

# Remuneration Report

## Service Contracts

Civil Service appointments are made in accordance with the Civil Service Commissioners' Guidance.

Donald Lamont was appointed as Chief Executive of Wilton Park on a five year contract commencing 17 January 2007. All other officials covered by this report hold appointments which are open-ended. Early termination, other than for misconduct, would result in the individual receiving compensation as set out in the Civil Service Compensation Scheme.

Further information about the work of the Civil Service Commissioners can be found at [www.civilservicecommissioners.gov.uk](http://www.civilservicecommissioners.gov.uk).

## Salary and Pension Entitlements

The following sections provide details of the remuneration and pension interests of the senior officials of the Agency.

Name, Title	Salary 2008/09 £000	Salary 2007/08 £000
Donald Lamont Chief Executive	75-80	75-80
Nicholas Hopkinson Director	65-70	65-70
Tim Willows FCCA Finance Director (to Oct 08)	30-35 (50-55 full year equivalent)	50-55
Lisa McIlrath ACA Finance Director (from Jan 09)	5-10 (25-30 full year equivalent)	N/A
Robin Hart Senior Programme Director	55-60	50-55
Shirley Ellis Personnel Manager	30-35	25-30
Mark Bellone General Manager (from Nov 08)	15-20 (40-45 full year equivalent)	N/A

'Salary' includes gross salary, performance pay or bonuses, overtime, reserved rights to London weighting or London allowances, recruitment and retention allowances, private office allowances and any other allowance to the extent that it is subject to UK taxation. This report is based on payments made by the Agency and thus recorded in these accounts.



The Chief Executive was provided with a rent free furnished cottage in the grounds of Wiston House up until 23 February 2009 when he decided to relocate locally. The Agency has a PAYE Settlement Agreement in place with HM Revenue & Customs for the provision of accommodation and meets the liability to Income Tax and National Insurance contributions arising from this Benefit in Kind. The liability provided for in these accounts for 2008/09 is £1,506.

### Pension Benefits

Name Title	Accrued pension at age 60 as at 31/3/09 and related lump sum £000	Real increase in pension and related lump sum at age 60 £000	CETV at 31/3/09 £000	CETV at 31/3/08 £000	Real increase in CETV £000
Donald Lamont Chief Executive	–	–	–	–	–
Nicholas Hopkinson Director	15 – 20 plus lump sum 35 – 40	0 – 2.5 plus lump sum 0 – 2.5	336	293	16
Tim Willows FCCA Finance Director	15 – 20 plus lump sum 50 – 55	0 – 2.5 plus lump sum 0 – 2.5	256	230	5
Lisa McIlrath ACA Finance Director	0 – 5 plus lump sum 0 – 5	0 – 2.5 plus lump sum 0 – 2.5	–	N/A	N/A
Robin Hart Senior Programme Director	10 – 15 plus lump sum 40 – 45	0 – 2.5 plus lump sum 0 – 2.5	215	187	10
Shirley Ellis Personnel Manager	5 – 10 plus lump sum 25 – 30	0 – 2.5 plus lump sum 5-7.5	186	134	35
Mark Bellone General Manager	0 – 5 plus lump sum 0 – 5	0 – 2.5 plus lump sum 0 – 2.5	16	–	16

Under the Chief Executive's current terms of employment, he receives no benefit by means of employer pension contributions.



### Civil Service Pensions

Pension benefits are provided through the Civil Service Pension (CSP) arrangements. From 30 July 2007, civil servants may be in one of four defined benefit schemes; either a 'final salary' scheme (**classic**, **premium** or **classic plus**); or a 'whole career' scheme (**nuvos**). The statutory arrangements are unfunded with the cost of benefits met by monies voted by Parliament each year. Pensions payable under **classic**, **premium**, **classic plus** and **nuvos** are increased annually in line with changes in the Retail Prices Index (RPI). Members who joined from October 2002 could opt for either the appropriate defined benefit arrangement or a good quality 'money purchase' stakeholder pension with a significant employer contribution (**partnership** pension account).

Employee contributions are set at the rate of 1.5% of pensionable earnings for **classic** and 3.5% for **premium**, **classic plus** and **nuvos**. Benefits in **classic** accrue at the rate of 1/80th of final pensionable earnings for each year of service. In addition, a lump sum equivalent to three years' pension is payable on retirement. For **premium**, benefits accrue at the rate of 1/60th of final pensionable earnings for each year of service. Unlike **classic**, there is no automatic lump sum. **classic plus** is essentially a hybrid

with benefits in respect of service before 1 October 2002 calculated broadly as per **classic** and benefits for service from October 2002 calculated as in **premium**. In **nuvos** a member builds up a pension based on their pensionable earnings during their period of scheme membership. At the end of the scheme year (31 March) the member's earned pension account is credited with 2.3% of their pensionable earnings in that scheme year and the accrued pension is uprated in line with RPI. In all cases members may opt to give up (commute) pension for lump sum up to the limits set by the Finance Act 2004.

The **partnership** pension account is a stakeholder pension arrangement. The employer makes a basic contribution of between 3% and 12.5% (depending on the age of the member) into a stakeholder pension product chosen by the employee from a panel of three providers. The employee does not have to contribute but where they do make contributions, the employer will match these up to a limit of 3% of pensionable salary (in addition to the employer's basic contribution). Employers also contribute a further 0.8% of pensionable salary to cover the cost of centrally-provided risk benefit cover (death in service and ill-health retirement).



The accrued pension quoted is the pension the member is entitled to receive when they reach pension age, or immediately on ceasing to be an active member of the scheme if they are already at or over pension age. Pension age is 60 for members of **classic**, **premium** and **classic plus** and 65 for members of **nuvos**.

Further details about the Civil Service pension arrangements can be found at the website [www.civilservice-pensions.gov.uk](http://www.civilservice-pensions.gov.uk).

### Cash Equivalent Transfer Values

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme.

The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies.

The figures include the value of any pension benefit in another scheme or arrangement which the individual has transferred to the Civil Service pension arrangements. They also include any additional pension benefit accrued to the member as a result of their purchasing additional pension benefits at their own cost. CETVs are calculated in accordance with the Occupational Pension Schemes (Transfer Values) (Amendment) Regulations and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are drawn.

### Real Increase In CETV

This reflects the increase in CETV effectively funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

Donald Lamont  
**Chief Executive**  
15 June 2008

