Further to Staff Bulletin 475, the MRC Pay Award for 2013 has now been agreed by the MRC Trade Unions through the ballot process and will be paid in September salaries, with arrears backdated to 1st April 2013.

Please read through the remainder of this bulletin including the Frequently Asked Questions towards the back of the bulletin. If you have further questions please contact speak to your local HR team or Unit Manager.

MRC Pay Award Offer 2013 overview

In line with 2013/14 Civil Service Pay Guidance and government restrictions, the MRC is offering a total 1% average pay increase for the 2013 pay award.

Summary of MRC 2013 pay award offer – effective 1st April 2013

1. Increase all steps in MRC bands 5 to 1 by 1%, with the exception of the top step of Band 1;

2. Increase all steps in MRC bands 6 and 7 by an underpinning £250 (exceeds a 1% increase);

3. Remove the band 7 point 1 so that the Living Wage threshold is exceeded – the new band 7 minimum will be £14,195;

4. Increase relevant allowances/hourly rate by 1%;

5. Review the use of RRA’s, particularly in relation to those who have been in the B section during the pay freeze period;

6. Rectify the 2012 pay award issue where a number of employees at band 4 and band 6 minimum received just under 1% pay award;

7. Continuation of the Special Award Scheme – will be communicated by separate Staff Bulletin.

In the context all the developments in MRC pay over the past few years, the MRC believes that this is the best outcome that can be made within the restraints imposed by Treasury.
MRC Pay Award 2013 – detailed proposal

1. Increase all steps in MRC bands 5 to 1 by 1%, with the exception of the top step of Band 1;

   All steps on in bands 5 to 1 to be revalorised by 1%, i.e. the steps move up by 1%. This excludes the top of band 1 as MRC is not permitted to make pay awards over £100,000 without recourse to BIS.

2. Increase all steps in MRC bands 6 and 7 by an underpinning £250 (exceeds a 1% increase);

   At the National Trade Union Side request, all pay points in the band 6 and 7 scale will be subject to a £250 increase, therefore providing more than a 1% increase for employees in these bands.

3. Remove the band 7 minimum point so that the Living Wage threshold is exceeded – the new band 7 minimum will be £14,195;

   At the National Trade Union Side request, remove the band 7 minimum to meet the Living Wage campaign of £7.45 per hour outside of London and £8.55 per hour within Greater London (http://www.livingwage.org.uk)

4. Increase relevant allowances/hourly rate by 1%;

   A 1% increase will apply to all relevant allowances.

   **Location Allowances and Central London Supplement (per annum amounts)**

<table>
<thead>
<tr>
<th>Allowance type</th>
<th>Increase from:</th>
<th>Increase to:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inner London Allowance</td>
<td>£3,368</td>
<td>£3,402</td>
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<tr>
<td>Intermediate London Allowance</td>
<td>£1,684</td>
<td>£1,701</td>
</tr>
<tr>
<td>Central London Supplement</td>
<td>£1,266</td>
<td>£1,279</td>
</tr>
</tbody>
</table>

   **Other flat-rate allowances**

   To be increased by 1%.

   **Animal Technicians Weekend and Public Holiday Allowances**

<table>
<thead>
<tr>
<th>Allowance type</th>
<th>Increase</th>
<th>Increase to:</th>
</tr>
</thead>
<tbody>
<tr>
<td>All Bands</td>
<td>£76.18</td>
<td>£76.94</td>
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   **Clinical Recruitment and Retention Allowance**

<table>
<thead>
<tr>
<th>Band</th>
<th>Minimum</th>
<th>Maximum</th>
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</thead>
<tbody>
<tr>
<td>Band 4</td>
<td>£1,827</td>
<td>£9,135</td>
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<tr>
<td>Band 3</td>
<td>£1,739</td>
<td>£13,919</td>
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<tr>
<td>Band 2</td>
<td>£4,518</td>
<td>£18,612</td>
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On-call Allowances

<table>
<thead>
<tr>
<th>Allowance type</th>
<th>Rate</th>
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<tbody>
<tr>
<td>On weekdays between the close of work in the evening and the start of work the following day</td>
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<tr>
<td>a) For each period of more than 12 hours</td>
<td>£8.48</td>
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<tr>
<td>On Saturdays, Sundays and Privilege Holidays</td>
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<tr>
<td>a) For each 24 hour period</td>
<td>£24.09</td>
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<tr>
<td>b) For each period of 24 hours of less, a proportion</td>
<td>£24.09</td>
</tr>
<tr>
<td>On Public and Bank Holidays</td>
<td></td>
</tr>
<tr>
<td>a) For each 24 hour period</td>
<td>£30.43</td>
</tr>
<tr>
<td>b) For each period of 24 hours of less, a proportion</td>
<td>£30.43</td>
</tr>
</tbody>
</table>

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

5. Review the use of RRA’s, particularly in relation to those who have been in the B section during the pay freeze period;

The MRC management side has made a commitment to the MRC National Trade Union Side to review the levels of use of the Recruitment and Retention Allowance system and to see, where appropriate, the use of these may be increased especially where an employee has been in the B section of their band for a significant period of time and has sustained good/excellent performance.

6. Rectify the 2012 pay award issue where a number of employees at band 4 and band 6 minimum received just under 1% pay award;

Due to the formatting used to implement the 2012 MRC pay award, a number of staff at the band 4 and 6 minimums received slightly less than a 1% pay award (around 0.997%). The MRC maintains that it is appropriate to consider this a 1% award, however, at National Trade Union instigation, the MRC has agreed to rectify this and backdate the pay increase to April 2012.

To reward loyalty this will apply to employees who remain employed with MRC at the time of the 2013 pay award implementation (planned for September 2013).

Corporate HR will liaise with the local HR teams to ensure the employees are affected are kept informed.

7. Continuation of the Special Award Scheme

We are pleased to announce that MRC management side and MRC National Trade Unions Side have again agreed the onward running of the Special Award Scheme (SAS) for In Year and End of Year 2013 awards. This will be launched very shortly by Staff Bulletin.
**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 the A section of the band. At the next pay award the employee will, subject to satisfactory performance, automatically be 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 2013 pay award.

**Unacceptable Performance Assessment ratings**

In line with the MRC PDR policy employees in Bands 3 to 7 who received an ‘Unacceptable’ rating in the 2012 PDR round (took place early 2013) will receive the revalorisation element of any pay award with an improvement plan put in place.

Employees in Band 2 who received an ‘Unacceptable’ rating will have their pay frozen until such time as their performance reaches a satisfactory standard, this will be supported by an improvement plan.

**Senior Contract Pay employees**

BIS have informed us that we are also permitted a 1% average pay increase for our most senior staff. This covers all MRC employed staff earning £100k and above.

The MRC Remuneration Committee next meets on 30th October 2013 and will consider this group, with a further update provided to affected individuals in November. Should pay awards be made they will also be backdated to 1st April 2013.
MRC Pay Structure - effective 1st April 2013

<table>
<thead>
<tr>
<th>Pay band</th>
<th>Point 1</th>
<th>Point 2</th>
<th>Point 3</th>
<th>Point 4</th>
<th>Point 5</th>
<th>Point 6</th>
<th>Point 7</th>
<th>Point 8</th>
<th>Point 9</th>
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<tr>
<td>1</td>
<td>£70,700</td>
<td>£72,594</td>
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<td>£83,956</td>
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<td>4</td>
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<td>5</td>
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<td>6</td>
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MRC Pay Award 2013 – Frequently Asked Questions

1. Why can’t MRC set its own pay increases each year?

   As a Non-Departmental Public Body (NDPB), funded predominantly by the tax payer, each year the MRC has to gain approval from the government to make changes to the basic pay arrangements of staff (the annual pay remit).

   Each year the framework for pay awards is set out in the Civil Service Pay Guidance.

   All increases to basic salaries, progression steps and increases to allowances need to be approved through the annual pay remit (excluding promotions).

2. What does the Civil Service Pay Guidance say for 2013?

   It is important to consider this in light of the pay restraint of the past few years. In the 2011 Autumn Statement, the Chancellor of the Exchequer announced that:

   • public sector pay awards will average at one per cent for the two years following the pay freeze;

   The 2013/14 Civil Service Pay Guidance states:

   • All departments and their sponsored bodies are expected to implement the one per cent pay policy announced in the 2011 Autumn Statement and follow the 2013 Civil service pay guidance when setting pay remits for 2013-14.

   • There will be a limit of one per cent on the percentage increase in remuneration cost for staff covered by each departmental remit. All elements which increase paybill cost must be included, except employer National Insurance contributions and employer pension contributions:

3. When is the MRC Pay Award date?

   The MRC's annual pay award date is 1st April; however, because of the set BIS timeframe for reviewing and agreeing pay remits, the MRC pay remit is not normally agreed by BIS until summer/autumn.

   Any pay increases due are backdated to the 1st April each year.

4. What has been agreed by BIS for 2013?

   BIS have agreed an increase in remuneration costs of 1% for MRC for the 2013 Pay Award. This means that all increases we make at 1st April 2013 cannot cost more than 1% of the total paybill.

5. How will the 1% pay remit be used?

   The 1% pay remit will be used to “revalorise” the MRC payscales. This basically means that the most points on the MRC payscales will increase by 1% or the underpinning £250 in bands 6/7.

6. What does revalorise mean?

   Revalorisation is a change in the value of the points on the pay structure. This is typically an increase in the value of all the points on the spine, by the same percentage.
7. I am over the maximum for my band; will I get a 1% award?

No, the MRC policy is not to provide base pay increases for those over band maximum. Employees in this position will not receive a base pay increase until the MRC salary scales catch up with their over max salary.

8. Will I also go up a step on the pay structure?

No, there is no progression as part of the 2013 pay award. The MRC does not have automatic progression (increments) in its employment contracts. Government is currently taking action to cease all incremental schemes.

Having considered all of the affordable options available with just a 1% remit, the MRC is not able to provide a step increase this year and believes that the remit agreed gives a fair increase across a large number of staff.

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

All CDFs are now on the minimum CDF starting salary of £27,183. A project has been undertaken that has reviewed the competitiveness of MRC CDF salaries and the outcomes from this will be published and implemented in the near future but not as part of the 2013 pay award.

10. Does this affect the Special Awards Scheme?

No, the Special Awards Scheme will continue and will be re-launched by Staff Bulletin shortly.

11. When will I receive the pay increase?

The 2013 pay award will be paid in September salaries, backdated to 1st April 2013.

12. Where can I go to find more information?

For more information please speak to your local HR team.