

PERSONNEL SERVICES

University Offices, Wellington Square, Oxford OX1 2JD
 Director of Human Resources



To: heads of departments and institutions, faculty board chairs,
 departmental administrators and faculty board secretaries

Ref. EMS/6

8 January 2014

cc. heads of division, divisional secretaries, Dr Gambles, Mr Shaw,
 Director of Conference of Colleges Secretariat, Mr Morgan, Ms
 Zaccheo

The Living Wage: Change to Grade 1 of the salary and grading structure

The Personnel Committee has decided that the minimum rate of pay for university employees should be at or above the Living Wage. As a result of an increase to the Living Wage in November 2013, the lowest point of grade 1 (i.e. grade 1, point 2) is now lower than the Living Wage (currently £7.65 per hour), and will be taken out of use. Staff on grade 1, point 2 will be moved to grade 1, point 3, with effect from 1 March 2014.

The Personnel Committee has made no commitments relating to future increases in the Living Wage or to employees of contractors who are working on university premises. A working party has been set up to assist departments who wish to pay the Living Wage to the employees of university contractors.

1. Background

University employees

The Living Wage Campaign seeks the commitment of employers to pay staff at the 'Living Wage', which is a rate above the national minimum wage calculated on the basis of the cost of living. All pay points on the University's pay and grading structure were greater than the Living Wage until its increase in November 2013. The lowest paypoint in grade 1 now pays 9p per hour below the Living Wage of £7.65 per hour. This equates to £170.82 per annum at 1.0 FTE.

Since 2006, the Oxford Living Wage Campaign, comprising students and staff, has campaigned for a Living Wage at the University. The Campaign attracts widespread attention, and the University receives frequent correspondence and FOIA requests about its stance.

Several UK universities, including Oxford Brookes, have committed to paying the Living Wage to their employees. More information can be found at: <http://www.livingwage.org.uk/>.

Those employed by contractors to work on university premises

Personnel Services have been working with Purchasing to support departments that choose to pay the Living Wage to those employed by contractors but working on university premises.

The University's preferred cleaning suppliers will now provide the Living Wage rate as part of their quotation. Departments requesting a quotation from a preferred supplier will now receive



three quotations: TUPE labour rates as per current supplier, the University Recommended Labour Rate of 10-12% above the National Minimum Wage, and the Living Wage.

2. Action required of Departments

The University's Personnel Committee is mindful of the fact that the value of the package on offer to university employees far exceeds that of their basic pay. However, it has decided to adopt the current Living Wage as the minimum rate of pay for university employees.

Effective immediately, standard grade 1 (Payroll code 01S), point 2 (National Pay Spine point 3) will be closed to new appointments.

Employees currently on standard grade 1, point 2 will be moved to standard grade 1, point 3 (National Pay Spine point 4) by the HRIS Data Services team in Personnel Services with effect from 1 March 2014. Departments should inform their affected staff members of this change.

A revised copy of the Salary and Grading Structure is attached to this circular as Annexe A.

From 1 March 2014 grade 1, point 2 (National Pay Spine point 3) will have no salary value in Core and it will not appear in future versions of the Salary and Grading Structure or the Casual Pay Spine. From 1 March 2014, the lowest point on grade 1 will be point 3 (National Pay Spine point 4).

The Casual Pay Spine for casual worker engagements has been updated and the lowest point is now £7.73 per hour. The revised Pay Spine is available in full from the Personnel Services website at: <http://www.admin.ox.ac.uk/personnel/recruit/background/employstatus/casual/>.

3. Further information

If you would like more information on how to migrate a cleaning contract to a preferred supplier, please contact Natalie Sowden: 01865 (2)88572.

If you would like to discuss the University's stance on the Living Wage, please contact sarah.thonemann@admin.ox.ac.uk.

MR J DUXFIELD

Director of Human Resources.