

Imperial College Union
Board of Trustees / 24 March 2021

Casual Staff Pay Update [March 2021]

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Purpose: To propose the implementation of the 2.2% increase in lowest paid casual staff in line with National Living Wage and a 1.6% pay increase for all other Casual Staff in line with the College approach and to propose further changes to pay in the future.

Decision(s): To approve

1. Current Context

1.1. National Living Wage Increase

In April 2021, the National Living Wage (NLW) and National Minimum Wage (NMW) will increase. Currently, we pay NLW to our lowest paid (category 1) casual staff.

This means that from April, unless we raise our lowest rate for casual staff to match the new NLW, we will not comply with UK employment law. Implementing the new NLW will increase our Category 1 staff pay rate as below:

- **Current** - Category 1 - £8.72 (with holiday pay £9.80)
- **New** - Category 1 - £8.91 (with holiday pay £9.99)

1.2. College Pay Increase

In December 2020, the College announced a 1.6% pay increase for all casual staff employed within College departments in line with the corresponding increase for permanent staff. This increase was effective from 7 December 2020.

The College is providing us with the opportunity to provide the same increase for our own casual staff, which it is recommended we implement. This paper aims to provide a summary of our current situation surrounding casual staff pay in comparison to the College and make a recommendation toward response.

1.3. Casual Staff Pay in ICU

Currently, ICU employs casual staff on one of four hourly pay categories:

- Category 1 - £8.72 (with holiday pay £9.80) **Current National Living Wage**
- Category 2 - £9.73 (with holiday pay £10.90)
- Category 3 - £10.95 (with holiday pay £12.28)
- Category 4 - £12.45 (with holiday pay £13.95)

These categories were defined in November 2017 as part of a review of the previous eight categories of pay and led to the creation of a Staff Competency Matrix found¹.

¹ <https://www.imperialcollegeunion.org/student-staff-competency-matrix>

The framework commits to raising hourly rates in line with annual National Living Wage increases. It does not commit to further wage increases and does not seem to be part of any wider policy surrounding pay and remuneration.

1.4. Casual Staff Pay in the College

Currently, the College employs casual staff on a range of hourly pay rates that correspond to an equivalent annual salary for permanent staff. Rates are divided into levels 1-6 (with sub-levels) as per permanent staff salaries.

The lowest hourly rate that the College pays² is as follows:

- £9.97 (with holiday pay £11.17) **prior to 1.6% pay increase**
- £10.13 (with holiday pay £11.35) **after 1.6% pay increase**

This rate corresponds to Recreation Assistants. This demonstrates that the equivalent commercial roles in the College are clearly paid higher than those at ICU.

As hourly rates are intrinsically linked to permanent staff salary levels, increases in permanent staff pay also leads to increases in casual staff pay.

2. Analysis

A comparison of the lowest hourly rates in similar hospitality roles between ICU and the College reveals the following:

Work Type	Job Role	Basic Pay	Holiday Pay	Total Pay
Students' Union - Operations	Receptionist	£8.72	£1.06	£9.78
	Bar Staff	£8.72	£1.06	£9.78
	Catering Assistant	£8.72	£1.06	£9.78
	Events Assistant	£8.72	£1.06	£9.78
	Retail Assistant	£8.72	£1.06	£9.78
Rates prior to 1.6% increase				
Campus Services - Operations	Catering Assistant	£10.10	£1.22	£11.32
	Events Catering Assistant	£10.10	£1.22	£11.32
	Events Operations Assistant	£10.10	£1.22	£11.32
	Events Technician	£10.10	£1.22	£11.32
	Recreation Assistant	£9.97	£1.20	£11.17
	Sport Activator	£10.10	£1.22	£11.32
Rates after 1.6% increase				
Campus Services - Operations	Catering Assistant	£10.26	£1.24	£11.50
	Events Catering Assistant	£10.26	£1.24	£11.50

² All hourly rates can be found here: <https://www.imperial.ac.uk/media/imperial-college/administration-and-support-services/hr/public/salaries/job-families/Casual-Worker-rate-v2.pdf>

	Events Operations Assistant	£10.26	£1.24	£11.50
	Events Technician	£10.26	£1.24	£11.50
	Recreation Assistant	£10.13	£1.22	£11.35
	Sport Activator	£10.26	£1.24	£11.50

This shows a disparity in pay between ICU and the College, with ICU paying casual staff considerably less for similar roles.

This carries potential risk for ICU in the following ways:

- Decreased casual staff satisfaction and decreased motivation and productivity
- Perceived inequality between permanent and casual staff
- Undermining of ICU stance when campaigning for issues relating to student welfare
- Perceived lack of leadership deriving from a lack of clear policy on pay

3. Proposal

The following recommendations are made for the Trustee Board to consider and approve:

- i. That ICU implement the 2.2% increase in NLW detailed above for category 1 staff from 1 April 2021 to comply with UK law.
- ii. That ICU implement a 1.6% pay increase for casual staff in all other categories immediately from 1 April.

It should be noted that:

- i. Implementing the above changes will not bring parity in pay between ICU and the College but will mitigate in the short-term.
- ii. As part of the People and Culture Development Plan currently in progress and the 2021/22 budget planning, ICU will consider implementing either London Living Wage (LLW) for category 1 casual staff and corresponding higher rates for other categories, or some form of alignment with or benchmarking against College casual pay rates. A review of the suitability of the existing categories will also be conducted.
- iii. This Development Plan will be concluded in June 2021 and any approved changes will be budgeted as part of the 2021/22 planning round.