

Consultation Paper on amendments to the Second Joint Report on the Pay and Grading Scheme for non-clinical staff

1. Introduction

1.1 The Second Joint Report (SJR, [Reporter, 2004–05, p. 745](#)) introduced a new single pay spine for non-clinical staff, comprising twelve grades. The new structure was implemented in January 2006 and is the basis of the University's remuneration practices today. A summary of the changes introduced under the SJR is provided in section two.

1.2 If the University is to maintain its standing as a world-class institution and to compete effectively with leading universities of similar standing world-wide, it is vital that the University's reward policies are competitive and adequately support the recruitment and retention of staff of the highest calibre. In the six years since the new arrangements following from the SJR, there have been major changes to the external employment market for academic and non-academic staff. It is therefore considered timely to review the existing pay and reward structure to ensure it remains competitive.

1.3 The General Board and Council are committed to the principles of transparency and fairness in the remuneration of University staff. These principles remain fundamental to the reforms proposed in this paper. The criteria, processes and outcomes of the changes proposed must be seen to be clear and fair. To this end, an Equality Assurance Assessment will be undertaken on the proposals and subsequent outcomes. Anonymised results will be presented in the biennial Equal Pay Report and statistical information about staff grades, additional payments, and market supplements will continue to be published annually¹.

2. Background

2.1 In the years leading up to the SJR, the University had introduced a number of changes in the remuneration of senior academic staff. For example, Professors could be recruited above the professorial standard stipend. The Vice-Chancellor, assisted by an advisory panel, was able to award Professors supplementary payments at four levels on the basis of individual performance, and on appointment for new Professors. It had also been made possible to recruit externally at the USL and readership levels. However even with these changes, it was still felt that the University lacked competitiveness in salaries, in both recruitment and retention, and there was a need for greater flexibility by having a range of salary points.

2.2 The SJR introduced the current twelve grade structure and new arrangements for all staff for **progression within grades**. In particular new detailed procedures for paying contribution increments to Professors and senior academic-related staff in the professorial grade were implemented. The SJR replaced the previous four levels of professorial supplementary payment with a more flexible scheme of four contribution bands on the single spine. This extended the maximum professorial salary and allowed contribution-based progression up the steps within each band. This was not automatic but required evidence of sustained and improving contribution to teaching, administration and research. This enabled sustained contribution to the University to be better recognised, difficult under the previous arrangements. Explicit criteria were also introduced for progression between the bands.

2.3 For academic-related staff in the professorial grade the SJR led to the removal of the Scheme of Supplementary Payments for academic-related staff, and the use of the Higher Education Role Analysis Job Evaluation Scheme (HERA) to determine the most appropriate

band for the post (the same process as for all other academic-related staff). Progression to a higher band became dependent on a growth in the job and to be determined by job evaluation. Whilst salary on appointment would be the minimum point of the band range (or as otherwise set by the appointing body), it was also now possible to award individuals up to three points above that salary on review, even if that exceeded the maximum of the band applying to the office/post held.

2.4 Incremental progression for ULs and USLs remained service related (i.e. automatic), although they could receive accelerated incremental progression for retention purposes. Readers also continued to be appointed at a single salary point (step 63 in Grade 11).

2.5 The SJR maintained the annual Re-grading and Contribution Payments Scheme for academic-related and assistant staff up to the level of staff in the professorial grade, but converted the re-grading component to the new HERA methodology. Subsequently in 2007 a review was undertaken which led to the separation of the annual Re-grading and Contribution Increments Scheme into two discrete processes, and the modification of the fixed annual Re-grading Scheme to a more flexible 'on-going' programme, in August 2008. In 2011 the Contribution Increments Exercise was renamed the Contribution Reward Scheme and extended to include two categories of award: contribution increments (for sustained and continuing contribution) and single contribution payments (for time limited or specific contribution). These changes enabled the University to reward staff for one-off exceptional performance relating to a task or project that was time-limited in nature. New guiding principles were also introduced to ensure fairness and equity of treatment for all eligible staff under the Scheme. The criteria and procedures were also updated to improve clarity and to ensure a fair and transparent approach to the allocation of awards.

2.6 In respect of **progression between grades**, with the exception of the professorial grade, the SJR proposed that the contribution of academic staff would continue to be recognised through the Senior Academic Promotions Exercise (SAP). A SAP Review Group was set up by the General Board in 2009 and its recommendations have been implemented to improve the promotions process. Changes include greater emphasis on the provision of advice, mentoring and coaching by the Head of Institution (or a senior academic colleague) to support and assist academics in applying for promotion. A new scoring methodology has also been introduced for the 2013 exercise. These changes assist academics in applying for promotion at the right stage in their career and recognise that for some academics the USL route may be the appropriate career choice.

2.7 For academic-related and assistant staff the SJR maintained the re-grading process for progression between the grades, but converted this exercise to the new HERA methodology (see 2.5 above).

2.8 For research staff no changes were made as a result of the SJR. The requirement that funding for the additional costs of approved promotions must be met from the source funding the appointment or some other source available to the institution remained.

2.9 As regards **other reward arrangements**, the SJR introduced a new Market Supplement Scheme to enable, in appropriate circumstances, pensionable market supplements to be payable to any member of staff. This provided flexibility and enabled competitive salaries to be paid where there were market premiums without distortion of the grading structure or job evaluation methodology.

2.10 The SJR also extended the Recruitment Incentive Payment Scheme previously only available to academic and academic-related staff to contract research and assistant staff. In 2009, the University also extended the provisions under the Shared Equity Scheme from £150k to £250k in 2009 to support the recruitment and relocation of new staff, and this figure is due to be reviewed by the HR Committee in Michaelmas Term 2012.

3. Consultation and Communication

3.1 Working Group

The HR Committee set up a Pay and Reward Working Group in Lent Term 2012. Membership of the Working Group is provided in Annex one of this consultative paper. The Working Group has met four times since January 2012.

3.2 Consultation

The HR Committee received the Working Group's proposals on 21 June 2012. They were considered by the General Board on 3 October 2012 and subsequently by the Council on 22 October 2012. University-wide initiatives to disseminate information will include: presentations to the Councils of the Schools, meetings with Heads and Secretaries of Schools and Heads of Departments, and joint meetings with union representatives.

4. Proposals

4.1 Extension to University Senior Lecturer salary scale

- **Current arrangement**

4.1.1 Over the last two decades the University has been adapting its remuneration policies, in order to provide a better means of recognising teaching and general contribution as well as research excellence. The office of University Senior Lecturer was introduced into the Cambridge structure of academic offices in 2000ⁱⁱ to provide a clear promotional route for rewarding an officer's contribution in teaching, examining, and administration.

4.1.2 University Senior Lecturers (USLs) are appointed to grade 10 of the single salary spine and progress through service points one to three, by annual increment on the anniversary of the date on which the promotion to USL takes effect. USLs do not have access to the three further contribution points within grade 10 which are available to academic-related staff.

- **Issues with current approach**

4.1.3 The Council and General Board wish to provide greater recognition to USLs and to emphasise the crucial role of the USL as a route for those wishing to pursue a career in which teaching and other non-research activities are major components. The University employs 268 University Senior Lecturers (USLs) and has already approved changes to the scoring process for senior academic promotion (implemented in the 2012 round) reflecting the USL as an alternative career route to a Readership. There is a need for a recognised career grade for those who will not follow the Reader/Professor career route.

4.1.4 Management information supports this view, revealing that 83% of USLs are on the top point of the three point USL scaleⁱⁱⁱ and the average (mean) length of service as a USL is 5.5 years, continuing to rise each year by approximately six months^{iv}.

- **Proposal and rationale**

Proposal: The Council and General Board propose that the scale of stipends for the University Senior Lectureship be extended by two contribution points.

4.1.5 The above is proposed in order to:

- recognise outstanding teaching and other important contributions made by USLs,
- provide an alternative career pathway for those who may not wish to pursue the Reader route,
- provide an incentive for individuals to contribute to teaching and general contribution.

4.1.6 The Council and General Board wish to reflect the role of teaching as a career route in its own right and therefore to extend the USL scale to match that of Reader. The revised scale of stipends for the USL is shown in Annex two. An outstanding USL who accumulates two contribution increments will be on Scale point 63, the same as a Reader. ULs with a strong research focus may wish to pursue promotion directly to Reader, however the extension of the USL scale creates two further distinct career pathways. USLs with a research focus may still wish to apply for a Readership, whereas USLs with a teaching focus may, after reaching point 61, prefer to apply for contribution points within the extended USL scale. These two career paths are not mutually exclusive, but they will signal the preferred career trajectory of the individual. It is hoped that these changes will assist academics in applying for promotion at the right stage in their career and recognise that for some the USL route may be the appropriate career choice.

4.1.7 It is proposed that the contribution exercise is administered as part of the Senior Academic Promotions exercise (SAP) for administrative efficiency and credibility. A budget will be set for each exercise and guidance will be drafted in accordance with the principles contained in the Senior Academic Promotions guidance.

4.1.8 It is proposed that the criteria for awarding contribution increments for USLs are focused on teaching and general contribution and that they are awarded for *outstanding* contributions only.

4.1.9 The following criteria are proposed for the assessment of applications:

- (a) Outstanding and sustained excellence in teaching at all levels.
And/or
- (b) Outstanding and sustained contributions to administration and general contribution.

- **Implementation, costs & implications**

4.1.10 Timeframes

If the proposal above is approved, the contribution exercise would need to be incorporated in to the SAP guidance documentation prior to the start of Michaelmas term of the relevant year of implementation. For instance to be implemented in 2015 it would need to be incorporated in to the guidance distributed in August 2014. This is necessary in order to meet the SAP application deadline in October.

4.1.11 Budgetary considerations

Costs for the USL contribution exercise will be taken in to account when setting the indicative annual budget for the SAP exercise.

4.2 Review of Market Supplements

- **Current arrangement**

4.2.1 Market supplements were introduced by the Second Joint Report^v and were intended to provide institutional flexibility without distorting the grading structure or job evaluation methodology. They enable the University to respond to changing market conditions by offering competitive salaries for recruitment or retention purposes. This flexibility was seen as vital in maintaining the University's international pre-eminence in teaching and research.

4.2.2 Market supplements are pensionable, additional to other elements of pay, and are currently subject to regular reviews every two years by a Market Supplement Review Group^{vi}. Recommendations are subject to the approval of the Remuneration Committee of the Council (REMCO) for professorial or equivalent staff receiving over 10% of the base point of grade 12, or the HR Committee for staff other than grade 12 staff or where the supplement is under 10% of the base point of the grade.

4.2.3 Grace 7 of 27 July 2005 associated with the Second Joint Report, provides for the Council and General Board to publish anonymised statistical information on all awards of market supplements at least annually by staff category, grade, gender, and School (or equivalent). The most recent Notice can be found in [Reporter, 2010–11, p. 143](#).

- **Issues with current approach**

4.2.4 Those bodies involved in the biennial market supplement review process have expressed concerns with the review process. The frequency of reviews has meant that individuals are unable to rely upon the continuous receipt of market supplements when making long term career decisions, creating insecurity. Furthermore, it can be difficult for departments to provide market data and evidence as part of the review process to support the continuation of a market supplement, especially for academic posts.

4.2.5 The Remuneration Committee of the Council and the Pay and Reward Working Group have also expressed specific concerns about the extent to which in academic posts Market Supplements are linked to individual roles. In an academic environment, the 'market' can in some cases effectively be a single individual, and the role therefore cannot be benchmarked for salary purposes. This becomes increasingly challenging as the individual's achievement in the role improves over time and they receive salary increases as a result. As time progresses there is a case for converting the market supplement into the individual's underlying stipend.

- **Proposals and rationale**

Proposal: In respect of future awards, the General Board and Council wish to:

a) Replace market supplements for academic staff, and introduce 'Advanced Contribution Supplements' (ACS) in their place.

4.2.6 Advanced Contribution Supplements (ACS) are payments that proleptically reward an expected future level of achievement. ACSs will therefore be awarded on the expectation that an individual will reach a certain level of achievement at some point in the near future (normally no more than five years ahead).

4.2.7 An ACS may be awarded for retention or recruitment purposes. Where an ACS is awarded for retention purposes, should the expected level of achievement not transpire, the ACS will cease at the end date (normally not exceeding five years), and the individual will revert to their underlying base pay. For example if a Reader on spine point 63 is offered a professorship by another University, he/she may be offered an ACS to

bring his/her total pay up to the level of a Professor (point 68). If however within the period specified, the individual does not achieve promotion to a professorship, the ACS would be removed and the individual's total pay would revert back to the Reader point 63.

4.2.8 Individuals in receipt of an ACS may apply for contribution points or a change in band^{vii} or they may be nominated by their Head of School. Any contribution points or band changes awarded will be incorporated into the individual's base pay and the ACS reduced by a corresponding amount so that their overall pay remains the same. Individuals would not receive an increase in pay in real terms until their underlying base pay had fully absorbed their ACS, (although any annual uplift in spine salary points will continue to apply). This is based on the understanding that ACSs are awarded in anticipation of future achievements and will be explained to the employee on the award of a new ACS or on the extension of an existing one.

b) Rename market supplements for all other staff to 'market pay'.

4.2.9 It is proposed that for all other staff market supplements are renamed market pay to reflect the reason why an individual's total pay is above the salary scale for their particular grade on the single salary spine.

4.2.10 It is proposed that market pay is used for both recruitment and retention purposes. In circumstances where market pay is used for recruitment purposes, appointments should normally be made on a fixed term basis with a defined end point (i.e. unestablished academic-related staff), or on an open ended contract (or permanent contract) but with a market payment for a fixed period of time. The use of fixed term contracts (where objectively justifiable) would enable the University to pay salaries appropriate to the relevant market, but also limit its longer term financial exposure and better manage employee expectations.^{viii}

4.2.11 The use of market pay may also be applicable in appropriate circumstances for unestablished academic appointments.

Proposal: In respect of existing awards, the General Board and Council wish to incorporate existing market supplements in to underlying base salaries.

4.2.12 The Council and General Board propose that staff in receipt of a market supplement for two years or more will be considered for a higher spine point or band in their existing grade, effectively incorporating the market supplement into their underlying stipend. The proposal under section 4.3 to extend the Grade 12 salary scale would assist in this process, allowing a larger number of market supplements to be incorporated in to underlying stipends within Grade 12. Should proposals 2 and 3 be approved this would be introduced in parallel.

4.2.13 Consideration for a higher spine point or band, on the incorporation of the market supplement, will be subject to an assessment of the individual's performance against the criteria under the relevant contribution or pay review scheme for the staff category. Consideration will also be given to the principles contained in the salary determination guidelines (see Annex three).

4.2.14 Where there is insufficient headroom for the market supplement to be fully incorporated into the individual's underlying stipend, a case can be made for the balance of the market supplement to be continued for a defined period, subject to review.

4.2.15 If there is insufficient justification for the market supplement to be continued and incorporation into base pay is not applicable, the market supplement may be discontinued under the tapering arrangements set out under the Second Joint Report.

4.2.16 The specific process for incorporating existing market supplements in to underlying base salaries will vary depending upon an individual's staff type and grade as detailed below.

4.2.17 All affected employees will be informed in writing of the review and subsequently the outcome of the exercise. The names of the successful applicants will be confidential, however statistical data will continue to be published under the relevant exercises.

i) Existing Grade 12 Academic staff

No band change

4.2.18 It is proposed that all grade 12 market supplements that have been in place for two years or more and which would not result in a change in band for the recipient will be incorporated into the employee's base pay (at the agreed date of implementation of the extension to grade 12). The rationale for this is that this payment was given in anticipation of future achievement which the individual has met, or is on a trajectory to do so within five years. Market supplements are reviewed biennially by the Market Supplement Review Group and consideration will be given against the relevant criteria, for progression up the spine points within the appropriate band. For individuals in receipt of a market supplement for less than two years, it may be difficult to make this judgement. In short, for existing cases where upon implementation the individual has received the market supplement for less than two years the market supplement may be absorbed into base pay at an appropriate future review between two and five years' service e.g. at the next Market Supplement Review or Professorial Pay Review.

Band change

4.2.19 It is proposed that a special Professorial Pay Review will be held to consider those cases where the incorporation of a market supplement into base pay would result in a change in band. Cases will be considered against the criteria for each band as provided in Annex four. Individuals who do not meet the relevant criteria for a band change, but are in receipt of a market supplement which if incorporated into their base pay would raise their salary by 1 band or more, will be assimilated to the top point of their existing band. Such employees will also continue to receive a reduced market supplement so their total base pay and market supplement is of the value of their original lower base pay plus their outstanding market supplement.

ii) Remaining Academic staff (other than grade 12)

4.2.20 It is proposed that all market supplements that have been in place for two years or more will be reviewed and incorporated into base pay at the agreed date of implementation where appropriate and where there is sufficient room within the relevant grade or salary range. In each case, the market supplement will have been reviewed biennially by the Market Supplement Review Group and consideration given to progression up the spine points within the appropriate salary range of the grade or post. Employees may continue to receive a reduced market supplement, where the total supplement is above the relevant grade or salary range.

iii) Academic-Related staff

4.2.21 The same approach as for the remaining Academic staff (other than grade 12) above will be applied. In each case, the market supplement will have been reviewed biennially by the Market Supplement Review Group and consideration given to progression up the spine points of the appropriate grade. Employees may continue to receive market supplements, where the total supplement is above the full salary range of their grade.

Proposal: The General Board and Council also wish to implement a review process for residual Market Supplements after incorporation

4.2.22 Following the above exercise, it will be necessary to maintain a review process for residual market supplements that could not be incorporated in to the employee's grade. It is proposed that the review process is amended so that these payments are reviewed initially at the two (or three) year point and at five year intervals thereafter.

4.3 Extension of grade 12 salary scale

- **Current arrangements**

4.3.1 In November 2005, the University agreed to implement a new grading structure and single salary spine as set out in Annex two of the Second Joint Report ([Reporter, 2004–05, p. 745](#)). The current arrangements for the stipends of Professors and academic-related officers at the professorial equivalent level in grade 12 are also set out under the Second Joint Report.

4.3.2 In light of continued evidence of upward pay pressure, and a growing need to pay competitive salaries for recruitment and retention purposes, the second joint report replaced the pre-existing Supplementary Payment Schemes for Professors and grade 12 academic-related staff with a new 4 band structure. The structure comprises a base professorial stipend of £64,787 (point 68^{ix}) and four contribution bands, each containing six steps, rising to a maximum salary of £131,545 at the top of the fourth band (point 92). The Second Joint Report also introduced explicit criteria for progression for academics between professorial contribution bands to be determined on application to the Vice Chancellor's Advisory Committee. Progression within and between bands is not automatic and is based on contribution, as described in Annex six of the Joint Report, and assessed through a biennial review process.

4.3.3 The Second Joint Report also proposed that the procedure for determining the stipends of academic-related staff at the professorial level would mirror that used for all other academic-related staff. That is, for job evaluation (HERA) to be used to determine which band within grade 12 the office or post falls. Progression to a higher band is dependent on the growth of the job and is determined by job evaluation.

4.3.4 The Second Joint Report also introduced a biennial Salary Review Scheme for academic-related staff in the professorial grade, mirroring that used for Professors although with some fundamental differences (see Annex eight of the SJR). Firstly, individuals are reviewed by the Vice-Chancellor's Advisory Committee for Supplementary Payments. Secondly, regardless of the salary on appointment, the Scheme allows the possibility of awarding individuals up to three points above that salary even if that exceeds the maximum of the band applying to the office/post held.

- **Issues with current approach/rationale for change**

4.3.5 If the University is to maintain its standing as a world-class institution and to compete effectively with other world leading universities in recruiting staff of the highest calibre, it is vital that its recruitment policies are competitive and that it can retain staff by providing effective reward for their commitment, contribution, and achievement.

4.3.6 One of the consequences of changing employment market conditions has been the increasing use of market supplements for senior appointments. The number of market supplements has more than doubled over the last five years^x as has the total value of such awards. Market supplements for recruitment purposes alone have more than tripled and their total value has increased fivefold. Market supplements have become necessary to enable the University to attract and retain talented employees in an international marketplace, and have resulted in a discussion as to whether the salary ranges within each of the four pay bands within grade 12 need to be extended.

- **Proposal and rationale**

Proposal: The Council and General Board propose that the scale of stipends within each band of grade 12 be extended as follows:

- a) A two point overlapping extension to bands 1 to 4.**
- b) A further six point extension to band 4, up to spine point 100.**
- c) The incorporation of point 68 (the professorial minimum spine point) into band 1.**

4.3.7 A revised scale of stipends is provided in Annex five. The new scale was selected by the Working Group in order to maintain a four band structure, retain HERA points boundaries and to minimise implementation costs. Successful applicants for senior academic promotion are automatically paid at point 68, whereas very few external candidates for professorships have been appointed at that point. In view of the very high standard of internal promotions, it is proposed that point 68 is incorporated into band 1 to provide enhanced opportunities for progression, and minimise inequities between internal and external appointments. A cap of spine point 100 for band 4 was selected following comparison with Russell Group and US competitor salary data. The extended scale would also provide greater transparency in the pay of senior staff by requiring fewer market supplements.

4.3.8 Progression within a band will continue to require evidence of a sustained and improving contribution to teaching, administration, and research for Professors under the biennial Professorial Pay Review. The relevant criteria under the Vice-Chancellor's Advisory Committee for supplementary payments for non-academic officers in the professorial grade will also remain unchanged.

4.3.9 It is proposed that the procedure for progression between bands for Professorial staff will also remain unchanged. However due to the incorporation of point 68 into band 1 and the need to amend the spine points in each band, revised criteria have been developed for progression between bands and are set out in Annex four.

4.3.10 Furthermore, in order to ensure that individuals benefit financially on progression between bands within the new overlapping band structure, it is proposed that on progression to a higher band, individuals move to the first point of the new band or receive one increment, whichever is the greater^{xi}.

- **Implementation, costs & implications**

4.3.11 The Council and General Board propose that on the date of the extension of the grade 12 salary scale, employees will transfer across to the new structure on their existing spine point. This approach was selected to support affordable implementation and to ensure a fair and consistent approach.

4.3.12 It is anticipated that there may be more applications under the first Professorial Pay Review and Contributory Increment Scheme for grade 12 academic-related staff following the extension of the grade 12 salary scale, as those individuals currently at the top of their band will have further room for progression. Budgetary considerations will need to be made to accommodate this, however with the exception of those of point 68, the impact is expected to be limited as most individuals are below the top point of their existing band.

4.3.13 Furthermore, it will be necessary to amend existing electronic administration systems to accommodate the new salary spine structure, and to ensure individuals are assigned to and moved between the new bands correctly. Clear and effective communications with staff will also be essential prior to any changes taking place.

- **Exceptional circumstances/further matters for consideration**

4.3.14 *Equality Assurance Assessment (EAA)*

Any proposal to amend the single salary spine, and therefore the Second Joint Report, will be subject to an EAA. There are no planned changes to employees' salaries as a result of the proposals, just the opportunity for future progression. The changes proposed have little impact on staff income or gender balance. Any equality impacts identified are likely to be due to other recommendations i.e. revisions to the criteria and more detailed guidance about when such additional spine points should be awarded. These will also be considered as part of the EAA.

4.3.15 *Amendments to the University Statutes and Ordinances*

If approved, the proposals in this paper will require certain regulations to be amended with effect from 1 October 2013. These are set out in Annex six.

5. Readers

5.1 The Working Group also gave consideration to an extension to the Reader salary scale which consists of a single point (63). The Working Group agreed that promotion to a personal professorship remained the appropriate recognition for outstanding achievement as a Reader and chose not to propose an extension, but rather to retain a five point pay increase on promotion to Professor. Management information also demonstrated a healthy flow of individuals being promoted into and out of the Reader spine point.

6. Overall Costs

Extension of the University Senior Lecturer (USL) salary scale

6.1 There will be additional recurrent salary costs if the USL salary scale is extended as there will be greater potential for progression. Costs for the USL contribution exercise will be taken in to account when setting the indicative annual budget for the Senior Academic Promotions (SAP) exercise. Under this exercise, the annual recurrent cost per successful applicant will be approximately £2,000.

Reform of Market Supplements

6.2 There are minimal salary costs associated with implementing the above proposals. The only salary cost that has been identified is that of rounding up salaries to the nearest spine point when market supplements are incorporated in to base pay (a budget of £130,000 has been set to assist in meeting these costs).

Extension of the grade 12 salary scale

6.3 There will be additional recurrent salary costs if the grade 12 salary scale is extended due to greater potential for progression within each band. A budget is already set for the Professorial Pay Review and the Contributory Increment Scheme for academic-related staff in grade 12 to meet unforeseen in-year costs arising from the outcome of the exercise. The average recurrent annual salary cost per successful applicant under either of these exercises is approximately £3,000 per scale point.

7. Next steps

7.1 The Council and the General Board wish to carry out a consultation exercise during Michaelmas Term 2012 in relation to the proposals listed in proposals one to three above and then to produce a Report setting out their final recommendations in the Lent Term.

7.2 The consultation exercise is intended to include Institutions, School Councils, Faculty Boards and Discussion in the Regent House. The University will also conduct an Equality Assurance Assessment, and the results and subsequent impact will be monitored and reported to the University.

7.3 In determining the final proposals to be put to the University, the Council and the General Board will take into account the further deliberations of the Working Group in the light of responses to this consultation exercise, as well as legal considerations, on which the Working Group is taking advice.

7.4 Respondents to this consultation are requested to consider the following points:

- (a) Would you support the extension of the University Senior Lecturer salary scale?
- (b) Would you support the proposed amendments to market supplements?
- (c) Would you support the extension of the grade 12 salary scale?

7.5 Individual submissions can be made until 14 December 2012 by email to pay@admin.cam.ac.uk.

7.6 This Consultative Paper will be brought forward for consideration at the Discussion on 20 November 2012.

8. Summary of proposals

8.1 University Senior Lecturer Salary Scale

- a) The scale of stipends for the University Senior Lectureship at Cambridge is extended by two contribution points.
- b) The contribution reward exercise is administered as part of the Senior Academic Promotions procedure with a fixed annual budget from the administered fund.

8.2 Reform of Market Supplements

- a) New market supplements are replaced with advanced contribution supplements for academic staff and market pay for all other staff.

- b) Existing market supplements are incorporated into underlying stipend where appropriate.

8.3 Grade 12 Salary Scale

- a) A two point overlapping extension to bands 1 to 3.
- b) A further six point extension to band 4, up to spine point 100.
- c) The incorporation of point 68 (the professorial minimum spine point) into band 1.
- d) A minimum increase of one increment on progression between bands (subject to headroom).
- e) Revision of the criteria in band 1 and new band salary scale points (see Annexes four and five).

ANNEXES

Annex 1

Working Group Membership

Name	Title
Professor Jeremy Sanders (Chairman)	Pro-Vice-Chancellor for Institutional Affairs
Mr Graham Allen	Academic Secretary
Professor Dame Athene Donald	Professor of Experimental Physics
Ms Suzanne Fowler (Secretary)	Remuneration and Employment Relations Manager, HR
Professor Simon Franklin	Head of the School of Arts and Humanities
Dr Jonathan Nicholls	Registry
Dr Rachael Padman	University Lecturer, Physics
Mr Indi Seehra	Director of Human Resources

Annex 2

USL Salary Scale Extension

Chart A: University Senior Lecturer (USL) salary scale

Spine points	Grade 10 (current USL scale)	Grade 10 (new USL scale)	Grade 11	Grade 12
70				*
69				*
68				*
67			*	
66			*	
65			*	
64	*	*	*	
63	*	USL *	READER *	
62	*	USL *	*	
61	USL	USL		
60	USL	USL		
59	USL	USL		

Annex 3

Factors to consider in salary determination cases

The bullet points below are factors which should be considered when determining the salary which an institution would like to offer an individual.

- The candidate's suitability for the post:
 - How far the individual's skills match the essential and desirable skills for the post.
 - What unique or rare knowledge, experience or expertise is possessed by the individual and is particularly relevant or valuable to the post and/or Institution.
 - Why the individual is an outstanding candidate when compared with other applicants or current employees in similar roles.
- Difficulty to recruit:
 - The number of applicants shortlisted/interviewed and the availability of other suitable candidates.
 - The length of time taken in trying to fill the vacancy.
- Previous salary, benchmarking and equal pay:
 - The successful candidate's current salary, including basic salary and any real and substantial benefits enjoyed by the candidate in their current position (where documentary evidence can be provided by the candidate, such as a pay slip or contract of employment).
 - Any rival offers of employment (where documentary evidence can be provided by the candidate, such as an offer letter).
 - The salaries of existing staff with similar experience working at the same grade in the same area, aiming to strike a balance between the need to secure the appointment and to avoid inequities that could give rise to discrimination.

Annex 4

Revised Grade 12 Academic Band Criteria

Band 1 (single spine points 68-76)

A Band 1 Professor will normally have a significant national and international reputation in research, and contribute fully to the teaching and administrative work of the University. Progression within this level may also be used to reward exceptional and sustained contributions to the academic work of the University in teaching, administration, and research by those whose individual scholarship is also above the normal expectation for a Cambridge Professor.

Band 2 (single spine points 75-82)

A Band 2 award is intended for Professors who, in addition to a distinguished academic record when measured against the overall Cambridge context, are also recognised as research leaders through their membership of an academy (e.g. Royal Society, British Academy) or equivalent distinction. They will be leading international authorities in their particular field. They will have made a very significant and lasting positive mark on the University's work in their subject area directly through their own research or through their role in leading and developing their discipline at Cambridge. They will also contribute fully to the teaching and administration of the University.

Band 3 (single spine points 81-88)

A Band 3 award is intended for Professors of very high academic distinction. They will be internationally acknowledged as outstanding, and act as national leaders in their subject areas; they will be regarded as having achieved notable international eminence across the general field. They will also contribute fully to the teaching and administration of the University.

Band 4 (single spine points 87-100)

A Band 4 award is intended for Professors of the very highest international academic distinction. Through their membership of international bodies or the holding of international awards, they will be universally acknowledged as world leaders in their subject areas. They will have made a formative and lasting contribution through their research and their overall role across their general field. They will also contribute fully to the teaching and administration of the University.

Annex 5

Extension to Grade 12 Pay Scale

Grade 12 Pay Band Modelling (Option B)						
Spine points	Current bands		Overlapping increase of 2 points to bands 1-3			Salary (Aug 11)
100					*	£166,598
99					*	£161,750
97					*	£157,043
96					*	£152,473
96					*	£148,036
95					*	£143,729
94					CB4 *	£139,547
93					*	£135,487
92	*				*	£131,545
91	*				*	£127,719
90	CB4 *				*	£124,004
89	*				*	£120,396
88	*			*	*	£116,894
87	*			*	*	£113,494
86	*			*		£110,190
85	*			*		£106,987
84	CB3 *			CB3 *		£103,875
83	*			*		£100,854
82	*		*	*		£97,921
81	*		*	*		£95,073
80	*		*	*		£92,309
79	*		*	*		£89,624
78	CB2 *		CB2 *	*		£87,018
77	*		*	*		£84,489
76	*		*	*		£82,031
75	*		*	*		£79,647
74	*		*	*		£77,330
73	*		*	*		£75,083
72	CB1 *		CB1 *	*		£72,902
71	*		*	*		£70,781
70	*		*	*		£68,723
69	*		*	*		£66,726
68	*		*	*		£64,787

Annex 6

REGULATIONS TO BE AMENDED

If approved, the proposals in this paper will require certain regulations to be amended with effect from 1 October 2013 as follows:

University Senior Lectureship

Stipends (Statutes and Ordinances, p. 681)

If proposal 1 is approved, amendments to be made as follows:

Amend the points range for the office of University Senior Lecturer under regulation 5(c) so as to read:

(c) The grades for the holders of the offices of Professor, Reader, University Senior Lecturer, and University Lecturer shall be as follows:

Professor:	Grade 12	points 68-92
Reader:	Grade 11	point 63
University Senior Lecturer	Grade 10	points 59-63
University Lecturer	Grade 9	points 49-57

Grade 12

Schedule 1 (Statutes and Ordinances, p. 683)

If proposal three is approved, replace Schedule 1 with a revised Cambridge general stipend and salary scale for University Staff, to include the following revisions to the grade 12 salary scale: a two point overlapping extension to bands 1 to 4 of grade 12, a further six point extension to band 4, and the incorporation of the professorial minimum spine point into band 1. Please see Annex five.

ⁱ Grace 7 of 27 July 2005 associated with the Second Joint Report of the Council and the General Board on new pay and grading arrangements for non-clinical staff (*Reporter, 2004–05, p. 745*).

ⁱⁱ <http://www.admin.cam.ac.uk/reporter/1998-99/weekly/5779/22.html>

ⁱⁱⁱ As at 31 January 2012.

^{iv} Please note that as the office of USL was created in 2000, the average length of service in post is yet to reach a steady state and is therefore growing faster year-on-year compared to Readers or Professors.

^v Second Joint Report of the Council and the General Board on new pay and grading arrangements for non-clinical employees market supplements (*Reporter, 2004–05, p. 745*)

^{vi} Membership: Registrary, Academic Secretary, Pro VC for Institutional Affairs, Director of HR and Chair of the Remuneration Committee.

^{vii} Under the Professorial Pay Review or Contribution Increment Schemes for all other employee groups.

^{viii} In exceptional cases this approach may be used for academic staff.

^{ix} As at 1 August 2011.

^x These figures are based on the market supplements received by individuals in grade 12 from 2007 to 2011.

^{xi} One increment is awarded (rather than two which employees receive on promotion between other grades) because all of the points in grade 12 are starred contribution points with no automatic progression.