



WP 36

Agenda Item: 13.2

Person Responsible: E Griffin/
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**XXXIV SCAR Delegates Meeting
Kuala Lumpur, Malaysia, 29-30 August 2016**

Review of Secretariat Remuneration

Executive Summary

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Important Issues or Factors:

The salary scales used for SCAR are pegged to the University of Cambridge system, however these have not been revised in recent years and a review based on current duties of the position would be useful. SCAR employees are entitled to appraised raises each year and when adjusted salaries go above the pegged range, special approval needs to be given. In addition, starting in 2017, it will be required by UK law for employers to contribute to an approved pension scheme for employees, which SCAR does not currently have.

Recommendations/Actions:

Immediate: (i) ExCOM should be authorised to award salary increases above the existing pay scales where required by the results of the annual inflation and appraisal increases. (ii) SCAR should provide the minimum employers contribution to pension, as newly required by UK regulation, as an additional contribution.

Medium term: A review should be conducted by SCAR, external to the Secretariat staff, and submitted by the ExCOM to the Delegates, to determine the optimum number and nature of Secretariat roles, pay scales and the expected workloads.

The submission of these recommendations to this Delegates Meeting has been agreed by ExCOM.

Budget Implications:

The proposed provision of the employers pension contribution by SCAR would increase salary costs by 1% in 2017 (projected to be \$1,838), 2% in 2018 (projected to be \$3,822) and 3% in 2019 (projected to be \$5,963). Projections are based on the average £Sterling to USD\$ conversion rate for 2016 to date as of 29 June 2016.

SCAR Secretariat Remuneration

The Secretariat began to use the University of Cambridge salary scale to set ranges from the late 2000's. The practice was based on the original arrangements relating to the Administrative Assistant, who was paid by the University who were then reimbursed by SCAR, rather than the current practice of all Secretariat staff being SCAR employees, separate from the University payroll.

The use of the salary scales is very different between the organizations. Whereas within the University progression in increments occur annually, on top of the overall annual increase in each salary point, and SCAR salary increases are through the annual appraisal scheme.

Within the University discretionary incremental increases for exceptional service are available at the discretion of departmental heads, and a number of other benefits are included as part of the overall remuneration package. The largest discrepancy is in pension provision.

Within the University scheme for pensions (USS) the University provides a contribution equivalent to 18% of salary with employees contributing 8%. This compares to the 7% of salary provided as an equivalent pension contribution to SCAR employees – however SCAR employees currently have to pay income tax on that 7%. There are also University schemes available to access discounted Healthcare and Financial services that are not available to Secretariat employees.

Secretariat salaries are tied to existing published University of Cambridge scale points as follows:

Jenny Baeseman – “Executive Director”
 Pegged to UniCams Grade point 9
 Range – £38,896 to £55,389
 (Current Salary: £54,080 + 7% pension (counted as income and taxed))

Eoghan Griffin – “Executive Officer”
 Pegged to UniCams Grade point 6
 Range – £27,328 to £37,768
 (Current Salary: £32,093 + 7% pension (counted as income and taxed))

Rosemary Nash – “Administrative Assistant”
 Pegged to UniCams Grade point 4
 Range – £21,605 to £28,143
 (Current Salary: £17,512 +7% pension at 60% time, equivalent to £29,187 full time (counted as income and taxed))

These Grade points were associated with the SCAR roles in the late 2000s and have not been revised since, despite a large increase in the scope and responsibility involved in each role. Based on the current job descriptions a senior administrator at SPRI (SCAR's host institute) was of the opinion that the AA and EO roles should be mapped to Grades 5 and 7 (i.e. one above the current Grades) respectively.

The equivalent roles within the University of Cambridge for each of the grades listed are as follows:
 Grade point 9: University Lecturer
 Grade Point 6: Between Research Assistant (5) and Research Associate (7)
 Grade Point 4: Administrator/Lab Technician

With reference to the Executive Director Grade Point 9, the Grade is assigned to University Lecturer, i.e. still below the Professorial salary scales. While identifying exact matches in external organisations is difficult it appears the most similar roles, e.g. Executive Director of SCOR, are assigned to Associate Professor pay scales (equivalent to a Reader at the University of Cambridge, ~ Grade 10+). This is generally regarded as a more senior appointment than an entry-level lecturer. See the [University of Cambridge HR website](#) for more information.

Overall it appears that the initial pegging of the Secretariat roles to specific University Grade Points may have been low in each case, the increase in responsibility within each of the roles since the

pegging began adds to the impression that they could each be comfortably increased by one Grade if SCAR wanted to continue to use the University salary scale as the pegging system.

Alternatively, SCAR could also abandon using the University of Cambridge scales for pegging of SCAR employees.

Retirement Benefits:

From January 2017 SCAR will be required by UK Law to offer a workplace pension to all of its employees. Even if all employees opt out of the scheme by directing contributions to alternate schemes there will need to be a specific scheme in place, offered by SCAR. In the first year (2017) mandatory contributions only amount to 1% from both employee and employer. In subsequent years these contributions rise to 2% employer, 3% employee (2018) and finally 3% employer and 5% employee in 2019.

A decision is therefore required as to how pension provision is handled by SCAR. The recommendation is that to partly address the discrepancy between University pensions and the arrangement used by SCAR, that the employer contributions, starting with 1% in 2017, are made additional to the existing arrangements. Employees will need to make their contributions from the existing 7% SCAR contribution paid as direct salary that is considered taxable income.

Summary of recommendations:

The AA is already beyond the existing pay scale requiring ExCOM approval for full implementation of annual salary increases and the ED is projected to also be in this situation by the next Delegates meeting in 2018. A decision is therefore required to address this issue in the short term with a recommendation that ExCOM be authorised by Delegates to allow increases beyond the existing pay scales where necessary.

The existing Grade structure for the Secretariat salaries should be seen as guidelines for ExCOM rather than hard boundaries. Within the authorisation recommended for ExCOM it would be possible for an employee reaching the top of the Grade to which they were assigned when employed to be simply moved to the next Grade point at that time. Changing the Grade associated with the SCAR employee position, would not have an incremental financial impact, it would just help in ensure SCAR employees do not need to seek special consideration when their appraisal raise crosses the Grade level range.

The Grade could in principle be “reset” when new individuals enter the Secretariat taking into consideration that suitable candidates need to be attracted.

In order to assess the correct the Grade for the duties of the secretariat staff it is recommended that a review be conducted to examine the appropriate roles and responsibilities that are required. This review would by necessity be conducted external to the secretariat staff. It is recommended that ExCOM will implement the review and submit the results as well as a proposal to the Delegates Meeting for decisions.

SCAR is required to have a workplace pension in place by 2017 and is expected to fully comply with this in good time. Part of the new regulations requires minimum contributions from both employer and employee. Given the low rate of contribution to pension that is currently provided it is recommended that SCAR bears the cost of the employer contributions with the employees contributing from their existing provision (7% of salary).

SCAR should provide the minimum employer contributions from 2017 forward as an additional contribution to pension, to help bridge the gap in Secretariat and University pension provision.