Matters relating to pay restraint and the University’s post-COVID-19 recovery plan: Notice from the Council

21 July 2020

Certain decisions, taken at the Council’s meeting on 15 June 2020, were announced in the Vice-Chancellor’s message to staff on 16 June 2020.1 In brief these were as follows:

- **To limit reward and progression schemes for the year 2020–21.**

  The University will limit the use of its reward and progression schemes for the academic year 2020–21. The following schemes will now not run: Professorial Pay Review 2020; Grade 12 Contribution Reward Scheme 2021; University Senior Lecturer Contribution Reward Scheme 2021; and Researcher Increment Scheme 2020–21.

  A more limited version of the Grade 1–11 Contribution Reward Scheme 2021 will run, with applications only open to assistant staff in Grades 1 to 5 – they will only be able to apply for one-off single contribution payments. The costs of these payments will be met by the central Administered Fund for the 2020–21 exercise.

  Current reward and progression schemes – those already launched – will continue to their conclusion, including the Professorial Pay Review 2018 and the Researcher Increment Scheme.

- **To introduce a voluntary pay reduction scheme for staff earning over £100k involving a pay cut of 10 percent of total remuneration for a period of six months.**

  The University will introduce a voluntary temporary pay reduction scheme, over six months, for senior University staff whose total remuneration exceeds £100k annually (pro rata), asking them to consider a reduction of 10% in total remuneration.

The Council, at its meeting on 20 July 2020, gave further consideration to a number of these measures in the context of wider discussions around the University’s post-COVID-19 recovery plan.

**Pay restraint**

At its June meeting, the Council had asked the HR Committee to review a number of matters, including how the University might continue to exercise restraint on recruitment beyond 31 July 2020, and whether, as an alternative to cancelling the Academic Careers Pathways 2021 promotions exercise, it would be possible to run a ‘titular’ promotion exercise through which a staff member’s title is upgraded, even if not their remuneration.

The key decisions on pay restraint were as follows:

- **To not run a titular-only Academic Career Pathways (ACP) promotion exercise whereby staff would receive the title but not the pay increase.**

  The HR Committee examined the merits, issues and risks of running a titular-only ACP promotion exercise. While recognising that there were arguments for adopting the proposal, including supporting academic staff whose research productivity had been compromised since the lockdown had been introduced, legal advice has suggested that

a titular-only scheme would be hard to implement on equal pay grounds. There has also been strong feedback from staff representatives that receiving titles without a rise in salary would be perceived as unfair and create significant morale problems across the University’s workforce.

The Council stressed that automatic progression through salary points would continue for all staff (including academic staff) where this was a normal feature.

- **To continue the programme of recruitment restraint until 31 July 2021.**

  The recommendation to Council was based on a review of how recruitment restraint had worked over the past few months, including discussion with, and feedback from, groups considering exceptions to the general pause on recruitment. A new version of the Recruitment Protocol has been produced as a result of this review, with a number of important updates, including the exemption from the exercise of all externally funded posts. The new protocol, valid from 1 August 2020 until 31 July 2021, is available at [https://www.hr.admin.cam.ac.uk/recruitment_protocol_2020_21](https://www.hr.admin.cam.ac.uk/recruitment_protocol_2020_21). It will be kept under review and will be subject to a full review before 30 April 2021, when a decision will be taken as to whether it should continue, either in its current form or a different form.

- **Further details relating to the Voluntary Pay Reduction Scheme for those whose total remuneration exceeds £100k.**

  It was agreed that those staff who wished to contribute to the scheme, which would involve a suggested 10 per cent contribution over a period of six months to help the University mitigate the financial impacts of COVID-19, could do so as follows:

  - By donation via the University’s payroll giving provider using the online form on the University’s website;
  - By making a single payment or regular payments via direct donation using the online facility provided by CUDAR or by writing a cheque.

  Further details on how the scheme will run will be provided to institutions in due course.

- **To allow exceptional market pay applications, subject to enhanced scrutiny.**

  The HR Committee reconsidered its previous recommendation to suspend new Market Pay awards for six months. It concluded that it could be damaging to the University if market supplements could not occasionally be offered to individuals working in a field where specialist skills are scarce and in demand.

  The Council agreed the following:

  - the current processes for approving these payments should be revised to capture specific details about why the supplement is requested at this time and how it can be justified in light of current pay restraint measures;
  - the HR and Remuneration Committees undertake closer scrutiny of requests referred to them for approval;
  - those payments which do not currently require Committee approval are to be reported to the relevant Committee so that a fuller picture of these payments can be obtained. As part of the closer scrutiny, the Committee would require retention applications to be supported by evidence of a competing offer.
The Council agreed to keep pay restraint measures under close review.

Recovery plan

The Council received and approved the final version of the University’s post-COVID-19 recovery plan, available at [https://www.admin.cam.ac.uk/cam-only/reporter/2019-20/weekly/6587/6587-RecoveryPlan.pdf](https://www.admin.cam.ac.uk/cam-only/reporter/2019-20/weekly/6587/6587-RecoveryPlan.pdf). The development of the plan has been overseen by the Crimson Recovery Taskforce, and informed by the work of the seven other taskforces\(^2\) and the regular briefing sessions run for key representatives from institutions and Colleges. The plan has an initial focus on continuing the work to return to on-site activities in a safe and secure way, with a range of longer-term projects tailored specifically to meet both the challenges and opportunities now facing the University and the Colleges. These are aligned with the Priorities Framework\(^3\) and are collectively focused on delivering:

- An outstanding educational experience;
- Insightful and impactful research;
- Financial sustainability;
- Support for our staff and community;
- Enhanced efficiency and effectiveness.

Implementation of the recovery plan will pass to the formal University bodies with responsibility for each area of the plan. It was agreed that the General Board should have responsibility for the overall coordination and monitoring of the implementation phase, with support from a small project management team. It was also noted that shared decision-making between the University and the Colleges through formal mechanisms such as the Colleges’ Committee was vital for the successful implementation of the plan.

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\(^2\) Covering education, research, people, buildings, digital infrastructure, financial implications, and the Colleges.

\(^3\) See the Annual Report of the Council for the academic year 2018–19 ([Reporter, 6573, 2019–20, p. 194](#).