

PAY, PENSIONS AND BENEFITS AT ST GEORGE'S, UNIVERSITY OF LONDON

1. Introduction

1.1. The following notes give a brief overview of the pay structures and benefits offered by St George's, University of London. It is not exhaustive and, if you have any further questions, you should speak to your manager in the first instance.

1.2. In general, this note refers only to arrangements for employees on St George's, University of London salary scales (SGUL 1-8 and the Professorial and Senior Administration grade). Clinical staff will be on NHS pay grades which are managed by the NHS and St George's, University of London is unable to influence these arrangements. However, in some places, arrangements will also relate to clinical staff, which will be outlined in the notes.

2. Basic Pay and Pensions

2.1. Everybody who is directly employed by St George's, University of London will be paid a basic salary. This is usually expressed as an annual salary and represents the rate of pay for the job the individual is employed to do. Basic salary is paid in monthly instalments and will be pro-rated for individuals working part time. In addition to basic salary, all employees on St George's, University of London salary scales and most employees on clinical scales receive a London Allowance, unless they work outside Tooting on an ongoing basis. London Allowance is also pro-rated for part-time employees.

2.2. All employees employed by St George's, University of London will be eligible to become a member of a pension scheme, either the:

 Superannuation Arrangements of the University of London (SAUL). This is available to employees on salary scales SGUL 1 - 5¹, except Research Assistants;

¹ Only applies to individuals who joined as Grade 5 after 1 November 2020.

- Universities Superannuation Scheme (USS). Available to Research Assistants and individuals on grade SGUL 6 and above; or
- National Health Services Pension Scheme (NHSPS). Available to existing members only on any clinical grade.

2.3. Pensions are a valuable benefit as St George's, University of London contributes a percentage of each employee's salary towards it, as does the employee. If an individual opts out of saving towards a pension they will not receive any alternative benefit or salary supplement from the university. Current contribution rates are given in the table below. The different schemes have different contribution rates and the level of pension this provides on retirement also varies. Each scheme has its own website and further details are available there.

Pension contribution rates as a percentage of salary (as at April 2022)			
	Employer	Employee	Total Contribution
USS	21.4%	9.8%	31.2%
SAUL	19.0%	6.0%	25.0%
NHSPS	20.68%	Varies depending on salary	25.68% - 34.68%
		level from 5% up to 14.5%	

2.4. Contributing towards a pension is a tax efficient way of saving as pension contributions are paid before tax is deducted from salary. It is also possible to save more towards a pension than the core contributions listed above if somebody wishes, again from pre-tax salary. However, there are some limits to how much can be saved as a pension, which are set by HM Revenue & Customs. Please contact the Payroll team if you are interested in making additional contributions.

3. Salary Scales and Job Evaluation

3.1. Every job in St George's, University of London is assigned to a salary scale. For clinical roles the salary scale is set by the NHS and for all other roles this will be on the St George's, University of London salary scales.

3.2. The St George's, University of London salary scales 1-8 have a minimum and maximum salary level and a discretionary zone. Each salary scale has a series of spine points which represent the salary levels that might be paid within that salary scale.

3.3. The minimum of a salary scale represents the usual starting salary. In order to be as consistent as possible to all new joiners and existing employees, St George's, University of London generally pays new entrants the minimum salary for the salary scale they are joining. While there is scope to go higher this is not the norm (further information is available in <u>St George's</u>, <u>University of London starting salary policy</u>). The maximum salary for each salary scale is the rate of pay that an individual could expect to reach over time. Above the maximum salary is a discretionary zone, which comprises a couple of spine points that overlap with the next salary scale. It is unusual

for an individual to be paid in the discretionary zone but may occur when an individual has taken on additional responsibilities above the usual requirements of the job but not to the extent that it would lead the job to be graded higher. The discretionary zone is shown as a shaded area on the <u>salary scales available on the website</u>.

3.4. In order to determine which salary scale a job belongs to, jobs are evaluated. In some cases, evaluation can take the form of comparing the job to a similar role in the organisation. For example, Executive Assistant roles are graded the same and therefore a new vacancy would not need to undergo full job evaluation but can be benchmarked against a similar role. For other roles a full job evaluation may need to be undertaken.

3.5. The job evaluation system that St George's, University of London uses is the Higher Education Role Analysis Scheme (HERA). HERA is a job evaluation scheme developed specifically for use in universities and higher education and uses a competencies-based questionnaire to systematically measure the size of a role.

3.6. It is important to note that job evaluation relates to the job that St George's, University of London requires to be undertaken. It makes no reflection of the individual undertaking the role, nor does it evaluate the additional skills a jobholder may possess. Often an individual may develop in a role such that they are capable of undertaking additional responsibilities or a job at a higher grade. However, job evaluation will not reflect this because it only evaluates the core underlying job that is required. Individuals are therefore assigned to salary scales according to the role they are undertaking, not their own individual attributes.

4. Annual Pay Increases

4.1. St George's, University of London takes part in the annual national higher education pay award. This is negotiated nationally with the unions recognised by the higher education sector. All employees on St George's, University of London salary scales (with the exception of the Principal) receive this award, which is usually effective from 1 August.

4.2. In addition, employees in salary scales 1-8 are eligible to receive an annual increment. These are paid annually, usually in October, until an individual reaches the maximum of their salary scale. Increments are not automatically awarded once somebody has reached the maximum of their salary scale or within the discretionary zone. New entrants who join after 1 April will not be eligible for an increment until October of the following year.

4.3. Employees on NHS pay scales will receive pay increases as implemented by the NHS.

5. Discretionary Pay Increases

5.1. Managers can make a case for an employee in salary scales 1-8 to receive a discretionary pay increase in addition to the national pay award and annual increment, although such cases are likely to be rare. For example, a case can be made to take somebody in to the discretionary zone. Cases need to be approved by <u>Resourcing Review Committee</u> (RRC). Before approving a discretionary pay increase, RRC will usually expect to see that an individual has taken on additional responsibilities above their core job description, eg taken on some management responsibility, although not to the extent that the job should be regraded. Doing a job well would not usually result in a discretionary pay increase as this is the expectation of all employees in order to receive their basic salary. However, in such cases a merit award may be appropriate, as described below.

6. Merit Awards

6.1. Each year St George's, University of London determines whether there will be a merit award round based, amongst other things, on budgetary constraints. If merit awards are available, line managers may make an application for an individual to be considered for a merit award, which needs to be supported by the relevant Institute Director/Director of Professional Services. Such consideration will require the individual to have excelled in the key areas of their job over the previous year, consistently demonstrating either outstanding contribution which has impacted the team, department, Institute or wider organisation; or exceptional performance, significantly above that which might reasonably have been expected for their grade. Undertaking the core job well would not usually warrant a merit award, an individual would generally be expected to have gone "above and beyond".

6.2. Anybody in salary scales 1-8 may be recommended for a merit award. Recommendations for merit awards would be considered by the Merit Awards Panel which comprises the Dean for Equality, Diversity and Inclusion (Chair), Director of Finance, Chief Operating Officer, Director of HR&OD, two Institute Directors, one Director of Professional Services and an independent panel member/Athena SWAN representative in attendance.

6.3. Merit awards would not usually be used to reward working long hours or overtime (to prevent bias against those with caring responsibilities) or working above the grade on a long-term basis (regrading or a temporary acting up allowance would be more appropriate).

7. Promotion and Regrading

7.1. For academic staff there is an annual promotion cycle where they can apply for promotion. Academic promotion reflects an individual's increasing expertise and eminence in their field and must be approved by an internal promotions committee and ratified by external assessors. All academic staff who are Lecturers or above,

including those on St George's, University of London pay scales, NHS pay scales or honorary appointments, are eligible to apply for academic promotion. In general, academic promotion will not result in a pay increase, other than in cases of employees on St George's, University of London salary scales who are promoted to senior lecturer or professor (reader is graded the same as senior lecturer and therefore does not result in a change in salary). For employees on NHS pay scales there will usually be no change in salary as a result of academic promotion as the promotion does not represent a change in NHS pay grade.

7.2. For professional services and support staff there is no annual promotion round but professional services and support staff may apply for promotion into a higher graded job and all roles are openly advertised on the St George's, University of London job portal.

7.3. For professional services and support roles in salary scales 1-8 it is possible to consider the job for regrading if there has been a significant increase in responsibility. However, the increase needs to reflect a change in the underlying requirement of the job. In such cases a manager will need to make a case to RRC and, if RRC agree in principle, the role will be revaluated using HERA evaluation. As stated, the relevant factor for regrading is that the requirements of the job have changed. Therefore, the fact that an individual has developed and is capable of more, or has reached the maximum salary for their salary scale, does not mean that the job should be regraded.

8. Allowances

8.1. In some cases, an allowance may be payable when an individual is undertaking a clearly defined activity over and above the normal substantive duties of their role for a clearly defined period of time. For example, an allowance would be payable for somebody taking on an Associate Dean role.

8.2. In some cases, allowances are for both clinical and non-clinical employees but there may be instances where clinical staff are paid via additional PAs.

9. Benefits

9.1. As well as the pension, St George's, University of London offers a number of benefits to employees. These include 32 days annual leave (pro-rated for part-time employees) and three Christmas closure days, flexible working opportunities, interest free season ticket loan, access to the cycle to work scheme and corporate membership of Tooting Leisure centre. In addition, the site is well served by shops and facilities such as Pret a Manger, student bar and shop, ATMs, library and multi-faith room.

9.2. Anybody who works for a University of London member institution, including St George's, University of London, can receive a 25% discount on courses at <u>King's</u> <u>Modern Language Centre</u> (see concession fees in individual courses) and are also

eligible for associate membership at <u>Student Central</u>, which includes discounted gym membership. In addition, employees are able to sign up to <u>Togetherall</u> using their staff email address.

10. Resourcing Review Committee (RRC)

10.1. RRC is the central committee in St George's, University of London responsible for reviewing and approving resourcing requests to ensure that the organisation is appropriately resourced in terms of capacity and capability, in line with organisational priorities. RRC meets at least monthly and its membership is made up of the Principal (Chair), Deputy Principals, Chief Operating Officer, Finance Director and Director of HR&OD.

10.2. RRC must approve most requests for new or replacement posts of 3 months duration or longer, discretionary pay increases, fixed-term contract extensions, permanency, allowances, regrading, restructuring proposals, engagement of self-employed workers, early retirement applications or voluntary redundancy and posts partially funded by the NHS/St George's, University of London. Further information and the relevant form to use to obtain RRC approval is available on the <u>website</u>.

11. Remuneration Committee

11.1. St George's, University of London operates two remuneration committees – the Senior Staff Remuneration Committee which considers senior staff pay, ie the nonclinical direct reports of the Principal, and the Principal's Remuneration Committee which considers the Principal's pay. Any recommendations for discretionary pay increases or merit awards for senior staff must be approved by remuneration committee.

11.2. The remuneration committees are made up of external members of Council. The Principal is in attendance for the Senior Staff Remuneration Committee. The Director of HR&OD is also in attendance for both committees.

12. Equal Pay and Pay Gaps

12.1. The expression "equal pay for equal value" is relatively well known. At its simplest equal pay for equal value means that, by law, women and men doing the same job should be paid equally, although experience can be taken into account, meaning that individuals do not have to be paid exactly the same but within a similar range.

12.2. However, equal pay also applies to different jobs which are deemed to be of the same size or complexity and add the same value to an organisation. Women and men undertaking jobs of equal value must receive equal pay. There are some

high-profile cases where this has been challenged, eg supermarket shop workers, who are mostly female, claiming that their role is of equal value to higher paid warehouse staff, who are mostly male.

12.3. The way St George's, University of London ensures equal pay for equal value is through the use of salary scales and job evaluation, as already described. Different jobs may be paid the same because job evaluation has deemed them to be of similar value, for example, a Senior Examinations Officer and a PBL Tutor may have very different roles but they are both graded the same and therefore have the same pay range.

12.4. It is important not to confuse the Gender Pay Gap with equal pay for equal value and quite often newspaper headlines give the impression that they are the same. However, the gender pay gap measures the difference in pay between all men and women, it does not consider whether people are undertaking jobs of the same size. The gender pay gap compares the average pay of all of the women in an organisation against the average for all of the men. Many organisations, St George's, University of London included, find that they have more senior men than women, and conversely, more junior women than men. As a result, the average rate of pay for men in the organisation is higher than for women and this represents the gender pay gap. Throughout the UK gender pay gaps frequently occur because more women tend to be employed in lower paid professions, eg the caring professions or office administration. This is often referred to as "occupational segregation" or "vertical segregation".

12.5. Therefore, while St George's, University of London abides by equal pay for equal value, it has a gender pay gap due to the different proportions of men and women in the more senior and more junior salary scales. There are a number of steps St George's, University of London is taking to try to improve its gender pay gap, including encouraging women to apply for more senior roles. Further information is available in our <u>pay gap report on the website</u>.

12.6. Every organisation in the UK employing more than 250 people is required by law to publish their Gender Pay Gap. However, it is also possible to consider pay gaps for other characteristics, for example with regard to ethnicity or disability. In order to maintain confidentiality due to small numbers of employees declaring a disability, St George's, University of London does not report a disability pay gap. However, St George's, University of London also reports on its ethnicity pay gap in its annual pay gap report.