



Red Circling Guidance Notes and Examples

As you will be aware from the enclosed letter, it has been established that your job matches to a grade which is lower than indicated by your old grade. This means that you have been red circled. As a result your pay has been frozen and will be protected for a period of four years, or until annual cost of living rises make the top point of the normal range in your new matched grade (known as your target point) greater than or equal to your frozen salary, whichever occurs first (please see the examples overleaf).

You will be invited to a meeting with your Head of Department and Supervisor in the near future in order to consider how red circling will be addressed for you. If it seems appropriate, an HR Adviser will also attend the meeting.

Prior to the meeting, you should consider how you would prefer red circling to be addressed for you, taking into account the three options listed below. You will be asked for your views on these options during the meeting with your Head of Department and Supervisor.

Red circling can be handled in one of three ways:

1. [Developing your job](#) to a stage where it can be re-graded
2. [Developing yourself](#) to allow you to be a strong candidate for a higher graded vacancy either within the Department or elsewhere in the University
3. By recognising that in certain circumstances you may wish to [maintain your current levels of responsibility](#) and accept the new position with your salary protected for four years.

To assist with options 1 and 2 above, you will be offered a Personal Development Plan to help you to reach the full potential of the post and/or to maximise your own personal potential. A nominated individual (usually your Supervisor) will help you to develop this plan. You will be allowed access to development activities and training, which are agreed to be of benefit, during the four years of the Personal Development Plan. There will be a formal review after six months and then annually once the Personal Development Plan has been set.

[Developing your job \(Option 1\)](#)

If your job is to be developed, your Head of Department will identify new duties and responsibilities to add to your job from elsewhere in the Department. During the four year period a job re-grading may be requested, following any review, by either your supervisor or yourself in line with the new/revised promotion procedures to assess whether the higher grade has been reached. If the job is assessed as being at a higher grade, you will move to the next salary point on the new grade above your salary at that time.

[Developing yourself \(Option 2\)](#)

Where it is not possible to develop your job further, a set of personal objectives and targets should be drawn up which will be aimed at developing you to your full potential. The intention of this is to allow you to apply for alternative jobs elsewhere in the University, should an opportunity arise at a date in the future.

Maintaining your current levels of responsibility (Option 3)

If you wish to maintain your current levels of responsibility no action will be taken to develop your job. Your salary will move to your target salary either when cost of living rises make your target salary greater than or equal to your frozen salary or after four years, whichever occurs first.

If you have any queries regarding the above please contact your Head of Department, Supervisor or customary HR Adviser within the Department of Human Resources.

Examples of how salary freezing and protection work in practice

Salary protection means that the salary is frozen for 4 years or until cost of living rises make the target salary catch up with or exceed the current salary. Once the salary is unfrozen, cost of living rises apply.

The following examples show how salary freezing and protection over four years work, using three different scenarios. These examples should be understood as illustrations only, not as the only three outcomes of salary protection.

The examples assume cost of living rises of 2.8% over the four year period.

Example 1: Target Salary applies after less than 1 year

In this example the person's salary is £13,953 and the job is red circled to Grade 3.

The target point is Grade 3 point 5 i.e. the top point on the normal range in Grade 3.

	Frozen Salary £	Grade 3 point 5 target salary £	Salary status	Salary for next year £
Oct 05 assimilation	13,953	13,778	frozen	13,953
backdated Aug 05 cost of living		14,164	salary unfrozen	14,164
Aug 06 cost of living		14,561	cost of living applied	14,561

Example 2: Salary is reduced to equal Target Salary after the 4 years of protection are complete

In this example the salary is £34,227 and the job red circled to Grade 7.

The target point is Grade 7 point 9 i.e. the top point on the normal range in Grade 7.

	Frozen Salary £	Grade 7 point 9 target salary £	Salary status	Salary for next year £
Oct 05 assimilation	34,227	28,850	frozen	34,227
backdated Aug 05 cost of living		29,658	frozen	34,227
Aug 06 cost of living		30,448	frozen	34,227
Aug 07 cost of living		31,342	frozen	34,227
Aug 08 cost of living		32,219	frozen	34,227
Aug 09 cost of living		33,122	target salary applies. Salary is no longer frozen	33,122
Aug 10 cost of living		34,049	cost of living applied	34,049

Example 3 : Target Salary applies after 3 years

In this example the salary is £40,091 and the job red circled to Grade 8.

The target point is Grade 8 point 7 i.e. the top point on the normal range in Grade 8.

	Frozen Salary £	Grade 8 point 7 target salary £	Salary status	Salary for next year £
Oct 05 assimilation	40,091	36,546	frozen	40,091
backdated Aug 05 cost of living		37,569	frozen	40,091
Aug 06 cost of living		38,621	frozen	40,091
Aug 07 cost of living		39,703	frozen	40,091
Aug 08 cost of living		40,814	target salary applies - salary is unfrozen	40,814
Aug 09 cost of living		41,957	cost of living applied	41,957

The effect of Exceptional Contribution awards on red circling

Staff who are red circled are eligible, along with all other staff, to receive Exceptional Contribution awards. Exceptional Contribution awards apply to red circled staff in the following way:

First Exceptional Contribution Award:

A one off payment equal to an increment is made.

Second consecutive Exceptional Contribution Award:

The target point is raised to the next increment and a one off payment equal to an increment is made. Depending on individual circumstances this will either reduce the gap between frozen salary and target salary (so the salary may be unfrozen more quickly) or unfreeze the salary altogether.

For more information about Exceptional Contribution awards, please refer to the Implementation of Framework Agreement document, which was sent to all staff.

The example below shows the impact of two consecutive E.C. awards on Example 3 above. Again the target point is Grade 8 point 7. Here you can see that the salary is unfrozen more quickly than previously.

	Frozen Salary £	Target Point Salary £	Salary status	Salary for next year £
Oct 05 assimilation	40,091	36,546	frozen	40,091
backdated Aug 05 cost of living		37,569	frozen	40,091
1st E.C. award	One off payment equal to an increment is made			
Aug 06 cost of living		38,621	frozen	40,091
2 nd E.C. award	39,780 Target point moves to grade 8 point 9 which reduces the gap between frozen salary and target point salary. A second one off payment equal to an increment is made			
Aug 07 cost of living		40,894	unfrozen	40,894
Aug 08 cost of living		42,039	cost of living applied	42,039