

## MOD APPROACH TO SCS PAY 2018

### Pay

1. Following publication the 41<sup>st</sup> Annual SSRB Report, which can be found at the following link: [41st Annual SSRB Report](#), Perm Sec, in consultation with CSLG, has agreed that the SCS Pay Band minimums should be increased as follows:

Pay Band	1 April 2017 Minimum	New Minimum from 1 April 2018	Recruitment & Performance Ceiling (Maximums)
1	£65,000	£68,000	£117,800
2	£88,000	£90,500	£162,500
3	£107,000	£111,500	£208,100

2. Individuals below the new pay band minima will have their salary increased to the new minima. They will also be eligible for an additional pay increase should their moderation assessment place them in either Performance Group 1 or 2 after moderation (see below).

3. For 2018 an extra 0.25% is available to address pay anomalies. For a range of historic reasons, there are a number of pay anomalies in MOD and 0.25% would not be sufficient to address them all. CSLG has therefore decided that we add this to the 1%, so that the total average overall pay rise is 1.25%. This will be distributed using the pay / performance group curve that has been applied in previous years. This will allow for individual pay awards of between 0% and 2.5%. The full breakdown of the 2018 curve awards is as follows:

% progress through Pay band	Pay Increase Levels		
	Performance Marking 1	Performance Marking 2	Performance Marking 3
0% - 4%	2.50%	1.50%	0%
5% - 9%	2.40%	1.40%	0%
10% - 14%	2.30%	1.30%	0%
15% - 19%	2.20%	1.20%	0%
20% - 24%	2.10%	1.10%	0%
25% - 29%	2.00%	1.00%	0%
30% - 34%	1.95%	0.95%	0%
35% - 39%	1.90%	0.90%	0%
40% - 44%	1.85%	0.85%	0%
45% - 49%	1.80%	0.80%	0%
50% - 54%	1.75%	0.75%	0%

55% - 59%	1.70%	0.73%	0%
60% - 64%	1.65%	0.70%	0%
65% - 69%	1.60%	0.68%	0%
70% - 74%	1.55%	0.65%	0%
75% - 79%	1.50%	0.63%	0%
80% - 84%	1.40%	0.60%	0%
85% - 89%	1.30%	0.58%	0%
90% - 94%	1.20%	0.55%	0%
95% - 99%	1.10%	0.53%	0%
100%	1.00%	0.50%	0%

## **Assessment**

4. As in previous years the respective Pay Committees considered performance across pay bands and made a relative assessment of each individual's overall contribution to Defence. Members of each pay band have been placed into one of three performance groups that have strictly defined quotas:

Performance Group 1 = Top 25%  
Performance Group 2 = Next 65%  
Performance Group 3 = Bottom 10%

5. This 2017/2018 performance ranking, together with an individual's position on their pay scale, will be used in the algorithm to determine the level of base pay award in 2018. In accordance with Cabinet Office guidance, individuals in performance group 3 will not receive a consolidated award. The composition and guidance relating to Pay Committees can be found using the following link: [MOD Pay Committee Structure](#).

## **Non-Consolidated Awards (for reporting year 17/18)**

6. CSLG has agreed the following non-consolidated pro rata award levels:

<b>Pay Band / Grade</b>	<b>Award payable to 25% of each pay band</b>
PB1/ Deputy Director	£8,350
PB2/ Director	£10,350
PB3/Director General	£13,350

7. Only individuals in Performance Group 1 will be eligible for an end of year performance award.

## **In-year awards**

8. Departments are allowed to make in year awards up to 20% of the workforce. CSLG had decided that we will use this flexibility to pay awards to near misses from Box 1 – those who the pay committee judged had performed to a high level, but narrowly missed out on being placed in Box 1 because of the 25% limit.

In-year awards are a one off non-consolidated pro rata payment of £5,000 which will be paid with the pay award.

### **Part-time staff**

9. CSLG has decided that for staff who work part time and are awarded a non-consolidated award, such awards will be paid pro rata on the basis of the number of hours worked.

### **Notification of outcome**

10. Director Civ HR will write to each member of the SCS by the end of September informing them of their relative assessment marking and pay award. Payments are scheduled to be made in October payroll.

### **Pensions**

11. MyCSP will write to pension members directly if they breach either the Pension Life Time or Annual Allowance, for further information please see: [Pension Savings Statements](#). If an individual receives a letter, CivHR Reward will be notified and invite the member to a pension seminar that explains how the Allowances are calculated and aid members in understanding the options for dealing with any Pension Tax liability they may have along with timescales to take the appropriate action.

### **SCS Policy**

12. Should individuals wish to familiarise themselves with general SCS Pay Policy or the SCS performance Management Process details can be found by using the following links: [Senior Civil Service Pay and Promotion General Policy and Guidance](#).