

Taylor review of employment practices in the modern economy

Response from the University and College Union (UCU)

May 2017

1. The University and College Union (UCU) represents over 100,000 academic and academic-related staff working in universities, colleges, prisons and adult education settings across the UK. This response is informed by concerns raised by UCU members working in these settings.
2. UCU welcomes this review of employment practices in the modern economy, which comes at an important time for the UK as it seeks to deal with the impact of Brexit and increasing global competition for skills and services. The UK should be setting a high bar in its approach to ensuring that workers are not disadvantaged by emerging and exploitative employment practices, and this review has an important part to play.

The rise of precarious work in post-school education

3. The use of insecure employment contracts in further and higher education is surprisingly prevalent, with many colleges and universities employing significant sections of their workforce on a non-permanent basis.
4. In April 2016, UCU published two reports examining the use of precarious contracts in further and higher education. The research examined the use of non-permanent employment contracts including fixed-term, hourly paid, zero-hours and, in higher education, atypical¹ contracts. Data was drawn from a combination of publicly available statistics and responses to freedom of information requests made by UCU. Headline findings include:
 - In higher education²:
 - i. 54% of all academic staff and 49% of all academic teaching staff in UK universities are employed on insecure contracts.
 - ii. The use of insecure contracts in academia is heavily concentrated in lower grades; over three quarters (75.5%) of all research and teaching assistants are employed precariously.

¹ The definition of atypical staff used by the Higher Education Statistics Agency (HESA) is as follows: 'Atypical staff are those whose working arrangements are not permanent, involve complex employment relationships and/or involve work away from the supervision of the normal work provider. These may be characterised by a high degree of flexibility for both the work provider and the working person, and may involve a triangular relationship that includes an agent.'

² UCU, April 2016, *Precarious work in higher education*: https://www.ucu.org.uk/media/7995/Precarious-work-in-higher-education-a-snapshot-of-insecure-contracts-and-institutional-attitudes-Apr-16/pdf/ucu_precariouscontract_report_apr16.pdf

- In further education³:
 - i. 34% of lecturing staff and 37% of other teaching staff in English further education colleges are employed on precarious contracts.
 - ii. 30 colleges employ more than 50% of their staff on precarious contracts.
- 5. A later analysis of higher education data⁴ revealed that the elite Russell Group universities are, on average, the biggest users of precarious contracts, with almost six in ten academic staff (58.5%) employed on a non-permanent basis.
- 6. UCU is concerned that the true level of precariousness in higher education is in fact even greater than this research suggests. This is because the Higher Education Statistics Agency (HESA) does not collect information on the use of hourly-paid staff and it does not compel institutions to report their data on atypical staff in a consistent way.
- 7. Our members have also reported a recent increase in the use of temp agencies and subsidiary companies to employ casual academic staff. When UCU conducted a Freedom of Information request in 2014, 61 colleges and 64 universities reported that they made use of subsidiary companies to deliver teaching. The attractions of doing this are that it allows staff to be employed off nationally agreed pay scales and working conditions and, in many cases, it makes college staff ineligible to access the Teachers' Pension Scheme.
- 8. Some institutions have explicitly attempted to use subsidiary companies to undermine employment rights. For example, in 2016⁵ staff at CU Services Ltd, a subsidiary company wholly owned by Coventry University, won a long-running battle to secure union recognition. Just days later, the same staff were told that their employment with CU Services was being terminated. They were advised that if they wanted to continue working at the university, they would have to accept less favourable temporary employment contracts with another subsidiary company - also wholly owned by Coventry University - which did not recognise any trade unions. Following a campaign by UCU, the decision was reversed but it serves as an example of the potential for institutions to use subsidiary companies in highly dubious ways to reduce the rights of their employees.

³ UCU, April 2016, *Precarious work in further education*: https://www.ucu.org.uk/media/7999/Precarious-work-in-fe/pdf/ucu_precariouscontract_fereport_apr16.pdf

⁴ UCU, November 2016, *Precarious work in higher education: update*: https://www.ucu.org.uk/media/8384/Precarious-work-in-higher-education-November-2016-update/pdf/ucu_precariouscontracts_hereport_nov16.pdf

⁵ Chakraborty, A., The Guardian, September 2016, *Think only low-paid workers get the Sports Direct treatment? You're wrong*: <https://www.theguardian.com/commentisfree/2016/sep/27/low-paid-workers-sports-direct-university-staff-rights-mike-ashley>

The impact of casualisation in education

9. UCU's 2015 report, *Making Ends Meet: the human cost of casualisation in post-secondary education*⁶, highlights some of the issues faced by academic staff employed on precarious contracts. Headline findings, based on a survey of over 2500 staff, include:
- More than two-fifths (42%) of staff on casual contracts have struggled to pay household bills.
 - Over a third (35%) reported that they struggled to meet rent or mortgage demands, while 21% said that they had struggled to pay for food.
 - Around 10% of respondents said they could not give an accurate figure on how many hours they worked or how much money they earned each month because it varied too much.
 - A third (34%) said that they have had problems getting a mortgage because of their contracts. The real extent of the problem is, however, likely to be bigger as many who answered 'no' to the question reported that this was because they had never tried to obtain a mortgage and believed there would be no point while they remained on a casual contract.
10. As well as the negative impact for individuals employed on insecure contracts, UCU has raised concerns about the effect of increasing casualisation on educational quality and the student experience. US research⁷ demonstrates that students who take large numbers of courses with teachers employed on insecure contracts, or who are in institutions with large numbers of non-permanent staff, tend to graduate at a lower rate and are more likely to drop out of college. The Delphi project⁸, which was set up to look at increased casualisation in the US, has noted a correlation between increases in the use of part-time, non-permanent staff and negative effects on student learning.
11. UCU argues that the use of casual employment contracts in colleges and universities is detrimental to students because many casual staff:
- are not paid adequately for time spent preparing lessons and/or marking
 - don't have the same access to resources and office space
 - don't have the same access to professional development opportunities
 - juggle several jobs which means they have little time to engage with students outside of lesson time
- All of these factors reduce the capacity of non-permanent staff to provide the level of support which students increasingly expect from their time in higher education.

⁶ UCU, May 2015, *Making Ends Meet*: https://www.ucu.org.uk/media/7279/Making-ends-meet---the-human-cost-of-casualisation-in-post-secondary-education-May-15/pdf/ucu_makingendsmeet_may15.pdf

⁷ Kezar, A. and Maxey, D., Autumn 2014, *Faculty Matters: so why doesn't everyone think so?*: <https://www.nea.org/assets/docs/HE/e-Kezar.pdf>

⁸ The Delphi Project, *Selected research on connections between non-tenure-track faculty and student learning*: http://www.uscrossier.org/pullias/wp-content/uploads/2013/07/Delphi-NTTF_Annotated-Research-Summary_2013WebPDF.pdf

Suggested actions on insecure employment

An inquiry on casual employment practices in UK colleges and universities

12. In order to ensure that careers in university and colleges remain attractive to UK graduates, it is necessary to promote secure and attractive careers for staff. Casual contracts are, in many institutions, the new norm and risk putting off early career academics and teaching staff. UCU would therefore welcome a comprehensive inquiry to identify and address underlying causes of casualisation within further and higher education in the UK.

Replacement of hourly paid contracts with fractional contracts

13. In the context of colleges and universities, employers often defend the use of casual contracts by citing a need for flexibility. However, this is often overstated – for example, student numbers are known in advance so it should be possible for institutions to offer secure contracts to staff rather than relying on a large hourly paid workforce. UCU believes that the use of fractional (pro-rata) contracts is the most appropriate method of employing and calculating the pay of part-time staff in all but exceptional circumstances.

Stronger duties on employers to address insecure employment practices

14. UCU wrote to all colleges and universities in January 2016 asking them to engage with the union to address issues related to insecure employment in their institutions. We asked them to eradicate the use of zero-hours contracts and commit to a joint review of working practices at their institution. The response was mixed:

- Out of 246 colleges⁹:
 - i. 36 responded positively
 - ii. 43 responded in a neutral, non-committal way
 - iii. 21 responded negatively
 - iv. 146 failed to respond at all.
- Out of 161 universities¹⁰:
 - i. 32 responded positively,
 - ii. 22 responded in a neutral, non-committal way
 - iii. 35 responded negatively
 - iv. 72 failed to respond at all.

It is clear from the fact that most employers failed to engage positively with UCU that there is a lack of institutional will to address the problems associated with insecure working. UCU therefore believes that stronger duties on employers are required in order to tackle the issue.

⁹ https://www.ucu.org.uk/media/7999/Precarious-work-in-fe/pdf/ucu_precariouscontract_fereport_apr16.pdf

¹⁰ https://www.ucu.org.uk/media/7995/Precarious-work-in-higher-education-a-snapshot-of-insecure-contracts-and-institutional-attitudes-Apr-16/pdf/ucu_precariouscontract_hereport_apr16.pdf