

**'MEMORANDUM OF UNDERSTANDING' REGARDING THE FUTURE PAY
ARRANGEMENTS FOR STAFF ENGAGED ON FE64 TERMS AND CONDITIONS OF
EMPLOYMENT AND THEIR PROSPECTIVE TRANSFER TO THE JNCHES HE2000
ACADEMIC CONTRACT**

Scope and Purpose

1. This understanding (hereafter called "the Memorandum") is a voluntary but binding understanding between the EIS/ULA and each Institution noted in Appendix 1.
2. The Memorandum applies to employees engaged under FE 64 pay scales and terms and conditions of employment on the date the Memorandum takes effect.
3. HE2000 refers to the agreement inherited by JNCHES as the national core contract for academic staff in the post-1992 sector in Scotland.
4. The Memorandum will take effect on the date upon which the EIS confirms, to the employers' representatives, a positive result from a ballot of their members, in respect of the terms of this Memorandum and, thereby their formal agreement to its terms. Such confirmation shall be received by the employers not later than seven calendar days following the date of closure of the ballot, which ballot shall not be unreasonably delayed and will commence, in any event, within the month of November, 2002.
5. The purpose of this Memorandum is to provide a context and process, whereby academic staff, who are currently engaged on FE64 terms and conditions, are aware of the limitations of remaining on the FE64 contract and voluntarily transfer to the JNCHES inherited HE2000 terms and pay arrangements. It would be expected that such staff would seek to voluntarily transfer to HE2000 by 31st July 2006, if not sooner.
6. Those staff remaining on FE64 after 31 July 2006 would be fully aware that the terms of the Memorandum would expire at that time and that, thereafter, all matters relating to the pay of those staff would be for local determination by each Institution.

Agreed "Current State"

7. The employers and the EIS agree that HE2000 is the nationally inherited (JNCHES) statement of core and certain non-core terms and conditions for academic staff, as set out in the HE2000 agreement.
8. Staff engaged on FE64 terms and conditions are not covered by the JNCHES national negotiations (FE64 not being an inherited agreement), and therefore, as things stand, any annual pay uplift for that group is for local determination.

The Understanding

9. Employees engaged on FE64 pay, terms and conditions, in the Institutions listed, will, for 2002/2003, receive the same nationally agreed increase to basic pay rates (3.2% effective 1st August, 2002) as that negotiated and agreed by JNCHES in respect of academic staff.
 10. In respect of the pay settlement periods 2003/2004, 2004/2005 and 2005/2006 which take effect from 1st August each year, the increase to the personally retained FE64 pay scales will be at the level of the "All Items RPI" (Retail Price Index) published by the Office for National Statistics for the year to 31st July, each year (also published in the Industrial Relations Services journal 'Employment Review') OR the national JNCHES basic pay settlement for academic staff, whichever is the lesser.
 11. With effect from 1st August, 2006 all matters relating to the pay of academic staff who have personally chosen to remain on FE64 will be for local determination by each Institution.
 12. At any time, staff may voluntarily request a transfer from FE64 to HE2000 terms and conditions, subject to any 'transfer window' which Institutions may wish to attach to any local transfer 'incentive'. It is noted that Institutions may also wish to include a local provision that transfer must occur not later than two full years prior to an employee's contractual retirement date.
 13. As FE64 has not been inherited by JNCHES, FE64 pay scales will not be assimilated to the nationally agreed interim pay spine nor to any finally agreed spine, nor to any new pay structures/systems which may be recommended or agreed for adoption nationally or locally.
 14. Institutions may include local incentives and other terms and conditions for transition/transfer from FE64 to HE2000, which are *in addition* to the following benefits which arise on transfer in any event:
 - assimilation to the HE2000 scales to the next highest pay point (in cash value), where applicable, from the first of the month following the date of the transfer request
 - assimilation to the nationally agreed interim single pay spine for 2002/2003
 - assimilation to the finally agreed single pay spine in 2003
 - annual nationally agreed pay settlements
 - inclusion in job evaluation, job grading and pay arrangements arising from national guidance agreed by JNCHES for modernised pay systems and for achieving equal pay for work of equal value
 - future improvements to HE2000 benefits, terms and conditions, negotiated nationally by JNCHES for core elements, and locally for non core elements.
- Where Institutions are able to include other local incentives for transfer, these will be communicated and explained locally.
15. Except where there is an alternative formal local agreement in place, discretionary salary enhancements, internal appointments, regradings and promotions will be on HE2000 terms and conditions.

Status of the Memorandum

16. This Memorandum is in full and final conclusion of all matters relating to the future pay, terms and conditions of staff engaged on FE64 contracts and the transfer arrangements to HE2000. It is not intended, by either party, that the terms of this memorandum will be for variation at any time, whether by further discussion, consultation or negotiation, nationally or locally.
17. All parties will recommend the terms of this Memorandum to their respective decision making bodies and the expectation is that it will be endorsed.

Additional Agreement on Activity Planning

18. Bearing in mind that there are some Institutions who have yet to fully implement the activity planning requirements, of the HE2000 agreement, it is strongly recommended that:
 - by 31st January, 2003 the relevant Universities will have established, within their Institution, an appropriate joint forum (eg. a short life working group, a consultative group, a project team, or an existing forum) with a view to discussing and agreeing what form of activity planning is locally appropriate, the methodology and arrangements for piloting (if this is agreed as appropriate) in a small number of Schools/Departments.
 - by 1st April, 2003 (assuming a consensus on the way forward has been locally reached) piloting will have commenced.
 - all with a view to activity planning being fully implemented for the beginning of the academic session 2003/2004.
 - Institutions which have, following local consultation, already implemented activity planning, will obviously not require to do any more other than such local improvements to those arrangements as they may choose to make from time to time.

APPENDIX 1

LIST OF PARTICIPATING INSTITUTIONS (in alphabetical order)

Edinburgh College of Art
Glasgow Caledonian University
Glasgow School of Art
Napier University
Queen Margaret University College
The Robert Gordon University, Aberdeen
The University of Paisley