from the fourth meeting of the Review Group held on Thursday 17 April 2008

Remuneration matters

The Remuneration sub-group reported on progress to date with work on HESA and ASHE data. Some concerns and difficulties with the quality of the data were explored. HESA will be invited to attend a future meeting of the Review Group to discuss the suitability of its data for the purposes of the Review.

The Remuneration sub-group will continue its analysis of support and academic staff data. It will meet with the ONS to ascertain whether further interrogation of HE data might be done for support staff. Bill Callaghan will chair the Remuneration sub-group's future meetings. The sub-group will seek to recommend suitable comparators to the May meeting of the Review Group.

The Pensions sub-group will re-convene to meet with Watson Wyatt to progress work on assessing the value of pensions in the sector. The Pensions Group will also shortly receive information from the conditions of service survey being conducted.

Financial matters

The Review Group has now received aggregated financial forecast data from the funding councils, put into TRAC groupings by HEFCE. It met with Professor David Eastwood from HEFCE to hear his views on the financial health of the sector and ask him about future risks. It awaits statements from SFC and HEFCW.

The Data sub-group will continue its work on analysis of data received from HEFCE,

together with outturn analysis, to be supplemented with the 2006-07 figures. It will present a report to the May meeting of the Review.

Funding for the Review

DIUS is still holding its decision on whether to release funding to support the work of the Review, in the light of the UCU position on the reformed JNCHES machinery. The Review Group has had to limit work that would commit further resources in the light of this and noted UCEA was continuing to use its resources to enable the work of the Group to proceed, beyond the contributions in kind.

Other matters

The Review Group agreed to extend its planned programme of work to November 2008 to enable the 2008 ASHE data to be incorporated. The project plan will be re-drawn to reflect this and the work now in train from the Data and Remuneration sub-groups.

The Review Group held a preliminary discussion on the structure of its report and agreed that some writing should commence as soon as practicable.

Statement from the fifth meeting of the Review Group held on Thursday 22 May 2008

Remuneration matters

The Remuneration sub-group reported on progress with its work on ASHE data. Some initial observations and concerns with the more recent years' data were explored. Further data has been ordered from ASHE which should improve the analysis and extend the work that can be done on support staff pay. A meeting has been scheduled with HESA officers to explore issues of clarification on its data. The Review Group agreed the sub-group's proposals for comparators to be used in analysis of pay changes over time.

The Remuneration sub-group will continue its analysis of support and academic staff pay and earnings and present further reports on progress to the next meeting.

It was reported that union officers were keen to explore the possibility of the Review conducting a limited bespoke survey on current support staff pay and work was being done to prepare and agree a specification and secure the necessary funding for such a survey from the trade unions.

The Pensions sub-group will re-convene shortly for a meeting with Watson Wyatt to guide the work on assessing the value of pensions in the sector. The Pensions Group will also shortly receive information from the survey being conducted on conditions of service in HE.

Financial matters

The Review Group received an interim report on the financial health of the HE sector from the Finance sub-group. This report at present combines outturn data to 2006-7

and forecast data thereafter. Review Group members commented on the analysis and commentary completed thus far. The sub-group will continue its work and present a close to final draft report to the next meeting.

Funding for the Review

A letter has been received from DIUS indicating that funding to assist with the cost of the work of the Review was now unlikely to be forthcoming.

Other matters

The Review Group received and commented upon a revised work plan.

Statement from the sixth meeting of the Review Group held on Friday 11 July 2008

Funding of the work of the Review

The Review Group received a break-down on the actual and committed expenditure on the work of the Review. This showed expenditure of at least £129,000, excluding un-costed time from permanent staff of the unions and UCEA and the non-independent Review Group members.

The Review Group wished to record their belief that the Review is adequately resourced to ensure robust and credible findings.

Remuneration matters

The Remuneration sub-group presented some preliminary analysis using ASHE data and the Group approved this as a template for other work to be done, confirming decisions made on comparator groups at the previous meeting. The Group was pleased to note the extended work that was now being done on support staff pay and noted that the support staff unions were not any longer proposing to commission a new survey in this area. It was noted that the extensive material being presented on remuneration and comparator groups would necessitate the preparation of much shorter commentary on the main points for the core body of the report.

The Remuneration sub-group reported on their meeting with HESA and it was agreed that the Review Group should consider making some comments and suggestions in its report about the collection of data in the sector relating to staff.

The Remuneration sub-group will continue its work on support and academic staff pay and earnings and present a full report to the next meeting.

The Remuneration sub-group will also now look at the information from the UCEA/IDS research on conditions of employment in HE and consider what might be included in the Review Group's report and where they wished to seek clarification on methodology.

The Pensions sub-group has laid the ground with Watson Wyatt, including discussion of working assumptions, for their work on assessing the value of pensions in the sector. The work is getting under way and it was expected a report would be available for the September meeting of the Review Group.

Financial matters

The Review Group received a further draft report on the financial health of the HE sector from the Finance sub-group. Subject to amendments noted at the meeting, and consideration of some final comments, the report was agreed as suitable to go forward as a chapter in the Review Group's report. The sub-group will review final changes following this meeting and then present the final version of its report to the next meeting.

Statement from the seventh meeting of the Review Group held on Thursday 11 September 2008

Remuneration matters

The Review Group received a draft report containing significantly developed analysis of pay for Academic and Support Staff in the sector. The Group noted that much of the analysis being conducted by the Remuneration sub-group is using specially commissioned research and is therefore new and pioneering.

The Review Group confirmed the view of the Remuneration sub-group that 2008 ONS ASHE data be included in their report. The 2007 ASHE data contains some apparent anomalies that it is hoped will be resolved by the 2008 ASHE. The 2008 data is not expected to be available until the end of November which is after the last scheduled meeting of the Review Group. The Review Group agreed it will consider how best to sign off incorporation of the latest data at the next Review Group meeting.

The Remuneration sub-group will also now look at the information from the UCEA/IDS research on conditions of employment in HE and consider what might be included in the Review Group's report. It will further consider the results of the 2008 HEFCE/UCEA survey on Recruitment and Retention in Higher Education and consider what it may be relevant to include.

The Remuneration sub-group will continue its work and present a final report to the next meeting.

Pensions Matters

Watson Wyatt provided a report on the comparative value of pensions in the sector. The Review Group provided a number of detailed comments.

The Review Report will use selected extracts from the Watson Wyatt report and accompany these with a commentary. The Watson Wyatt Report will be included in its entirety in the Review Report by way of electronic reference.

Financial matters

The Review Group received a final report on the financial health of the HE sector from the Finance sub-group. The report contains sections on financial context of the sector, short term financial health, and future sustainability. The report will be updated with the latest data and minor drafting amendments and included in the Review Group's report.

The Review Group thanked the Finance sub-group for its efforts and agreed its work was complete.

Timetable for Review Report

The Review Group still hope to be able to conclude production of the Review Report by early December despite the tight timetable for the inclusion of 2008 ASHE data. If it is not available for 8 December the Review Group will agree headline statements that can be released in advance of the full report.

Statement from the eighth meeting of the Review Group held on Wednesday 22 October 2008

Remuneration matters

The Review Group received a developed report containing analysis of pay for Academic and Support Staff in the sector, including updated data and information on pay settlements collected by IDS for the first six months of 2008. The report also contained information from the UCEA/IDS research on conditions of employment in HE along with relevant results from the 2008 HEFCE/UCEA survey on Recruitment and Retention in Higher Education. Some information from the UCEA research report on the impact of the Framework Agreement was included but the Review Group noted that it is difficult to separate the impact of the Framework Agreement from other pay increases such as those associated with the 2006-09 Pay Agreement.

The Review Group learnt that it will receive 2008 ASHE data tables by 26 November and agreed that the Remuneration sub-group will incorporate this data for the Review Group to consider by correspondence. Changes to the report arising from the new data will be formally signed off by an editorial group consisting of the independent members, and the chairs of the unions and employers.

The Remuneration sub-group will continue its work and present a final report, save for the inclusion of 2008 ASHE data, to the next meeting for agreement.

Pensions Matters

The Review Group considered a précis of the Watson Wyatt report that could be included in the Review Report. A more developed summary will be developed for consideration at the next meeting which will include further descriptive information from sources including the Watson Wyatt report. This summary will also include information that can be found on the take up of pension schemes.

Financial matters

The Review Group noted that the world financial climate has changed significantly since the Finance sub-group report had been written. The Finance sub-group will revisit its commentary and note the potentially increased risks for HEIs and the Review Group will consider the revised report at its next meeting.

Timetable for completion of the Review Report

A full and final Review Report, save for inclusion of 2008 ASHE data, will be agreed at the next meeting of the Review Group. This will include sections on context, and conclusions and comments. It is intended that there will be conclusive discussion of the Review Report at the next meeting.

A small editorial group (detailed above) will consider any comments received in relation to the inclusion of the 2008 ASHE data. An external independent editor will be used to check the final report for consistency and accuracy. The editorial group will consider any changes this person proposes.

The Review Group still intends to be able to conclude its work and agree the Review Report by early December.

Statement from the ninth and final meeting of the Review Group held on Wednesday 19 November 2008

Final Review of material prepared on Finance, Pay and conditions, Pensions and Conclusions for inclusion in the Review Report

The Review Group considered final drafts of chapters for the Review Report, including Pay & Conditions, Finance and Pensions. It further considered draft chapters for the Introduction, Context and Conclusions.

The Review Group agreed to the substantive material and approach of all chapters. In relation to the Conclusions, the content was examined and approved but it was decided that a more focussed presentation might be achieved, given that all the detailed material and data were available in the other chapters.

It was therefore decided to prepare an alternative version of the Conclusions section to be commented on by all members and then approved by an Editing sub-group. It was also decided that an Executive Summary Chapter be developed in a 'signpost' format.

The Report will now be copy edited, with any amendments to be approved by an Editing sub-group consisting of the Independent members plus the chairs of the union and employer sides.

The 2008 ASHE data are also to be included when they become available on 26 November. Sections altered as a result of these changes will be circulated to all members for comment in a 24 hour period prior to Editing sub-group agreement.

Publication of the Review Report

The Review has agreed that, subject to final agreements through correspondence, the Report will be published on 8 December by way of electronic media.

It was agreed that no comment or publicity regarding the Review Report should be released by any members in advance of 8 December, save for the Chair's embargoed briefing of the media. The Secretary to the Review will also prepare letters to key stakeholders with an interest in the findings of the Review in advance of 8 December, alerting them to the publication of the Report.

Presentation of key findings on 8 December

The Review agreed that key findings from the Report be presented by Dick Coldwell and Bill Callaghan, two Independent Members of the Review, at the New JNCHES Strategic Conference being held in London on 8 December. The event will coincide with a media release and the Report being made available electronically on the JNCHES web pages.

Acknowledgement of contributions

The Chair wished to note the particular contribution brought to the Review's work by Bill Callaghan and Dick Coldwell as Independent members. The Chair thanked the Secretariat for their work in support of the Group's process and pulling together the final report.

Particular thanks were recorded to people not present, including Steve Palmer and Grant Whitfield, Jim Port, the Unison Project Team, staff of the unions and UCEA who had contributed to the work of the Review. Thanks were also expressed to the OME for their hospitality in hosting the Review meetings.

The Review Group recorded its thanks to Rennie Fritchie for her guidance from the Chair.

2. Joint letter to DIUS

Joint Negotiating Committee for Higher Education Staff

Bill Rammell MP
Minister for Higher Education
DIUS
Sanctuary Buildings
Great Smith Street
London SW1P 3BT

2 November 2007

Dear Minister

We are writing to update you on the progress of the JNCHES Review of HE Financial and Pay Data which is to commence its work in mid-November.

We now have a full team in place including the independent chair, Baroness Rennie Fritchie, six trade union and six employer representatives, and two independent members – Bill Callaghan and Dick Coldwell. Meetings have been scheduled from 12 November 2007 to October 2008.

We are pleased to report that all the parties (EIS, GMB, UNITE, UNISON, UCU and UCEA) have now confirmed the following statement:

"We agree that the approach that has been agreed for the Review – in terms of selection of evidence, evidence collection, analysis, verification and reporting; and of arrangements for managing the Review and production of its report – will produce robust conclusions. We therefore commit to acceptance of the Review's findings in full as an input to future negotiations".

You very kindly indicated that some DIUS funding may be available to support the work of the Review and we hope that the above assurance will be helpful in facilitating this. We would, of course, be happy to provide you with further details of the planned approach - which we expect to be formally approved at the first meeting of the Review Group. Perhaps your officials could liaise with Jocelyn Prudence about any further information required.

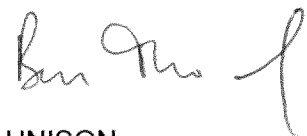
Yours sincerely



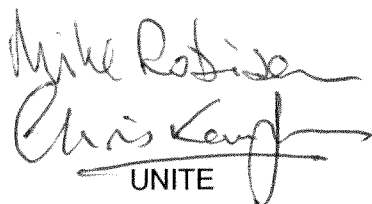
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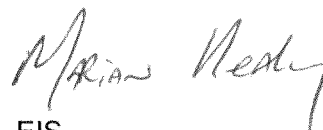
UNISON



UNITE



GMB



EIS