

**PERSONNEL SERVICES**

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



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

Ref. EMS/6

15 March 2013

cc. heads of division, divisional secretaries, Dr Gambles, Mr Shaw,  
 Principal Administrator of the Conference of Colleges, Mr Morgan, Ms  
 Zaccheo

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

*The Personnel Committee has decided that to adopt the current Living Wage as the minimum rate of pay for university employees. As a result, stage 1 of grade 1, which is now lower than the Living Wage (currently £7.45 per hour), has been taken out of use. All staff on grade 1, stage 1 should be moved to grade 1, stage 2, as soon as possible and by 31 May 2013 at the latest.*

*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 will be set up to consider how to assist departments who wish to pay the Living Wage to the employees of university contractors.*

#### **1. Background**

The Living Wage Campaign seeks the commitment of employers to pay staff at the 'Living Wage', a rate above the national minimum wage that is calculated on basis of the basic 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 2012. The lowest paypoint in grade 1 now pays 16p per hour below the Living Wage of £7.45 per hour. This equates to £303 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 universities have committed to paying the Living Wage to their employees. Locally, Oxford City Council and Oxford Brookes pay the Living Wage and eleven colleges have stated their commitment to it (although most have yet to take account of the increase in November 2012). More information can be found at: <http://www.livingwage.org.uk/>.

#### **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 1 (National Pay Spine point 2) will be closed to new appointments.*



*Employees currently on standard grade 1, point 1 should be moved to standard grade 1, point 2 by their departments before 31 May 2013. 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.

In order to move individuals from 01S.1 to 01S.2 in Core Personnel, departments will need to follow the process outlined in [QRG: CH5 Manage Changes: Change Pay](#).

When the individual's pay record is updated the following selections should be made:

Field Name	Description of changes for move to 01S.2
<b>Effective Date</b>	The date you wish the move to point 2 to start (not later than 31 May 2013)
<b>Pay Scale</b>	01S
<b>Point</b>	2
<b>Multiplier</b>	Populated from FTE (while no change is required for this move, please check that it is correct for the Effective Date)
<b>Reason</b>	MM (manual mapping)
<b>Comments</b>	Living Wage

Where the Effective Date is before 1 May 2013 the individual will be eligible for a service increment on 1 August 2013 providing they are still in post. Please ensure that increment dates are populated for all staff being moved. Instructions for adding missing increment dates are provided in [QRG: CH17 Manage Changes: Increment Due Date](#).

From 1 June 2013 grade 1, point 1 (National Spine Point 2) will have no salary value in Core and will not appear in future versions of the Salary and Grading Structure or the Casual Pay Spine. From 1 June 2013 the lowest point on grade 1 will be point 2 (National Spine Point 3).

The Casual Pay Spine for casual worker engagements has been updated and the lowest point is now £7.48 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

A working group is being set up to consider how best to assist departments who wish to ensure that staff of contractors working on university premises are paid at the Living Wage. More information on this will be available in due course.

If you would like help to change the pay point for existing staff, please contact [hr.systems@admin.ox.ac.uk](mailto:hr.systems@admin.ox.ac.uk). If you would like to discuss the University's stance on the Living Wage, please contact [sarah.thonemann@admin.ox.ac.uk](mailto:sarah.thonemann@admin.ox.ac.uk).

MR J DUXFIELD

Director of Human Resources.