London Weighting: the case for an increase

It is a generally accepted fact that the costs of living and working in London are appreciably higher than those in the rest of the country, and have been for many decades. This is the reason that the majority of London employers, Goldsmiths amongst them pay a London Weighting allowance as an addition to the basic salary. Unfortunately during recent years, property and travel costs have spiralled considerably, council tax charges are also being increased and the London Weighting allowance has not kept pace with the impact these increases are having on Goldsmiths’ staff.

The higher cost of living in London in comparison with the rest of the country is due mainly to the fact that travel and property costs in the capital are exceptionally high, particularly property costs. Land Registry figures for February 2017 show the average property value in London as £474,704, whereas the average value of property elsewhere in the country is quoted at £217,502. This is reflected in rental costs. Homelet quoted average rental prices for the same month as £896 in East Anglia, £992 for the South East and a staggering £1520 for London.

A little under 5 years ago (August 2012), London Weighting at this College stood at £2,686. The current figure is £2,825, an increase of just £139 (roughly 4%-5%) over the whole period. UNISON and the UCU have recently carried out a survey of members working at Goldsmiths to find out how much their rent/mortgage and travel costs have increased over the same period. To date, we have had over 200 replies, which gives a clear indication that staff are very concerned about this particular matter.

The chart below shows the percentage increases in rent and mortgage repayments which our members have been paying over the past five years:
As can be seen, the lowest percentage increase reported is 7.5% and the highest is nearly 30%.

Responses to a similar question regarding fare increases showed a far greater complexity in the data, which is analysed below:

<table>
<thead>
<tr>
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<th>Question 4 (5 years ago)</th>
<th>Question 5 (now)</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of respondents who walk/cycle/drive to work</td>
<td>14/192 (7.3%)</td>
<td>16/199 (8%)</td>
<td>Relatively similar</td>
</tr>
<tr>
<td>Average yearly cost of travel to work (all methods of payment)</td>
<td>1281.25</td>
<td>2072</td>
<td>£790.75 yearly increase (62% more than 5 years ago)</td>
</tr>
<tr>
<td>Average yearly cost to get to work (daily payers)</td>
<td>1579</td>
<td>2711</td>
<td>£1132 yearly increase (72% more than 5 years ago)</td>
</tr>
<tr>
<td>Average yearly cost to get to work (weekly payers)</td>
<td>1195</td>
<td>1468</td>
<td>£273 yearly increase (23% more than 5 years ago)</td>
</tr>
<tr>
<td>Average yearly cost to get to work (monthly payers)</td>
<td>1264</td>
<td>1779</td>
<td>£515 yearly increase (41% more than 5 years ago)</td>
</tr>
<tr>
<td>Average yearly cost to get to work (yearly payers)</td>
<td>1087</td>
<td>2330</td>
<td>£1243 yearly increase (114% more than 5 years ago)</td>
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Across all respondents the average cost of travel to work has increased by 62% (£790.75) over this 5 year period (2017 compared to 5 years ago).

The largest increase is for those that indicated they pay for their travel yearly. It now costs them, on average, £1243 more to travel than it did 5 years ago. That's an increase of 114%.

The smallest increase in cost of travel to work was for those that indicated they pay weekly. They now pay, on average, £273 more per year, or 23%.

This could be because weekly travel is more likely to be by bus, compared to yearly travel which is more likely to involve all forms of transport (anecdotally respondents mention travel cards more in yearly travel and Oyster more in weekly travel).

In the light of these figures, it is therefore not surprising that in response to a question as to whether they feel that the current level of London Weighting at Goldsmiths is acceptable, no less than 95.8% replied that they do not. 34.4% told us that their disposable income each month is less than £100 and 60.8% said it is less than £200. Living costs in London appear to be impacting most heavily on younger people: 59.4% of the respondents gave their age-group as under 45.

Of comments made by respondents on how the costs of living in London are affecting themselves and their families, the most frequent were:

- A struggle to make ends meet which leads to having to make severe economies during the last week of the month;
- Unable to consider moving outside London to reduce costs, either because of caring responsibilities for elderly relatives or because family members living nearby are helping to provide childcare;
- Many who have been able to move away cited high fares and lengthy commutes as adding further stress, reducing their quality of life and the time they can spend with their families;
- Most spoke of being unable to save. Many of the respondents living in rented accommodation said that they cannot envisage ever being able to afford to buy and some said that they cannot envisage ever being in a position to start a family. One spoke of 'living like a student' in cramped house-shares with no security for the future, and one woman said she feels unsafe as a woman having to live in one room in a house full of strangers;
- Most said that their social and leisure activities are very much restricted. Several said that they are unable to afford exercise classes or complementary therapies which would help to reduce their stress levels. Some academic colleagues said that they have to limit the number of artistic events they attend, even though these events would support their research and academic careers.

The overall picture was a bleak and distressing one, indicating that many colleagues are struggling in a vicious circle of increasing costs, with very little hope of breaking free and achieving their desired life-choices.
A survey by Incomes Data Services in 2013/14 showed that the average London Weighting paid across 95 different organisations (both public and private sector) was £3,561; and the average in the public sector was £4,098. This indicates that even at that time, Goldsmiths was paying below the average and may well have fallen further behind since then.

_We believe that an immediate increase in the London Weighting allowance to £4,000 would be both fair and affordable, and would be a more realistic reflection of the true costs of working in the capital at this time._

Goldsmiths’ international reputation as a leading institution for the study of arts and social sciences is well-deserved, and that reputation rests above all else on the staff it is able to recruit. It has often been noted by the JNCC that staff costs are the highest administrative costs which the College incurs but this is surely as it should be when the greatest and most important resources it has are the expertise, commitment and loyalty of the people who work here. UNISON and the UCU feel that such loyalty and commitment deserve something better than a constant, stressful struggle to meet even the basic costs of living.

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