

## **Report of the MRC UCU Committee**

### **MRC Pay Offer 2012 - UCU Members' Consultative Pay Ballot**

#### **Background**

The reinstatement of the Pay Committee in April 2012 marked the start of negotiations on the 2012 pay round. In considering its negotiating position, the national trade union side reviewed the out-turn pay position for staff following implementation of the new pay structure i.e. A to B progressions; the operation of the special award scheme; and the potential impact of the civil service pay guidance 2012/13.

#### **MRC Management Pay Remit**

Also at this time, MRC management submitted its pay remit to the Department of Business, Innovation and Skills (BIS) in which it sought approval to fund a pay increase, to include progression, revalorisation and restructuring costs, in excess of the Civil Service Pay Guidance restricting pay increase to an average of 1%.

#### **National Trade Union Side Pay Claim 2012**

The national trade union side submitted its formal pay claim to MRC management in July 2012 seeking:

- 1% revaluation and 3% to provide for incremental progression
- 0.5% to populate the new pay structure by those on 'nominal' pay points moving to the next highest
- revalorisation of allowances
- non-consolidated performance related pay award:
  - a minimum of 70% of non consolidated funds must be allocated subject to an end of year review. The remaining to be used throughout the year for in year awards.
  - awards should be made to a minimum of 25% of staff and set at a minimum of 4% of the relevant band A maximum. The award should be underpinned to a minimum of £700.

#### **MRC management formal pay offer 2012**

BIS rejected MRC management's pay remit in January 2013, 'inviting' a revised submission within the Civil Service Pay Guidance of 1% of the total pay bill. The formal pay offer for 2012, detailed in full within staff bulletin 469 (attached), is the outcome of MRC management's revised submission.

The key headlines of the pay offer are as follows:

- **Full implementation of the revised pay and grading structure as agreed by ballot with trade unions in September 2011.**
  - transfer of all eligible employees onto the revised pay structure and will receive any increase associated with the transfer
  - where this transfer results in an increase of less than 1% of the employees basic salary employees will be moved up one further step on the pay structure.
- **Employees eligible to transfer onto the structure will be currently employed on MRC bands 1–7 and:**
  - have not had an A to B promotion
  - are not currently on a pay point in the revised pay structure.
- **Employees eligible for a step increase on the structure must:**
  - have been in their current post from the 1<sup>st</sup> April 2012
  - have not received an A to B promotion
  - have not received an Unacceptable rating in the 2011 PDR
  - be receiving less than a 1% increase as a result of transferring onto the revised pay structure.
- **MRC allowances**

In most cases allowances to increase at 1% per annum, with the exception of the London Allowances (which relate to travel and housing inflation).

### **National Trade Union Side Response**

There is growing concern that MRC pay is becoming increasingly uncompetitive in relation to its sector comparators. However the National Trade Union side is aware of challenges that the government's policy on pay restraint is presenting in allowing a meaningful pay offer for 2012/13.

It is our priority that MRC staff are correctly positioned on the pay scale according to the pay proposal agreed in 2011. In light of the circumstances, a pay offer that allows an alignment to the next pay point that ensures a minimum 1% increase is likely to be most favourable outcome for the majority of staff.

### **UCU MRC Committee Recommendation**

It is the view of the UCU MRC committee that the pay offer is the best that we can achieve by negotiation. Therefore UCU committee recommends that members vote to **ACCEPT** MRC management's pay offer 2012.

Please be aware that if, as an outcome of the consultative ballot, a majority of members vote to **REJECT** the pay offer, then UCU will ballot members for industrial action. However, should a majority of members vote to reject, there is no guarantee that MRC management will improve its offer.

UCU committee asks members to be aware that a vote to reject the offer should also mean that members will be prepared to vote 'Yes' to take part in sustained and probably escalating industrial action in an attempt to secure improvements to MRC management's pay offer.

**We hope all members will vote so that we are able to make a robust declaration of your views.**

22<sup>nd</sup> February 2013

## MRC Pay Award 2012

After a significant period of negotiation with the Department for Business, Innovation and Skills (BIS), MRC has now received ministerial approval for its April 2012 pay remit.

The MRC has worked closely with the National Trade Union Side throughout the development of the remit and has now formally written to the Trade Union Side with details of the 2012 pay offer. The offer is subject to ballot.

One of the reasons that the remit approval process took some time was because the MRC requested more than a 1% pay remit with the key aims of fully implementing our revised pay and grading structure and giving a performance based increase for those who have not received any pay increase (such as a promotion) during the pay freeze period.

The key positive result from the remit approval is that we now have permission to fully implement our revised pay structure (which was agreed by ballot in September 2011). This means that all eligible staff will now be placed onto the revised structure and this will be backdated to 1<sup>st</sup> April 2012.

Unfortunately we have not been given permission to provide a one-step increase for all staff who have not received a pay increase during the pay freeze period. However we have made a commitment to the MRC Trade Unions Side that all eligible staff will receive at least a 1% base pay increase as a result of being moved onto the revised structure. Please see Annex 1 for more details.

We were also successful in gaining approval to increase some of our allowances, including the Animal Care allowances and the London location allowances, details are on the following page.

Whilst we are disappointed not to have been able to get the full remit that we requested we remain positive that the key priority of implementing the revised pay structure has been achieved. Work will now commence on the Pay Remit award for April 2013 to ensure we use this to best effect, bearing in mind that we are unlikely to be able to get approval for a pay award that is over 1%.

Subject to the outcome of the ballot, payment of the award will be made in April 2013 salaries, with arrears backdated to 1<sup>st</sup> April 2012.

## **Annex 1**

### **Summary of MRC Pay Award 2012**

#### **Base Pay**

MRC will fully implement the revised pay and grading structure as agreed by ballot with Trade Unions in September 2011.

- All eligible employees will be transferred onto the revised pay structure (shown on page 5) and will receive any increase associated with the transfer;
- Where this transfer results in an increase of less than 1% of the employees basic salary then MRC is committed to moving these employees up one further step on the pay structure;

#### **Eligibility to transfer onto the structure**

Employees who are currently employed on MRC bands 1 – 7 and:

- Have not had an A to B promotion;
- Are not currently on a pay point in the revised pay structure (see page 5)

#### **Eligibility for a step increase on the structure**

Employees must:

- Have been in their current post from the 1<sup>st</sup> April 2012;
- Have not received an A to B promotion;
- Have not received an Unacceptable rating in the 2011 PDR;
- Be receiving less than a 1% increase as a result of transferring onto the revised pay structure.

#### **Band 1 and Senior Contract Pay**

The MRC Remuneration Committee will be meeting on 6<sup>th</sup> March 2013 and further updates on pay for senior staff will follow from this meeting including information on Special Awards for these staff. Treasury have stated that pay for staff earning more than £100k will be frozen for this pay remit period

NB. For any employee with a total remuneration package of over £100,000 MRC must request permission to make changes to their salary from BIS.

## MRC Allowances

This is the first review of allowances for three years. In most cases allowances are increasing at 1% per annum, with the exception of the London Allowances (which relate to travel and housing inflation).

### 1. Location Allowance and Central London Supplement (per annum amounts)

| Allowance type                | Increase from: | Increase to: |
|-------------------------------|----------------|--------------|
| Inner London Allowance        | £2,981         | £3,368       |
| Intermediate London Allowance | £1,491         | £1,684       |
| Central London Supplement     | £1,121         | £1,266       |

### 2. Other flat-rate allowances

To be increased by 3%.

### 3. Animal Technicians Weekend and Public Holiday Allowances

| Allowance type | Increase from: | Increase to: |
|----------------|----------------|--------------|
| All Bands      | £73.96         | £76.18       |

### 4. Clinical Recruitment and Retention Allowance

| Band   | Minimum | Maximum |
|--------|---------|---------|
| Band 4 | £1,827  | £9,135  |
| Band 3 | £1,739  | £13,919 |
| Band 2 | £4,518  | £18,612 |

### 5. On-call Allowances

| Allowance type  | Rate   |
|---|--------|
| <i>On weekdays between the close of work in the evening and the start of work the following day</i> |        |
| a) For each period of more than 12 hours  | £8.40  |
| <i>On Saturdays, Sundays and Privilege Holidays</i>   |        |
| a) For each 24 hour period  | £23.85 |
| b) For each period of 24 hours or less, a proportion of:  | £23.85 |
| <i>On Public and Bank Holidays</i>  |        |
| a) For each 24 hour period  | £30.13 |
| b) For each period of 24 hours or less, a proportion of:  | £30.13 |

### 6. Allowances linked to Pay

Including Additional Duty Hours, Excess Over Conditioned Hours, Shift Disturbance Allowance - to be increased in line with an employee's base pay award

## **Additional comments**

### Normal Advancement

As per the MRC Pay and Grading Proposal (v.2.1 September 2011) Normal Advancement will take place when an employee has reached the top of A section of the band. At the next progression point, the employee will be, subject to satisfactory performance, automatically entitled to move into the B section of the band at the time of the next pay review.

Where an employee has been mapped to the top point of the A section of their band (but has not already received an A to B promotion) they will advance to the B section of their band as part of the 2012 pay award.

### Unacceptable Performance Assessment ratings

Employees who received an Unacceptable PDR performance assessment in their PDR covering the 2011 appraisal year will not receive any increase aside from the increase gained from transferring onto the revised pay structure.

### Part-time employees

The pay award for part-time employees will be proportionate to the hours worked (i.e. pro-rated).

MRC Pay Structure - effective 1<sup>st</sup> April 2012

|                     | Pay band  | Point 1 | Point 2 | Point 3 | Point 4 | Point 5 | Point 6 | Point 7 | Point 8 | Point 9 | Point 10 | Point 11 | Point 12 | Point 13 | Point 14 | Point 15 | Point 16 | Point 17 |
|---------------------|-----------|---------|---------|---------|---------|---------|---------|---------|---------|---------|----------|----------|----------|----------|----------|----------|----------|----------|
| Senior Contract Pay | £100,000+ |         |         |         |         |         |         |         |         |         |          |          |          |          |          |          |          |          |
| 1                   | 1         | £70,000 | £71,875 | £73,750 | £75,625 | £77,500 | £79,375 | £81,250 | £83,125 | £85,000 | £86,874  | £88,749  | £90,624  | £92,499  | £94,374  | £96,249  | £98,124  | £99,999  |
| 2                   | b         |         |         |         |         |         |         |         |         | £58,933 | £60,337  | £61,742  | £63,146  | £64,550  | £65,954  | £67,359  | £68,763  | £70,167  |
|                     | a         | £47,699 | £49,103 | £50,508 | £51,912 | £53,316 | £54,720 | £56,125 | £57,529 | £58,933 |          |          |          |          |          |          |          |          |
| 3                   | b         |         |         |         |         |         |         |         | £42,240 | £43,291 | £44,341  | £45,392  | £46,443  | £47,493  |          |          |          | £48,544  |
|                     | a         | £35,935 | £36,986 | £38,037 | £39,088 | £40,138 | £41,189 | £42,240 |         |         |          |          |          |          |          |          |          |          |
| 4                   | b         |         |         |         |         |         |         |         | £31,686 | £32,578 | £33,471  | £34,363  | £35,255  | £36,148  |          |          |          | £37,040  |
|                     | a         | £26,282 | £27,183 | £28,083 | £28,984 | £29,885 | £30,785 | £31,686 |         |         |          |          |          |          |          |          |          |          |
| 5                   | b         |         |         |         |         |         |         |         | £24,713 | £25,325 | £25,938  | £26,550  | £27,163  | £27,775  |          |          |          | £28,387  |
|                     | a         | £21,092 | £21,695 | £22,299 | £22,902 | £23,506 | £24,109 | £24,713 |         |         |          |          |          |          |          |          |          |          |
| 6                   | b         |         |         |         |         |         |         |         | £18,850 | £19,442 | £20,033  | £20,625  | £21,217  | £21,808  |          |          |          | £22,400  |
|                     | a         | £16,088 | £16,640 | £17,193 | £17,745 | £18,297 | £18,850 |         |         |         |          |          |          |          |          |          |          |          |
| 7                   | b         |         |         |         |         |         |         |         | £15,369 | £15,798 | £16,226  | £16,655  |          |          |          |          |          | £17,083  |
|                     | a         | £13,470 | £13,945 | £14,420 | £14,894 | £15,369 |         |         |         |         |          |          |          |          |          |          |          |          |

## **MRC Pay Award 2012 – Frequently Asked Questions**

### **1. What has been agreed by BIS?**

BIS have agreed an increase in remuneration costs of 1% for MRC for the 2012 Pay Award. BIS were provided with details of the revised MRC pay structure as part of this remit and therefore this has also been approved.

### **2. How will the 1% pay remit be used?**

The 1% pay remit will be used to populate the revised pay structure that was agreed through Trade Union ballot in September 2011. Increases to some allowances will also be made (see earlier in this document).

### **3. Why has getting approval for the pay remit taken so long?**

As we have informed you in previous Staff Bulletins, MRC had asked for more than 1% in the pay remit so the approval process and negotiation process between MRC and BIS has taken longer than usual. MRC has had to make changes to its original pay remit business case to make sure the award was approved.

### **4. Why will some people get an increase when others won't?**

The key priority for the 1% remit is to make sure that all eligible staff are moved onto the revised pay structure.

### **5. I have had an A to B promotion, will I get an increase too?**

No, those who have had A to B promotions in the past year are already sitting on points in the revised pay structure and have received at least a 5% increase to their salary as part of their promotion in recent times.

MRC Management feels that it is only fair that the 1% remit be spent on those who have not had an increase during the pay restraint period.

### **6. I was promoted from band 5 to band 4 in June 2012, what increase will I get?**

If you are not already sitting on a point in the revised pay structure then you will only receive the increase associated with transferring you onto a point on the new structure, even if this is less than 1%.

Only those who were in their current role before the 1<sup>st</sup> April 2012 will be considered for a one step increase on top of transferring on to the structure if the transfer is less than 1%.

### **7. Which staff groups are not eligible to go onto the revised structure?**

There are a number of staff who will not move to the revised structure including those employed on NHS payscales, those paid in EUROOs and those on

secondment. If you are not sure whether your salary is part of the revised structure speak to your local HR representative.

8. Why haven't the amounts of the pay scales gone up?

MRC was very limited as to what we could ask for in the remit and our key priority was to get everybody onto the revised pay structure. Having considered all the options we did not feel that it was the best use of the small remit to increase pay points on the pay structure.

9. Will I receive a letter confirming my new salary?

No, SSC will not be sending letters to confirm the revised salaries. You will be able to see changes on your April 2013 payslip on Oracle (Employee Self Service Responsibility).

If your revised salary is not what you were expecting please discuss this with your local HR representative in the first instance.

10. What about the Pay Award for 2013?

The Civil Service Pay Guidance for 2013 has yet to be released though it is expected in March 2013. We will update you when this is received and will work with the National Trade Union Side to review the options for the 2013 pay award.

11. What about Career Development Fellows (CDFs) – we have received little increase as we are not eligible for A to B promotions?

As part of the 2011 Pay and Grading Proposal the MRC management made a commitment to improve the pay of CDFs from April 2013. The MRC management is still committed to this and is working with the National Trade Union Side and HR teams to develop the most effective means of implementing this.

More communication will follow on this as soon as is available but to reassure that the MRC will be dealing with this area.

12. Does this affect the Special Awards Scheme?

No, the Special Awards Scheme will continue as per [Staff Bulletin 468](#). Non-Consolidated Special Awards will also be paid in April 2013.

13. What happens next?

In line with the MRC Trade Unions Policy, the next step is for the MRC Trade Unions to ballot their members on the pay remit for 2012 which has been put forward by the MRC Management.

If successful then the information will be loaded in the Oracle system and will be paid in April salaries. The reason for the delay in payment is that as we are

changing our structure on Oracle we will need to conduct a series of rigorous tests to ensure the information has transferred correctly.

14. Where can I go to find more information?

For more information please speak to your local HR team.