

## IDS Pay Report

### Pay in the civil service 2009

We look at the pay issues in central government following recent talks between the Government and civil service trade unions over 'efficiency savings'. We also analyse recent trends in pay policy across the sector, with a focus on long-term deals and moves to shorten salary bands.

### Analysis

#### ■ Occupational focus: HR professionals

The HR function will be an important one as the recession plays out, with key decisions having to be made about jobs, pay and working time. In the latest article in this series, we look at pay for HR assistants, officers and managers.

#### ■ Regional earnings data

We look at the likely impact of recession on the earnings lead enjoyed by London and the South East over the other Government regions, and how the economic downturn might alter relativities overall.

### Latest news on pay and conditions

Airline industry  
BAE Land Systems  
Cargill  
Glasgow City Council  
Prison Service  
Vauxhall Motors

### Contacting IDS

Finsbury Tower  
103–105 Bunhill Row  
London EC1Y 8LZ

Tel: 0845 077 2911

Fax: 020 7393 8081

e-mail: [ids@incomesdata.co.uk](mailto:ids@incomesdata.co.uk)

Website: [www.incomesdata.co.uk](http://www.incomesdata.co.uk)

Pay, reward systems and the labour market

# ONLINE RESOURCES FOR IDS PAY REPORT SUBSCRIBERS

## Pay Report Resource Centre

IDS Pay Report subscribers have exclusive access to an online database of pay agreements. The database contains details of current pay structures, latest pay reviews and other conditions of employment in leading private sector companies and public sector organisations across the UK.

This online resource centre brings together all the current agreements and pay structures published in IDS Pay Report, together with other agreements and structures collected by the IDS research team. Subscribers can use the resource centre to search for the particular pay agreement they are looking for.

You will need a User ID and PIN number to access the data; these are sent out to all IDS Pay Report subscribers. Please note that your subscription to IDS Pay Report automatically gives you a user licence for the online resource centre that you can share with up to three other colleagues at your location. Multi-user licences are available so that you can share access more widely – simply call IDS Customer Services on 0845 600 9355 to discuss your needs.

## Online index of IDS Pay Report articles

An index of the news and feature articles published in the previous three years' issues of IDS Pay Report is available on the IDS website:

[www.incomesdata.co.uk/indexes/reportindexes.htm](http://www.incomesdata.co.uk/indexes/reportindexes.htm)

The list of the contents of recent issues of IDS Pay Report is also available:

[www.incomesdata.co.uk/report/reportcontents.htm](http://www.incomesdata.co.uk/report/reportcontents.htm)

You can also download the latest IDS Pay Databank analysis through the Pay Report Resource Centre



The database can be accessed via the website  
[www.idspayreport.co.uk](http://www.idspayreport.co.uk)

IDS



THOMSON REUTERS

<b>Editor:</b>	Ken Mulkearn
<b>Assistant Editors:</b>	Lindsay Hutton, John Robertson
<b>Researchers:</b>	Angela Bowring, Rachel Ridgway, Jon Taylor, Anna Warberg, Lois Wiggins, Louisa Withers
<b>Head of Pay and HR Services:</b>	Alastair Hatchett
<b>Library Services:</b>	Colin Hewson, Selam Assefa
<b>Production:</b>	Linda Louis

### Contact the IDS Pay Report team

<b>Address:</b>	Finsbury Tower, 103-105 Bunhill Row, London EC1Y 8LZ	<b>E-mail:</b>	ids@incomesdata.co.uk
<b>Telephone:</b>	0845 077 2911	<b>Website:</b>	www.incomesdata.co.uk
<b>Fax:</b>	020 7393 8081	<b>Resource centre:</b>	www.idspayreport.co.uk

## IDS Pay Report

Published 24 times a year. For subscription details call **0845 600 9355**.

At the core of this publication are pay increases and pay structure changes, reported as and when the agreements and awards are made. We follow the evolving pattern of pay reviews and changes to other terms and conditions. The reasons behind movements in average earnings and inflation are reported and analysed in the context of the changing labour market. We provide the detail on changes in pay progression, grading structures, work patterns and working time arrangements in the UK economy.

ISSN 0019-3461

IDS Pay Report is published by Incomes Data Services Limited (Registered in England & Wales, Company No 913794. Registered Office and address for service: 100 Avenue Road, London NW3 3PF).

No part of this publication may be reproduced, stored or transmitted by electronic or other means except with prior written permission of Incomes Data Services Limited or, in the case of photocopying, under the terms of a licence issued by the Copyright Licensing Agency (tel 020 7631 5555). Extra copies of this publication can be purchased – call IDS Customer Services Department on 020 7449 1107.

© 2009 Incomes Data Services Limited.

Printed by St Austell Printing Co, 41 Truro Road, St Austell, Cornwall PL25 5JE

# IDS Pay Report 1021

March 2009

<b>Viewpoint</b>	<b>2</b>	<b>Uneven impact of downturn shapes range of pay outcomes</b>
<b>News review</b>	<b>4</b>	<b>BAE Land Systems</b> – performance-related increase of 3.4% from January
	<b>4</b>	<b>Airline industry</b> – pay freezes and pay deferrals across the sector
	<b>5</b>	<b>Local government</b> – arbitration increases 2008 pay award to 2.75%
	<b>5</b>	<b>Vauxhall</b> – further cost-cutting agreed as an alternative to redundancies
	<b>7</b>	<b>Prison Service</b> – plans for introduction of lower grade for prison officers rejected
<b>News in brief</b>		UK Coal, Britvic, Nestlé, Bourne Salads, Special Metals Wiggin, World Wildlife Fund, Unite, Goss Graphic Systems, Organ Building, Glasgow Council, Stable Staff NJC
<b>Analysis</b>	<b>8</b>	<b>Regional pay</b> Latest information on regional earnings shows that, as in previous years, the main distinction is between London and the surrounding area and the rest of the country. We look at the likely impact of recession on the relative picture.
	<b>11</b>	<b>Pay in central government 2008</b> This article is a summary of the chapter on pay in central government organisations which will appear in IDS Pay in the public services 2009. We look at the importance of long-term deals, and analyse the recent trends in pay policy with a focus on pay progression and shortened pay bands.
	<b>17</b>	<b>Occupational focus: HR professionals</b> The human resources function is likely to become a key area for businesses as the recession continues to play out, with employers having to make tough decisions on redundancies, pay reviews and working-time arrangements. As part of our 'Occupational Focus' series, we look at pay levels, average earnings and the gender pay gap for HR professionals.
<b>Pay structures</b>	<b>20</b>	Cargill
	<b>21</b>	Next Retail
	<b>22</b>	Engineering Construction NJC
	<b>25</b>	House of Commons
	<b>26</b>	Wickes
<b>Datacheck</b>	<b>27</b>	<b>Latest statistics on inflation and earnings growth</b>

## Pay pauses and freezes, but plenty of pay rises too

Firms are being affected by the recession in different ways. Indeed, there is a range of experiences in this respect, with automotive component firms being hit hardest at one end, while defence contractors and utilities are at the other, though of course this could change. And while profits at some firms – such as food retailers – may be holding up in the short-term, a lengthy recession could affect their longer-term prospects. As in the last recession, there are sectors that are prone to pay freezes, and sectors that are freeze-free.

### Putting off pay reviews

In the worst-affected sectors, many firms with pay review dates in the early part of the year have effectively put off their 2009 reviews until later, when both the economic picture and their own position vis-à-vis suppliers and customers is clearer. Many will also want to wait until the picture on pay reviews in the first half of the year – which is when most private sector firms in both manufacturing and services review – is more established.

All this is perfectly understandable. As we've said before, the current situation – compounded by the strong likelihood that the RPI will be below zero for much of 2009 – represents uncharted territory for all those concerned with decisions on pay and conditions.

However it does raise certain methodological problems for those monitoring pay settlements. It's one thing if a firm reviews its options and decides to freeze pay rates for all staff from the due date, effective for 12 months. But if a firm with, say, a January review date, puts off a final decision until later in the year, we regard this as a pay 'pause'. Since no decision has been reached in these cases, we cannot record it in our pay chart. (Such cases are distinct from 'deferred rises', where an increase is paid, but at a later date than normally, to save on annual costs.)

### Pause, freeze or deferred rise?

Of course, in the current climate, the picture is sometimes complicated by the awareness that the outcome of a pause may turn into a 12-month pay freeze, but that doesn't mean we can record it as such. In every such case, we have to wait for a final decision until the settlement is entered into the database, as a freeze or otherwise.

Another (perhaps more remote) possibility is that some pauses might just turn into deferred pay rises, with a (modest) increase paid later than usual, and lasting for a shorter time until the next annual review, thereby saving the firm money. It all depends on the firm and its circumstances.

So far for 2009, we have confirmed 14 clear pay freezes, eight 'pauses' and one 'deferral' (for pilots at bmi).

Details appear in the table on the next page. There are others in the pipeline as well, the details of which are still subject to negotiation, for example at Jaguar Land Rover.

In the majority of cases, the firms involved in pausing or freezing pay are engineering manufacturers. This is unsurprising, especially in a week when the EEF reports that out of 624 of its member firms surveyed, 224 (36 per cent) have implemented a pay freeze for 2009. Most of these are small to medium-sized employers. Some 218 (35 per cent) of the EEF members surveyed said that they have either rejected, or are not considering, freezing pay this year.

### Safeguarding jobs

The key rationale for a pay freeze is a collapse in trade and most have as their objective the need to safeguard jobs. In some cases, firms have frozen pay for executives and other employees already on relatively high salaries, but not for lower-paid staff. Pearson Education is an example here.

In our monitoring of freezes and pauses, there is heavy representation from different tiers of the automotive sector. Significantly, Nissan – whose review date is also 1 January – has said it is putting off a decision on whether or not it will pay an increase this year until at least April. Also, Bosch, the auto components manufacturer with sites in Miskin, near Cardiff, and Uxbridge, just outside London, has put off its January review, probably until around June.

Bosch Rexroth, which employs around 350 staff in the manufacture of drives and controls, has said that while there's no pay rise for the moment, the firm has not categorically ruled out an increase later in the year. We've decided not to record this as a freeze, but to treat it as a pay pause, at least for now.

### Company finances and 'fairness'

The bmi case, which we highlight on page 3, also shows how the decision on whether or not to freeze pay can sometimes lead to a focus on a firm's finances, as employees seek to understand the likely basis for the chosen outcome. When it comes to continuing to maintain engagement with staff, it is important that the reasons for freezes are made clear. This has been the case with virtually all the freezes we have recorded so far. And in many instances, something of a 'fairness agenda' has emerged, with no rises for higher-paid employees but adjustments for those lower down pay structures, so that those already on low pay do not lose out further.

### Pay freezes and pauses so far in 2009

Organisation (month)	Numbers	Description	Duration
<b>January</b>			
bmi	450 pilots	Payments worth 4.57% of salary made in each of January and February only in lieu of pay rise	Deferred until January 2010 (final year of 3-year deal)
Bosal	250 employees	0% (freeze)	12 months
Bosch	1,250 employees (Miskin)	Pay pause	At least six months
Bosch	500 employees (Uxbridge)	Pay pause	At least six months
Bosch Rexroth	350 employees	Pay pause	Moratorium until later in the year
Bourne Salads	600 production workers	0% (freeze)	12 months
Cargill	80 white-collar staff	0% (freeze)	12 months
Channel 4	1,032 employees	0% (freeze)	12 months
Crown Paints	1,480 manual workers	Pay pause	Situation will be reviewed in July
Flowtech	150 employees	Pay pause	Three months - decision put off until 1 April
Goss Graphic Systems	167 staff	0% (freeze)	12 months
Ibstock Brick	1,400 employees	0% (freeze)	12 months
Knorr-Bremse	136 employees	Pay pause	Six months - decision put off until at least July
Nissan	4,000+ employees	Pay pause	At least three months – decision put off until 1 April at earliest
Pearson Education	1,270 employees	Pay freeze for staff earning above £30,000; 3.5% for those below this level	12 months
Provident Insurance	400 staff	0% (freeze)	12 months
Rhodia	230 employees	0% (freeze)	12 months
Ritrama	60 employees	0% (freeze)	12 months
T-Mobile	7,200 staff	Pay pause	No pay rise for now but this may change later in the year
<b>March</b>			
Virgin Atlantic	8,500 employees	0% (freeze)	12 months
<b>April</b>			
bmi	4,150 cabin crew	0%	Deferred until April 2010 (final year of 3-year deal)
Guardian	700 journalists and editorial staff	0% (freeze)	12 months
Observer	150 journalists	0% (freeze)	12 months
Toyota	4,500 employees	0% (freeze)	12 months

## News in brief

### UK Coal pays 5%

In the first year of a three-year deal, around 3,200 employees at UK Coal have been awarded a basic pay increase of 5 per cent, effective from 1 January 2009. The increases in subsequent years will be the higher of the November RPI or 2 per cent, from 1 January 2010 and 1 January 2011. The deal was negotiated with the NUM, UDM, Unite and the British Association of Colliery Management – Technical Energy and Administrative Management (BACM-TEAM).

### Britvic pays 4.5%

Around 600 process and engineering workers at Britvic's sites in Chelmsford, Widford, Solihull and Beckton have been awarded pay increases of 4.5 per cent from 1 January 2009. Britvic Soft Drinks produces Pepsi, Robinsons, Tango, and Britvic soft drinks at seven sites across the UK.

### Nestlé pays 3.5%

Around 610 manufacturing employees at Nestlé Confectionery's main site in York have been awarded an increase to basic pay of 3.5 per cent, effective from 1 January 2009. In a separate review, around 51 employees at the company's plant in Girvan in Scotland have been awarded a pay increase of 3.85 per cent covering a period of 15 months from 1 January 2009. Both of the pay settlements were agreed with the GMB and Unite unions.

## BAE Land Systems agrees 3.4% and begins harmonisation

In a one-year deal, unions and management at BAE Land Systems (Weapons and Vehicles) have agreed pay rises of 3.4 per cent effective from 1 January 2009. This covers around 600 manual employees not subject to performance-related pay at the Newcastle and Leeds sites. The same employees will also receive an unconsolidated bonus payment worth 2 per cent in April 2009 as part of the Employee Incentive Scheme (EIS). The deal takes the manufacturing technicians' and support operative rate to £22,619 a year.

As a first step towards harmonising the terms and conditions of all employees in the Weapons and Vehicles group, the deal also widens the application of performance-related pay (PRP) to all non-manual, non-executive grades to cover the sites at Barrow, Glascoed, Leicester, Wolverhampton and Telford as well as Newcastle and Leeds.

Under PRP most employees were awarded rises of 3.4 per cent from 1 January 2009. The agreement was negotiated with Unite, Prospect and the GMB.

### PRP group widened

There are now two groups of employees covered by PRP. The original BAE Land Systems group, which includes employees at Leeds, Newcastle, Telford, and Wolverhampton and some employees at Leicester (ie ex-Royal Ordnance employees), received pay increases ranging between 1.7 and 5 per cent with 70 per cent of the group receiving 3.4 per cent. The latest group, which covers employees at the Barrow and Glascoed sites and the remaining employees at the Leicester site, were awarded pay rises ranging between 2.4 per cent and 4.4 per cent with 70 per cent of the group also receiving 3.4 per cent. The total number of employees across all sites in Weapons and Vehicles is about 1,500.

## Pay deferrals and freezes across the airline industry

The UK's airlines are feeling the effects of the recession as the number of business travellers and holidaymakers declines. Bmi is deferring this year's pay increase and Virgin Atlantic has announced a pay freeze. British Airways says that it doesn't envisage any pay rises this year and Thomson Airways is cutting the pay of pilots, to avoid redundancies.

### Bmi

Pilots at bmi have resolved their disagreement with management over this year's pay settlement and will receive pay increases for the months of January and February 2009. The 450 pilots at the airline were due to receive pay increases of 4.57 per cent from 1 January 2009 under the third year of a three-year deal (see IDS Pay Report 1019, p.4).

However, just as the January salaries were going into their bank accounts, the pilots learned that management had decided to impose a pay freeze.

Talks between the pilots' union BALPA and bmi management have led to agreement that the company will pay the basic salary increase for the months of January and February. But from March onwards the

increase will be deferred until next year or until such time as the company can afford it.

BALPA says it accepts the need for the pay increase to be deferred and has reached an agreement with the company allowing the unions to see the financial accounts, so that both sides are in a position to agree when the airline can afford to pay the increase.

Some 4,000 cabin crew, customer service, engineering and head office staff at bmi were due to receive the same third-year increase as the pilots, but from a review date of 1 April 2009. Their pay increase will be deferred until next year or until such time as the company can afford to pay it.

### Thomson Airways

Meanwhile holiday airline, Thomson, will be operating eleven fewer aircraft this year following the merger of Thomsonfly and First Choice Airways. The company has found that out of a total complement of around 845 pilots, there are now 96 pilots who are 'surplus to current requirements'.

BALPA says that it has brokered a deal with Thomson which will see all the pilots

take a 5 per cent pay cut in return for a guarantee from the company that there will be no compulsory redundancies. Pilots will, however, be offered voluntary redundancy. The pay cut will be effective from 1 May 2009 and pilots will get additional days off to compensate for the loss of pay.

Thomson Airways and BALPA will jointly review the agreement in June and October 2009. They will monitor the number of voluntary redundancies and the number of pilots with a view to reviewing the pay cuts and extra days off as soon as the situation allows.

### British Airways

British Airways says that it is not envisaging paying an increase this year.

## Local government award set at 2.75% after arbitration

Local government staff in England, Wales and Northern Ireland will receive a pay increase of 2.75 per cent for 2008 after independent arbitrator ACAS decided employers must increase their previous offer of 2.45 per cent. The award brings to an end the prolonged negotiations over last year's pay increase which resulted in two days of strike action in July. Staff have already received an increase of 2.45 per cent (plus £100 a year on the three lowest pay points), which the employers agreed to pay on account in November 2008 after the unions referred the matter to arbitration. The additional 0.3 per cent will be backdated to 1 April 2008, and be paid in March or April salaries.

### Arbitration process

The decision over the final NJC pay award was referred to ACAS at the end of September after Unison and Unite rejected

The pay review for the 40,000 staff below management level is due from February.

Two years ago the review date was moved from October as part of a two-year deal. In 2008 staff received rises totalling 4.6 per cent (made up of the December 2007 RPI inflation figure of 4 per cent plus 0.6 per cent).

### Virgin Atlantic

At the end of January, Virgin Atlantic announced that there would be a pay freeze for all 8,500 staff at the airline from March 2009. However, the company expects to make a profit in the financial year which finished at the end of February, and eligible staff are expected to benefit from the company profit share scheme.

the employers' final offer of 2.45 per cent. The arbitration board was asked to consider the arguments put forward by both the employers and trade unions and resolve the 2008 pay dispute. Both sides made detailed written submissions to the arbitration panel. The unions' submission centred round local government workers being the 'poor relations' of the public sector, with comparisons made between minimum rates in local government and those in the NHS.

In its final decision, ACAS made reference to the argument made by the unions stating that, 'NJC employees are among the lowest paid in the public sector and they have been affected significantly by the worsening economic climate'. The board went on to say the additional increase to the pay award was 'justified and affordable in the context of the claim for year 2008/09'.

## Vauxhall agrees terms for a reduced working week

Vauxhall Motors and the trade union Unite have come to an agreement over further cost-cutting measures to be introduced at the Ellesmere Port plant, in order to stave off redundancies. These include a shorter working week, with subsidies for the loss of basic pay, and the implementation of a temporary 'corridor agreement', enabling employees to continue to 'bank' unworked hours at full pay. The new measures have

been agreed because the plant's existing flexible working arrangements have been put under strain by the sharp fall in production demand. An offer of paid sabbatical leave, firstly at 30 per cent and then at 50 per cent of base pay, was not taken up by employees.

Vauxhall's reduced working week agreement was concluded on 2 February

## News in brief

### Bourne Salads freezes pay

Around 600 production workers at Bourne Salads will have their pay frozen from 1 January 2009. In a separate review, around 180 clerical workers, whose annual pay review date is 1 July, will also have their pay frozen for 2009. Bourne Salads, which is part of the Bakkavör group, produces packed salad and vegetable products for a range of supermarkets at its site in Bourne, Lincolnshire.

### Special Metals Wiggin pays 3.7%

The latest pay review at Special Metals Wiggin has resulted in an increase to basic pay of 3.7 per cent. The settlement, negotiated with the GMB and Unite, covers around 700 manual and craft workers as well as white-collar staff at the company's plant in Hereford. The increase applies from 1 November 2008 for hourly-paid employees and from 1 January 2009 for white-collar staff.

### WWF increases pay by 2% from January

The World Wildlife Fund has increased pay for its 360 employees by 2 per cent from 1 January 2009. The increase brings the salaries for administrators to between £12,305 and £18,458 a year and for policy advisors to between £20,598 and £30,896 a year. WWF is a leading independent environmental organisation involved in campaigning and research. The new pay rates apply to the UK arm of the WWF Network.

**News in brief**

**Amicus members back Simpson**

In a four-cornered fight for the post of joint leader of Unite, the Amicus membership has voted to back the incumbent, Derek Simpson. This means that his period of office will now extend to December 2010, a year beyond his official retirement age of 65. From a total of 1,096,511 eligible voters, the number of valid votes cast was 158,241, a turnout of 14.4 per cent. The number of votes cast for Derek Simpson was 60,048. Unite was created through a merger of Amicus and the TGWU, in March 2007. The union, which has a combined membership of two million, will need to elect a single General Secretary at the end of 2010, when Mr Simpson and the current TGWU General Secretary, Tony Woodley, both reach retirement.

**Goss Graphic Systems freezes pay**

Goss Graphic Systems have announced a 12-month pay freeze for 2009, effective from the review date of 1 January. The freeze covers some 167 white collar staff. Goss Graphic Systems are a specialist print manufacturer, with UK operations based in Preston.

**Organ builders pay 4.6% from January**

The Institute for British Organ Building has agreed to increase minimum rates in the industry by 4.6 per cent, effective from 1 January 2009. The minimum rate for a skilled worker now stands at £7.32 an hour. The agreement, which was negotiated with the GMB, covers approximately 375 employees.

2009 in accordance with a European framework agreement for volume adjustments, agreed by the parent company General Motors Europe (GME), and GME's employee work council, the European Employee Forum (EEF). The new arrangements will be effective from 16 February 2009 until the 'start of regular production' (SORP). It is thought likely that this will be in October 2009 although the terms will be subject to ongoing review in light of the changing economic climate and business needs.

**Working week cut to 30 hours**

The agreement stipulates that all full-time employees will work a basic working week of 30 hours, down from 38 hours, from 16 February 2009. The working week will be cut to four days, with no production on Fridays.

In accordance with the European framework agreement, this loss of eight hours on the working week will be supplemented by the company at the rate of 50 per cent of basic pay. Employees will therefore in effect receive 34 hours of base pay a week for 30 hours' work, with the loss of four hours' pay. Employees will continue to receive a shift premium of 33½ per cent where applicable and also retain the weekly plant productivity bonus of £33, although this has been reduced pro rata to around £28 a week.

**Corridor agreement**

Vauxhall operates flexible working arrangements under the terms of a 'corridor agreement' which enables employees to bank hours during downtime with a view of working them again when production levels pick up. The corridor is currently plus or minus 180 hours and employees have now reached the lower limit of minus 180 hours. The corridor agreement stated that when non-production time increased beyond this limit then employees at the corridor limit were to receive payment for this extra downtime at 50 per cent of base pay.

However, a temporary corridor agreement has been introduced under the reduced working week agreement which enables employees to continue to receive

full basic pay for banked hours past the corridor limit, rather than at the rate of 50 per cent of base pay under the previous agreement. Under the temporary corridor agreement, hours banked between 15 January 2009 to the start of regular production (likely to be October 2009) may be used until 31 March 2011 to achieve 'additional volumes and catch back' as required.

**European framework agreement**

The agreement for the Vauxhall plant builds on the terms set under a framework agreement for volume adjustments, applying to all General Motor's European operations.

The framework agreement was drawn up in response to the 'significant volume declines' which, it was acknowledged, 'cannot be handled with existing working time and corridor models'. The framework agreement considers working time reductions and temporary lay-off/short work and the appropriate minimum subsidies to be paid for loss of earnings.

The plant-level agreement has been settled in accordance with this framework agreement which advised that: 'Both parties encourage local contracts to handle the volume development in the most cost efficient and socially responsible way and to improve the ability of the local units to react on such developments in a fast, flexible manner as soon as possible.'

**Employee numbers**

The Ellesmere Port plant currently employs 2,200 hourly-paid permanent workers, to which this agreement applies. This number has reduced slightly over the past year although this has been through natural attrition and the plant has avoided making redundancies. The Ellesmere Port plant does not currently employ temporary agency workers although there is an agreement in place regarding the employment of agency workers for when a new car is launched at the plant.

Vauxhall's Ellesmere Port site remains the lead production plant for the next generation Astra model which is scheduled for launch in the third quarter of 2009.

## Prison officers reject plans for grade restructuring

Prison officers have overwhelmingly rejected the Ministry of Justice's proposed changes to pay and working conditions in the prison service. In a ballot of 25,000 members by the Prison Officers' Association (POA) in England and Wales, 84 per cent rejected the offer which was due to cover three years from April 2009 and introduce a new lower tier of prison officers as part of a 'Workforce Modernisation' programme.

According to the MoJ's National Offender Management Service (NOMS), the offer is worth 4.75 per cent in terms of consolidated increases for most staff, with the exception of employees who have reached the maximum of their scale in 2009. They would receive a non-consolidated payment worth 6 per cent in lieu of progression. However, overall increases vary significantly throughout the three years of the deal, as there are plans for significant shortening of some scales.

### New grade for prison officers

A key part of the proposals is the introduction of a new lower grade for prison officers, 'Officers operations'. Current prison officers would be transferred onto the 'Officer residential' grade and all new recruits would start on the 'Officer operations' grade, with the possibility of moving to the higher grade on promotion.

The new 'Operations' grade will be trained to similar levels of existing prison officers but without the current 'midcourse establishment-based, experiential learning week'. The grade will have lower responsibility levels, as well as commanding lower pay than the established 'residential' grade. Officers in the 'operations' grade would 'assist on

the wings and undertake most officer functions in reception, gate and escorts' whereas 'Residential' officers would also 'contribute to sentence planning and reduce re-offending' as well as 'prepare prisoners for release'.

The suggested minimum rate for the new 'operations' prison officer grade is £21,315 a year from 1 April 2009, slightly higher than the minimum rate of £20,262 for the 'residential' grade. Both of these proposed new minimum rates are higher than the current entry rate. In subsequent years, there would be a widening gap between the two grades. In 2010, the suggested minimum rate for the 'residential' grade would be 9.15 per cent higher than that of the new grade and in 2011 the gap would be 22.6 per cent. At the maximum rate, the gap would be 19.6 per cent in favour of the 'residential' grade in each of the three years. Over the three years of the deal, the 'residential' scale would be shortened by one point in each year, from seven points in 2008 to four points in 2011. The 'operations' grade would be set at five steps throughout the three years.

### Workforce modernisation

The pay offer is part of a proposed 'workforce modernisation' programme which involves job evaluation and a restructured pay and grading system for all NOMS employees, with fewer management layers and improved career development opportunities. As part of the offer, many specialist allowances would stop being paid and flexible working would be introduced, giving some employees the option of working 38, 39 or 41-hour weeks. Prison officers would also be required to pass an annual fitness test.

## News in brief

### Glasgow City Council introduces 'living wage'

Glasgow City Council has announced plans to pay a minimum 'living wage' of £7 an hour to all staff by the end of 2009. According to the Council, staff employed at Grade 1 will earn a starting salary of £13,340, compared to £12,200 prior to the introduction of the 'living wage'. This would raise pay for 681 staff, effectively removing the bottom pay point but maintaining the link to the nationally-agreed Scottish local government pay spine. Up to 80,000 workers in Glasgow are estimated to earn below £7 an hour, and the Council said it hopes to see the 'living wage' implemented at other public and private sector organisations. Under European law, local authorities can judge 'community benefit' in procurement decisions, which could prove an incentive for would-be contractors to adopt the 'living wage'.

### Stable staff rates are increased by 5%

Minimum rates of pay for over 7,000 stable staff have been increased by 5 per cent from 1 November 2008 following agreement on the Stable Staff National Joint Council. The increase brings the minimum industry rate for skilled staff on the highest grade (A) to £264.40 for a 40-hour week. The rates for workers on grades B and C are £231.84 a week for those aged over 22 and £193.20 a week for workers on grades B and C aged between 18 and 21.

## Proposed prison officer pay scales 2009–2011

	2009		2010		2011	
	Min £pa	Max £pa	Min £pa	Max £pa	Min £pa	Max £pa
Officer operations	21,315	23,520	21,827	24,084	22,339	24,650
Officer residential	20,262	28,138	23,824	28,813	27,385	29,490

Note: the above salaries are all based on a 39-hour week.

## Regional pay

### Earnings in South East remain above average

Earnings in London and the surrounding regions have maintained a clear advantage over the rest of the country, as in previous years. How far this picture will hold up through the uncertainty of recession and rising unemployment remains to be seen. With a large proportion of top-earning finance jobs in and around the capital, the banking crisis may have an impact on regional disparities in the coming year.

The ASHE data for 2008 shows little variation on the previous year, with London and the South East the regions with the highest earnings. When the data was recorded in April 2008, full-time gross median earnings for London stood at £612.70 a week, and those in the South East were £499.80, while median earnings for the whole country stood at £478.60. Median earnings in all other regions were below the national figure. In fact, the national median earnings figure is unrepresentative of earnings throughout most of the country, as London and the South East are the regions with the largest number of jobs, skewing the median national figure above that earned in most regions of the UK.

#### London and the South East

London and its surrounding towns in the South East and Eastern regions form arguably the only geographic region with a distinct labour market from the rest of the country. As an international hub for financial, legal, professional and business services, with a large proportion of company headquarters, London boasts a disproportionate number of the country's highest earners. Those in traditionally lower-paid jobs also earn more than their counterparts elsewhere in the country, as a result of the cost of living and recruitment and retention pressures in the capital. This in turn encourages employment migration to London from elsewhere in the country.

At the lower end of the earnings distribution, these trends have been strengthened by successful campaigns for the introduction of the 'London Living Wage' (LLW), an independently-calculated estimate of the minimum hourly rate needed for a full-time employee to enjoy a decent standard of living. This figure currently stands at £7.45 an hour, and has been adopted as a minimum wage by much of the city's public sector. The lowest rates on the pay scales set by both the NHS and the Greater London Provincial Council (for local government) are above the current LLW rate, and the Greater London Authority has implemented the LLW as a required minimum rate of pay for contractors as well as directly employed staff. In the private sector uptake has been slower as the measure has no legal force, however a number of private organisations, particularly financial institutions including Barclays, HSBC and PriceWaterhouseCoopers have signed up to Living Wage commitments. Such agreements

usually extend to subcontracted employees, meaning that cleaning companies and other contractors must agree to pay the LLW as a minimum.

The fact that many of the lowest earners in London are paid considerably above the National Minimum Wage has almost as much of an impact on median and average earnings in the capital as the proportion of top earners. Looking at earnings by percentile, the lowest ten per cent of full-time earners in London earn a figure higher or comparable to the lowest quarter of earners in most other regions of the country. Set against this, of course, is the higher cost of living in the capital, and its impact on recruitment and retention.

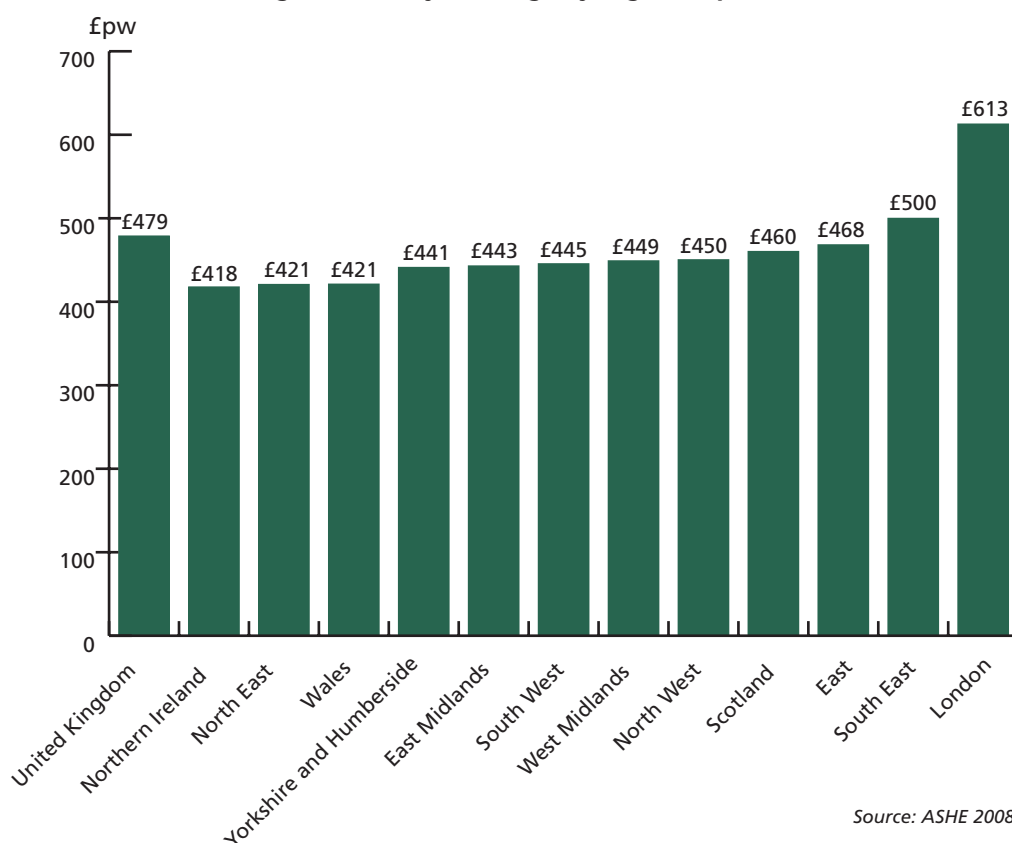
The South East, and to a lesser extent the East, also enjoy high earnings levels, thanks to the proximity of large parts of these regions to London, and the hundreds of thousands who commute into the capital each day for work. Higher housing and transport costs in the region as a whole influence higher basic salaries or premiums, such as London (and also South East) allowances.

#### Regions outside the South East

Outside London, the South East and the East, Scotland remains the highest earning region, with median gross weekly earnings at £460, some £10 a week more than those in the North West, the next highest-earning region. The higher Scottish earnings are based in part on the growth of the finance sector in Edinburgh and the off-shore oil and gas industries. Scottish earnings maintained strong growth in 2007/08, at 4.2 per cent. The impact of the recession on the finance sector may affect relative regional earnings when the figures for 2009 are released.

As in previous years, Northern Ireland remains the region with the lowest median earnings, with a median gross earnings level of £418 for a full-time week. The Northern Irish economy has a relatively large public sector workforce, and a smaller proportion of higher-paid private sector jobs. The inter-quartile earnings range is wider than that in other low-paying regions, meaning that the lowest-earning quarter of the Northern Irish workforce are paid at the lowest levels in the UK, while those in the top quarter of earners actually earn more on average than those in Wales and the North East. Median earnings in the North East and Wales are

### Median full-time gross weekly earnings by region, April 2008



only slightly above those in Northern Ireland, at £421 a week in both areas.

In 2007, median earnings outside London, the South East, East and Scotland converged into three clusters – the lowest figures were in Northern Ireland, the North East and Wales, then a second cluster of the East Midlands and Yorkshire and the Humber were close together, paying around £15-£20 a week more. The South West, the West Midlands and the North West formed a third cluster paying around £10 a week more again.

This year, although the three low-paying regions remained separate, the rest of the regions in the UK have moved closer together, in a range between Yorkshire and the Humber, where median earnings were £441 a week, and the North West, at £450 a week. The East Midlands, previously the second-lowest paid region in England after the North East, saw the strongest median earnings growth of any UK region between 2007 and 2008, at 5 per cent. The chart above shows the ASHE figures for regional median weekly pay in April 2008.

#### Regions and labour markets

Outside London and the South East, variations in earnings are more often found within individual regions than between them. This is because most standard geographic regions are not discrete labour markets. The main exception is London and its surrounding areas, for the reasons already mentioned above. Large private

sector organisations usually determine pay on a national scale, with variations for areas like London that incur extra costs, or where particular localised labour market pressures come into play. Many companies use national standards for benchmarking pay rates, meaning that many jobs follow national rather than local standards of pay. Economic activity and the kind of jobs available are more relevant in determining earnings in any given geographic area, and in this respect, few of the administrative regions are homogeneous. In the South West, for instance, the areas along the M4 corridor, including the cities of Bristol and Swindon, have a higher concentration of finance and technology firms, and therefore also a larger number of highly-paid jobs, than other areas of the region, such as Cornwall or Somerset.

#### Average earnings

The median earnings figures analysed above provide a reliable indicator for what the 'typical' worker earns, since they provide the point at which half of the workforce earns above and half earns below. They are less easily influenced by outlying figures than the average, or mean, which can be skewed upwards by a small number of individuals earning unrepresentatively high amounts.

Nevertheless, the average figures are worth analysing, to see where these top earners are located. Unsurprisingly, the average figures for the UK are higher than the median figures, with

national average earnings at £574.3 a week. Perhaps equally unsurprisingly, London's earnings lead as a proportion of the national figure increases further when using the average measure. This reflects the high concentration of top earners in the capital, skewing the average figure proportionately higher than those in other regions. The South East and East regions were also even stronger on the average measure, reflecting the number of top earners within commuting distance of London. All other regions fared slightly worse in comparison with national earnings when the average rather than the median figure is used. Using the average, earnings growth in the period 2007/08 was particularly strong in the Eastern region (6.1 per cent), and the East Midlands and Wales (both 5.5 per cent).

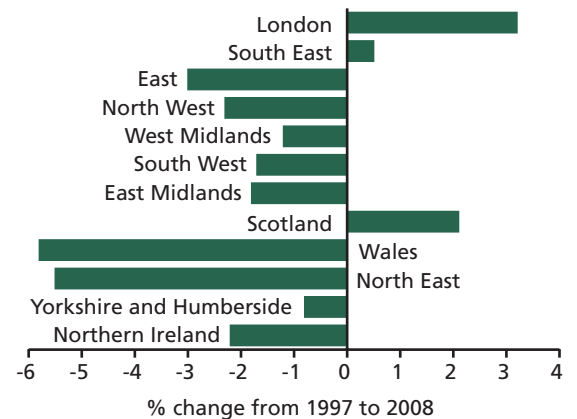
**Workforce**

The regional labour market statistics produced by the ONS show that the three areas with the lowest earnings – Northern Ireland, Wales and the North East – have the smallest number of jobs, while the areas with the highest earnings – London and the South East – have the most jobs.

The highly-paid areas in the South East of England attract workers looking for a good wage, and the pressures on housing and infrastructure push the cost of living higher, which in turn means wages rise further to keep up. In contrast, areas with low populations often lose highly skilled or educated workers to migration to higher-paying regions. As a result, companies looking for a low-cost workforce tend to be prevalent in these areas, keeping earnings levels down. A global economy means that even companies looking for low-cost labour can often find it cheaper elsewhere in the world, which can lead to closures, offshore contracting and a net loss of jobs in the region. This in turn forms a push factor for the region's labour force to seek better prospects elsewhere.

The problem of a regional imbalance in wages is by no means new. Regeneration projects in low-paying areas and business grants for companies investing in low-wage regions have been in place for a number of years. Their impact on earnings figures is questionable however. Since 1997, only Scotland, London and the South East regions have improved their median earnings compared to the national average, meaning that regional earnings inequality has actually increased everywhere else. The growth of financial services, oil and gas has influenced the rise in earnings in Scotland, as well as the benefits of devolved government. The North East and Wales, which have seen a number of governmental efforts to promote business investment in the past decade, actually saw

**Regional median earnings as a proportion of national median earnings: total change from 1997 to 2008**



Source: ASHE 2008

earnings fall the furthest in relation to national median earnings since 1997.

The chart below measures the change in regional median earnings compared to national median earnings between 1997 and 2008. So, for example, in 1997 median earnings in Wales were 93.8 per cent of national median earnings, whereas in 2008 they had dropped to 88 per cent of the national figure. Scottish earnings in 1997 were 94 per cent of national earnings, rising to 96.1 per cent in 2008. Manufacturing closures in Wales and the North East have been a factor in these regions' earnings falling further behind national earnings in the last decade.

**The impact of recession**

The ASHE data released in late 2008 was based on a survey conducted in April 2008, before the labour market began to show the effects of the economic downturn. Even now, it is hard to predict what the impact of the recession on regional earnings will be by April 2009. Where previous recessions had primarily struck manufacturing, the current downturn has also seen redundancies and large-scale loss of earnings in finance and retail. As a consequence, the South East, London and Scotland may lose high earners in the finance sector, narrowing the regional wage gap with the rest of the country. However, unemployment and pay freezes are also already common in the rest of the country, particularly in manufacturing, and it is unlikely that any other region will fare much better comparatively. In fact, with 'London Living Wage' agreements helping to shore up the earnings of some lower-paid workers, it may be that earnings in and around the capital are better protected than those elsewhere in the country.

# Pay in central government 2008

## Long-term deals predominate in the 2008/09 pay round

This article is a summary of the chapter on pay in central government organisations which will appear in *IDS Pay in the public services 2009*. We look at the importance of long-term deals, and analyse the recent trends in pay policy with a focus on pay progression arrangements and shortened pay bands. We also consider some of the issues for 2009 following recent talks involving the Government and civil service unions over 'efficiency savings'.

Most civil service departments and agencies are now covered by long-term pay arrangements after a substantial number of new three-year awards were introduced during the 2008/09 pay round. We estimate that about two-thirds of the main departments and agencies are now covered by long-term pay arrangements and most of these will run until 2010 or 2011 when they next come up for review.

Long-term agreements are not new in the civil service – in the early 2000s they were actively encouraged by the Treasury as vehicles for modernising pay structures and to deal with equal pay issues. For a short period, prior to the 2006/07 pay round, the Treasury changed tack and actively discouraged the negotiation of long-term deals until full details of the 2008 triennial Comprehensive Spending Review were made public. The signal that multi-year deals were back in favour across the public sector came in the early part of 2008, when the Government saw them as a way out of its difficulties over public sector pay.

### 2008 settlement levels

Of the 38 central government groups covering around 608,000 employees that IDS has recorded settlements for in 2008, the median paybill or average earnings increase was 3.5 per cent. This compares with a revised median for 2007 of 3.48 per cent. The overall median for the public sector in 2008 was 2.8 per cent and the median for the public sector excluding the civil service was 2.6 per cent. The median for the whole economy in 2008 was 3.5 per cent.

For our analysis, we have given the average earnings or paybill impact of civil service awards as these are the figures reported by departments. This figure is often referred to as the 'increase for staff in post', or ISP, but it includes the impact of pay progression and other elements so

### Key points

- During 2008, there was a substantial increase in long-term pay arrangements, most of which will now last until 2010 or 2011
- The median impact on average earnings or paybills in central government organisations in 2008 was 3.5 per cent
- The median disguises a range of actual increases, due to shortening of pay scales and/or accelerated progression
- Before Christmas, an agreement was reached that if efficiency savings were made in some areas this might allow more flexibility on pay awards in 2009/10.

can disguise the fact that many civil service employees at the top of their scale receive very low or even zero consolidated rises. It also means that the civil service figures are not directly comparable with those for the rest of the public sector, where the cost of progression is not included.

### Changes to pay remit guidance

When the Government published its Civil Service Pay Guidance document in February 2008, the overall range of pay awards anticipated for the 2008/09 pay round was between 1.5 and 4.5 per cent and the expectation was that the average for all civil service pay awards would be in the region of 3.75 per cent. Later in the year, with the level of RPI inflation rising to nearer 5 per cent, some indications began to emerge of a slightly more flexible approach in the Government's stance on public sector pay, with higher than expected awards for some public sector groups, notably in education and the NHS.

### Bargaining arrangements in the civil service

Pay bargaining for civil servants below senior civil servant level is conducted in more than 150 separate bargaining groups in the various departments, executive agencies and other non-departmental public bodies. A majority of civil servants work in the five largest departments: DWP, HMRC, Ministry of Justice, Ministry of Defence and the Home Office.

Although pay bargaining is devolved to the level of departments and agencies, it is not geographically localised. For instance, Department of Work and Pensions offices are found all over the country but the rates of pay are established nationally and higher rates are only paid in London.

Examples of central government pay settlements in 2008			
Organisation	Effective date	% rise	Details
ACAS	1 Apr 2008	3.75	average earnings increase (ISP). Basic award 2%
Armed Forces Review Body	1 Apr 2008	2.6	on basic pay, allowances and specialist pay. X-factor element increased to 14%
British Library	1 Aug 2008	4.0	on paybill. 2nd year of 3-year deal
Civil Aviation Authority	1 Apr 2008	3.5	
Department for Business, Enterprise and Regulatory Reform	1 Aug 2008	3.7	on paybill
Department for Children, Schools and Families	1 Apr 2008	5.3	headline increase
Department for Culture, Media and Sport	1 Aug 2008	4.5	average earnings growth (ISP). 4.3% increase to base pay
Department for Environment, Food and Rural Affairs	1 Jul 2008	3.25	on paybill. Staff with 'agreed standards of performance' received award of between 3.3 and 4.32%
Department for International Development	1 Aug 2008	3.7	average earnings growth (ISP). 2nd year of 2-year deal. Paybill growth of 4.1%, basic revalorisation of pay scales of 1.2%
Department for Transport	1 Aug 2008	3.3	average earnings growth. Headline increase 2.5%, revalorisation of pay scales at 0.8%
Department for Work and Pensions	1 Jul 2008	3.6	paybill growth
Driving Standards Agency	1 Aug 2008	3.5	on paybill. 2% basic increase plus progression
Highways Agency	1 Aug 2008	4.45	
HM Revenue & Customs	1 Jun 2008	2.4	increase for staff in post. 1st year of 3-year deal
HM Treasury	1 Aug 2008	3.6	average earnings growth. 2nd year of 3-year deal
Home Office	1 Jul 2008	3.39	average earnings growth. The 'basic award' ranged from 1.52% for most target rates to 2.56 and 3.6% for minimum rates. 2nd year of 3-year deal
House of Commons	1 Apr 2008	4.5	consolidated increase
Imperial War Museum	1 Aug 2008	3.3	
Land Registry	1 Jun 2008	3.67	average earnings growth. The range of increases for satisfactory performance, including progression was 3.8 to 7.77%, and pay scales were increased by 2%
Members of Parliament	1 Apr 2008	2.38	increase to basic salary, based on the median rise for 15 public sector groups and determined by the Senior Salaries Review Body
Ministry of Defence (industrials)	1 Aug 2008	3.0	guaranteed minimum increase. 1st year of 3-year deal
Ministry of Defence (non-industrials)	1 Aug 2008	3.83	on paybill. 1st year of 3-year deal
Ministry of Justice	1 Aug 2008	3.7	average earnings growth. 2nd year of 4-year deal
National Assembly for Wales	1 Apr 2008	9.4	on paybill due to narrowing of lowest grade resulting in 10.7% increase on min rate. All other minimums and maximums increased by between 2 and 5.4%. 2nd year of 3-year deal

**Examples of central government pay settlements in 2008 (cont'd)**

Organisation	Effective date	% rise	Details
Northern Ireland Civil Service	1 Aug 2008	4.0	ISP. 3rd year of 3-year deal
Ordnance Survey	1 Aug 2008	3.9	on paybill. 2nd year of 3-year deal
Prison Service Pay Review Body (E&W)	1 Apr 2008	3.2	on paybill. 1.4% from progression increments, 1.8% 'new money', with pay scales revalorised by 0% to 2.7%
Prison Service Pay Review Body (NI)	1 Apr 2008	3.5	2% basic award plus 1.5% for maintaining efficiency targets. 2nd year of 3-year deal
Research Councils	1 Jul 2008	3.98	average earnings growth (ISP). Basic award 2%. 2nd year of 3-year deal
Scottish Government	1 Aug 2008	4.5	average earnings growth. 1st year of three-year deal
Scottish Prison Service	1 Oct 2008	2.35	to all pay points, plus non-consolidated bonuses
Senior Salaries Review Body (senior civil servants)	1 Apr 2008	2.5	average increase (headline increase on paybill 1.5%, additional recycling savings 1%), base pay awards ranging from 0 to 9%. 1st year of 3-year deal
Senior Salaries Review Body (judiciary)	1 Apr 2008	2.5	
Senior Salaries Review Body (senior managers in the NHS)	1 Apr 2008	2.2	
Senior Salaries Review Body (senior military)	1 Apr 2008	2.2	increase on all salary scales, plus intro of X-factor for 2- and 3-star officers (set at 15% of cash value of OF4 scale, £1,364)
UKAEA	1 April 2008	2.0	basic award, additional increases through performance

In a letter to the unions setting out the new stance, the Head of the Civil Service, Sir Gus O'Donnell, confirmed earlier communications from Yvette Cooper, Chief Secretary of the Treasury, that the Government was 'prepared to consider some flexibility to recycle efficiency savings into pay' in the next pay round, and that there was no longer a fixed target for public sector pay increases. Subsequent announcements from both the unions and the Government confirmed that there would be further talks in 2009 on performance pay, pay progression, regional pay and reducing the number of bargaining units.

### Civil service pay reform

Published as an annex to the Treasury's Pay Guidance document for 2008/09, the Civil Service Reward Principles included proposals for pay reform. The first proposal highlighted by the Treasury was to replace the current system of progression based on time served, with a new system of shorter pay scales based on competencies. This is aimed at reducing the costs associated with automatic progression. Secondly, the Treasury suggests segmenting the workforce into 'job groups', similar to 'job families', with pay levels altered to reflect 'market rates'.

The new structures, according to the Treasury, would enable employers to 'increase the proportion of reward that is contingent on performance'. The Treasury also suggests that departments should 'remove allowances or other outmoded terms and conditions that are no longer consistent with business needs' and 'adopt pay supplements or separate pay ranges for roles which justify market premia'.

### Pay and progression

Pay progression arrangements are integral to most civil service pay structures and in the past this usually involved the payment of one or more increments based on time spent in grade, normally subject to satisfactory performance. This is still the case in many organisations.

Recent changes in civil service pay policy have led to attempts to link progression arrangements to performance or competencies. As a result of moving towards performance-related progression arrangements, some departments now have at least two different 'speeds' of progression within any given pay range. In HM Revenue & Customs for example, the new pay structure introduced in 2008 is based on broad pay ranges with progression based solely on performance. Employees with a 'top/good' performance rating received a greater

progression award than those with an ‘improvement needed’ rating. As these awards are paid as a fixed amount for each grade, employees at the lower end of their scale received a higher percentage award than their colleagues towards the top of the same range. The highest performers received an award worth 2.5 to 3 per cent of their salary, while employees with an ‘improvement needed’ rating received an award worth 1 to 1.2 per cent of their salary.

**Matrices**

Other departments have introduced more complicated ‘matrices’, where progression payments depend both on an employee’s performance rating and their position in the pay range. This is analogous to the approach in the finance sector, where it proved controversial and provoked rows with, for example, the Unite union which launched a ‘zero tolerance for zero pay rises’ campaign in response.

In the Ministry of Justice for example, each pay band has a ‘target zone’, with its own minimum and maximum, which is supposed to reflect what the MoJ needs to pay to recruit and retain staff. The progression award for employees in bands A to D depends on the performance rating and the position in the pay range (development, target or upper, ie above the target range) and can vary from zero to 6 per cent (see table below).

**Focus on lowest rates**

IDS monitoring of changes to pay structures in central government in 2008 shows that clear steps are being taken to shorten pay scales, especially for the lowest grades. This is in line with Treasury proposals for civil service pay reform, moving towards a system with shorter pay scales based on competencies, instead of the current system which tends to be based on service increments.

The shortening of pay scales also reflects union pressure to raise the lowest rates. The latest moves are aimed at producing more of a gap between the minimum rates and the National Minimum Wage (NMW). The NMW is equivalent to £11,054, based on the 37-hour week that is the norm in the civil service. The 2008 minimum rates range from 9 per cent above the NMW at the Ministry of Justice, to 46 per cent above at the Department for Transport.

A comparison of the starting rates for the administrative assistant grade, which in most

departments is the lowest grade (though some have lower grades for cleaners), shows the impact of shortened pay scales in the civil service. The DCSF and the Scottish Government have both abolished the administrative assistant (AA) grade as part of their 2008 pay review, which resulted in increases to their minimum rates of 5 and 13.8 per cent respectively. The DCMS and HM Treasury abolished the AA grade in 2007.

Several departments have reduced the number of steps it takes to progress to the maximum of the lowest grades. At the Department for Transport, for example, a spot rate has been introduced for the lowest grade (AA), at a level 15.7 per cent higher than the minimum rate for the same grade in 2007. The Highways Agency has also introduced a spot rate for the AA grade, at 9.3 per cent higher than the previous year’s minimum rate. This means that there are no longer any incremental steps of progression for these grades. At the Department for Environment, Food and Rural Affairs, the number of progression points to the maximum of the lowest grade has been reduced from seven to four, although the minimum hasn’t been increased.

Some of the highest increases to minimum rates have taken place in the devolved governments of Scotland and Wales. At the National Assembly for Wales, the overall 9.4 per cent increase to the paybill is largely fuelled by the shortening of the pay scale for the lowest band from five to four points, thereby raising the minimum rate for the grade by 10.7 per cent to £15,500 a year. In the Scottish Government, the minimum of the current lowest grade (AO) has not been increased since 2007, but the number of steps to the maximum has been reduced and the AO grade has replaced last year’s lowest grade (AA) which no longer exists, resulting in a 13.8 per cent increase to the overall minimum rate.

**Continued divergence**

However, the different moves in each department mean that minimum rates across the civil service have continued to diverge. Of the civil service pay rates that IDS has collected so far this year, the new minimum rates for the AA grade range from £12,050 at the Ministry for Justice to £16,169 at the Department for Transport, a difference of 34 per cent for the same job.

There is still little progress at the biggest departments. It is worth noting that the DWP and

<b>Ministry of Justice (bands A to D), performance-related pay matrix, 2008</b>			
<b>Position in pay range (zone)</b>	<b>Performance rating</b>		
	<b>Improvement required</b>	<b>Effective</b>	<b>Outstanding</b>
Development	0-2%	5%	6%
Target	0%	3%	4%
Upper	0%	1.5-1.9%	2.5-2.9%

### Examples of minimum rates for the AA grade in the civil service

Organisation	Minimum rate 2007 £pa	Minimum rate 2008 £pa	% rise
Ministry of Justice	11,726	12,050	2.8
Department for Work and Pensions	12,590	12,850	2.1
HM Revenue and Customs	12,734	13,116	3.0
Northern Ireland Civil Service	12,520	13,130	4.9
Department for Business, Enterprise and Regulatory Reform	13,017	13,353	2.6
Home Office	12,950	13,417	3.6
Driving Standards Agency	13,379	13,647	2.0
Ministry of Defence (non-industrials)	12,694	13,881	9.4
Department for Children, Schools and Families	13,226	13,882	5.0
Scottish Government	12,300	14,000	13.8
Department for Environment, Food and Rural Affairs	14,083	14,083	-
National Assembly for Wales	14,000	15,500	10.7
Land Registry	14,547	15,677	7.8
Highways Agency	14,399	15,739	9.3
Department for Transport	13,970	16,169	15.7

the HMRC – the two largest employers in the civil service – have the second and third lowest rates recorded in the civil service. These departments also have a large concentration of employees in the lowest grade. Around 54 per cent of employees are in the AA/AO grades in HMRC, while in the DWP the proportion is around 51 per cent. At the DWP, the lowest rate was increased by 2.1 per cent in 2008, and currently stands at £12,850. At HMRC, the lowest rate was increased by 3 per cent to £13,116.

#### Outcomes of pay reform

As pay bands in the civil service have been shortened for a number of years now, a number of departments now have a large concentration of staff at or near the maximum of their pay bands. Most departments provide for the progression element of the pay award for these employees to be paid as a non-consolidated payment.

In the DWP, it has been estimated that around 40 per cent of staff reached the maximum of their grade in 2008. Non-consolidated payments in lieu of progression were set at 2 per cent for 2008, but following negotiations with trade unions the employers increased this to 3 per cent to compensate for the fact that such a large proportion of employees would not receive a consolidated pay award given that all maximum rates were frozen under the 2008 review.

A different approach was taken in HMRC, where the offer from the employers specified that since about 58 per cent of staff had reached the maximum of their grade, and in order to guarantee

that all satisfactory performers received a consolidated increase of at least 2 per cent, it was decided to increase all maximum rates by 2 per cent.

#### Bonuses

In the late 1990s, performance pay in the civil service came under scrutiny after complaints from staff of slow pay progression, lack of incentives and accusations of discrimination in performance markings. These issues were investigated in-depth under a Treasury-sponsored research project headed by John Makinson, then finance director of Pearson.

Since Makinson, non-consolidated bonuses have become a feature of many civil service pay deals, but the amounts available are normally relatively small, typically less than £500 for lower grades and up to £3,000 for those at the top end of the pay structure (see table overleaf). Most of the performance pay schemes that we have recorded for this year's report pay non-consolidated lump sums which, by their nature, are one-off payments and do not become part of annual salary, are non-pensionable and not necessarily repeated.

#### Specialist pay

In some departments, additional payments are made to staff with specialist skills. These include economists, auditors, accountants, lawyers, IT specialists and communication specialists. In the Department for Business, Enterprise and Regulatory Reform and the Scottish Government, the additional payments take the shape of allowances that are paid on top of basic salaries,

Examples of bonuses in 2008	
Organisation	Bonus
Department for Business, Enterprise and Regulatory Reform	'highly successful' performers, £650 to £1,950
Department for Children, Schools and Families	'category 2+', £350 to £1,000; 'category 1', £700 to £2,000
Department for Environment, Food and Rural Affairs	an annual performance bonus worth 7.5 per cent of the midpoint of each pay range is awarded to the top of 10 per cent of performers. There are also in-year bonuses available, up to a maximum of £750, to recognise one-off achievements of high performance
Department for Transport	'achieved' (box 2), £150 to £550; 'exceeded' (box 3), £450 to £1,650
Department for Work and Pensions	'majority' rating, £100 to £470; 'higher', £145 to £705; 'top', £195 to £935
HM Revenue & Customs	'top' performance marking, 2 to 2.5%
HM Treasury	'rating 2', £480 to £1,200; 'rating 1', £960 to £2,400
Home Office	'highly effective', 2% of July 2008 target rate; 'enhanced bonuses' available for grades 7 and 6
Ministry of Justice	a new recognition and reward scheme provides managers to recognise commitment and performance immediately. A range of options is available, including bonus payments of up to and over £100 to be paid through salary, gift vouchers, team celebrations, etc
Land Registry	'outstanding performers', £600 to £1,200
Northern Ireland Civil Service	'box 2', £50; 'box 1', £150;
Scottish Government	'exceptional performers', £750 to £1,500
Scottish Prison Service	'consistently exceeds expectations', £755 to £3,245

whereas in the DWP and the Department for Children, Schools and Families there are separate specialist pay scales. Other departments pay recruitment and retention allowances, but do not specify which roles these are used for. In the MoJ, there are additional pay zones for the top two pay ranges, intended to reflect market premiums for specialist skills.

In 2008, the pay guidance document for the civil service mentioned specialist pay for the first time. This reflects the importance of these payments, which can represent substantial additions to basic

pay. Oil and gas specialists in BERR are the specialists eligible for the highest payments, with petroleum specialists eligible for an allowance of up to £34,621 on top of basic pay, reservoir evaluation specialists eligible for up to £37,415. The highest allowance for accountants is £8,838, payable to those employed by BERR. Auditors can earn up to £7,750 on top of basic pay at the DWP and IT roles command a premium of up to £10,871, again at BERR. In many cases, the specialist payments vary by grade and/or qualifications, and in BERR and DWP they also vary by location.

## IDS Pay in the public services 2009

'Pay in the public services 2009', which will be published in April, reviews pay developments in 2008 and prospects for 2009 throughout the public sector. The report analyses Government public sector pay policy, pensions, equal pay and the role of the Pay Review Bodies. In addition to detailed analysis of developments in the civil service, the document contains chapters on the issues facing the NHS, local government, education, police and fire services.

'Pay in the public services 2009' is available at £295. To place your order, please contact customer services on: 0845 600 9355 or [sweetandmaxwell.orders@thomson.com](mailto:sweetandmaxwell.orders@thomson.com)

# Occupational focus: HR professionals

## Recession highlights importance of HR function

As part of our 'Occupational Focus' series this article looks at pay for HR professionals, including HR/personnel assistants, HR/personnel officers and HR/personnel managers. The human resources function is likely to become a key area for businesses as the recession continues to play out, with employers having to make tough decisions on redundancies, pay reviews and working-time arrangements.

This feature draws together pay levels data collected by IDS at a range of organisations in both the private and public sectors and, along with some official statistics on average earnings, provides an overview as to the workforce profile, pay levels and the gender pay gap for HR professionals. The article covers three broad levels of HR professional from HR/personnel assistants at one end to managers at the other.

### More females in lower levels

Official statistics on the number of HR and industrial relations officers show that the majority of the workforce is female. According to the Labour Force Survey (LFS), in autumn 2008 there were 144,000 personnel and industrial relations officers in the UK. A breakdown by gender shows that nearly 80 per cent are female – 113,000, compared with 31,000 male employees. A breakdown by age shows that the workforce is skewed towards younger workers. Most female HR officers are aged between 25 and 50, while the largest number of male HR officers are aged between 20 and 30.

A look at the statistics for personnel, training and industrial relations managers shows a different picture with a more even split between male and female employees and a slightly older population overall. The LFS data shows there were 155,000 HR managers, of which 71,000 are male and 84,000 are female. The age profile of the population shows greater concentrations of employees in the older age brackets. Most female HR managers are aged between 35 and 49 years, while men in the role are more typically between 40 and 54 years old. Interestingly this shows

### Key points

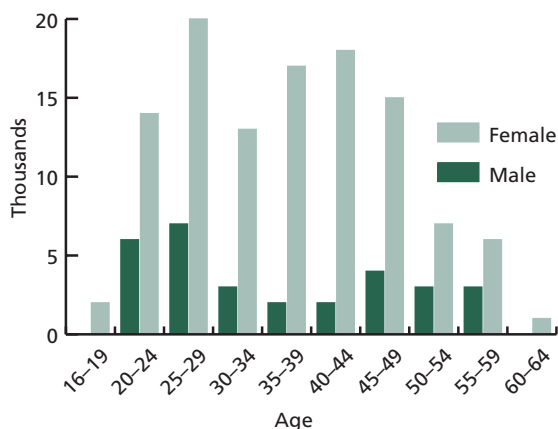
- Salaries for HR/personnel assistants start at around £17,000 a year
- Salaries for the more senior (and usually qualified) role of HR officer start at around the £20,000 mark and generally rise to a maximum of £35,000 a year
- HR managers' salaries show much more variation, sometimes by sector, and often increasing with size of organisation
- The gender pay gap between male and female HR/personnel officers is 8.9 per cent, narrower than the whole economy gender pay gap of 17.1 per cent
- However the gap in earnings for HR/personnel managers is much wider at 26.5 per cent, above the whole economy figure of 17.1 per cent.

that female HR managers are generally younger than their male counterparts in the same role. This may be a factor in the larger pay gap for HR managers (see discussion of the gender pay gap below).

### Pay levels

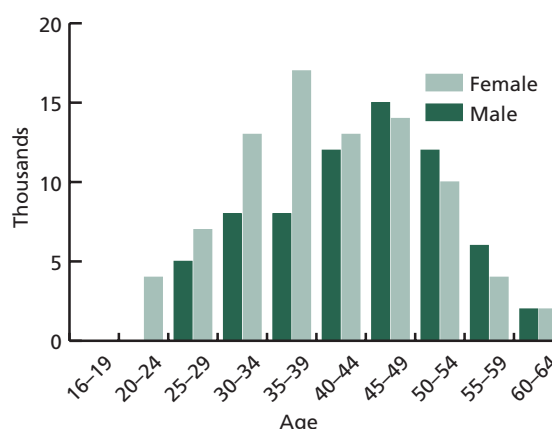
The salary tables show examples of salaries paid to HR assistants, officers and managers at a range of named organisations. In terms of how the role of HR assistant and officer differ, assistants typically provide a support function to HR officers. Although general office skills and qualifications are required, HR assistants do not normally require professional qualifications or accreditation, such as from the CIPD.

### HR officer population by gender and age



Source: Labour Force Survey

### HR manager population by gender and age



Source: Labour Force Survey

Examples of salaries for HR assistants in 2008			
Company	Job title	Min £pa	Max £pa
Anglian Water	HR assistant	18,479	28,426
Aylesbuey Vale District Council	HR assistant	18,660	21,000
BBC	Personnel assistant	17,651; 21,731 (London)	27,929; 31,466 (London)
Hollybank Trust	HR advisor	16,977	19,986
Kent County Council	Personnel assistant	18,288	20,061
Panasonic	Personnel assistant	17,418	21,678
Redbridge Community Housing	HR/personnel advisor	17,756	18,943
Severn Trent	HR advisor	26,775	35,884
Surrey County Council	Recruitment administrator	16,131	18,993

HR assistants are usually involved in arranging interviews, organising training, maintaining employee records and other administrative duties within human resources departments. Typical salaries for the role start at around £17,000 and rise to around £25,000 at the maximum, although in private sector organisations starting salaries are slightly ahead at around £18,000 with much more scope for progression than in public sector organisations.

HR officers' work usually involves conducting (or helping to conduct) interviews with job applicants, producing contracts of employment, working on specific HR projects such as job evaluation, liaising with line managers on training and development requirements and working closely with higher management and trade unions in pay negotiations.

Starting salaries for personnel officers are usually between around £20,000 and £25,000 depending on experience. Maximum salaries can range from £25,000 to in excess of £40,000, reflecting increased responsibilities and complexity of the role in certain organisations, as well as sectoral differences.

For example, at Alliance & Leicester the pay range for a personnel officer is quite wide at between £19,785 and £36,260 a year in line with the company's broad-banded pay structure – a fairly common feature of pay setting in the financial services sector. Many firms with broad pay bands have some form of reference or 'anchor' point which points towards the typical salary. At Alliance & Leicester the midpoint salary for a personnel officer is £28,023 a year.

Examples of salaries for HR officers in 2008			
Company	Job title	Min £pa	Max £pa
Alliance & Leicester	Personnel officer (Band 1)	19,785	36,260
Aylesbury Vale District Council	Personnel officer (SG4)	29,136	31,500
BAE SYSTEMS – Submarines	HR associate	23,373	34,367
BMW Group Plant Swindon	Personnel officer	26,246	–
Cummins Engine (Daventry)	Personnel officer	23,581	29,977
Cummins Turbo Technologies	HR officer	27,673	33,753
Imperial Tobacco	Assistant personnel officer	31,904	35,635
NHS	HR advisor (Band 5)	20,225	26,123
NHS	HR advisor specialist (Band 6)	24,103	32,653
Panasonic	Personnel officer	23,112	28,535
Panasonic	Senior personnel officer	31,121	41,625
Severn Trent	HR advisor	26,775	35,884
Severn Trent	Senior HR advisor	30,505	40,717
Surrey County Council	HR officer (SP6)	18,270 (pay point 1)	21,339 (pay point 6)

### Examples of salaries for HR managers in 2008

Company	Job title	Min £pa	Max £pa
BBC	Personnel manager	33,756; 37,293 (London)	53,397; 56,935 (London)
Hollybank Trust	HR/personnel manager	26,005	28,938
Huntingdonshire District Council	Personnel and development manager	32,976	49,466
Nationwide Building Society	HR business partner	33,298	49,947
Redbridge Community Housing	HR/personnel manager	28,104	29,582
Royal Air Forces Association	HR/personnel manager	35,876	40,203

### Pay for HR managers

Salaries for personnel managers show much more variation and are linked both to the complexity of the role (especially in larger organisations) and to sectoral differences. As the table shows, minimum salaries for HR managers range from £26,005, at care home Hollybank Trust to £37,293, paid by the BBC for personnel managers based in London.

### Average earnings

The Government's Annual Survey of Hours and Earnings (ASHE) provides data on average earnings for both personnel and industrial relations officers and personnel, training and industrial relations managers (see table below). Average earnings for full-time male and female personnel officers vary little at £559.00 and £495.30 a week respectively, while average earnings for male and female personnel managers are quite different at £1,146.30 a week for men and £828.00 a week for women. A look at earnings by sector show higher earnings on average in the private sector, particularly for personnel managers. For example, the average salary for all full-time personnel managers in the public sector is £852 a week, compared with £1,029.90 a week in the private sector.

### Gender pay gap

IDS has calculated gender pay gaps for a range of occupations in the UK labour market. The gender

pay gap is the ratio between male and female average hourly earnings, excluding overtime. At one extreme there is a gap of 52 per cent, for veterinary nurses, and at the other there is a positive gap in favour of women of -29 per cent, for car park attendants, meaning that the average hourly pay rate for women in this occupation is greater than for males in the same occupation. The gap in earnings between male and female HR officers is towards the lower end of this distribution. The gap for HR managers is towards the higher end of this distribution.

Official statistics show a gender pay gap of 8.9 per cent for personnel officers. Hourly earnings excluding overtime for males are £14.47 compared with £13.18 an hour for females. This compares favourably with the whole economy pay gap of 17.1 per cent.

The pay gap between male and female personnel managers is much wider at 26.5 per cent, based on an average basic hourly pay rate of £30.19 for men and £22.18 for women. This means female personnel managers earn 73 pence for every £1 a male personnel manager earns. The difference in pay gaps for personnel officers and personnel managers is explained in part by the gender breakdown of the respective workforces with many more female HR officers than HR managers.

### Average gross weekly earnings for full-time HR professionals by sector and gender

	Public sector £pw	Private sector £pw	Whole economy £pw
All full-time personnel officers	502.40	523.10	513.60
Male personnel officers	503.10	573.40	559.00
Female personnel officers	502.02	499.40	495.30
All personnel managers	852.00	1,029.90	965.80
Male personnel managers	1,046.90	1,201.60	1,146.30
Female personnel managers	751.10	870.20	828.00

Source: ASHE 2008 (ONS)

# Pay structures

In this section, we provide details of changes to pay and conditions under the terms of the latest pay settlements in a selection of companies, public sector organisations and industries. We detail current pay structures, with the latest rates of pay for all grades, and progression systems wherever they apply. Shift premiums and other relevant allowances or bonus payments are also highlighted. The heading to each agreement provides details on the percentage level of the latest pay rise, company or industry location, the categories of employee covered, numbers employed, and trade union involvement.

## Cargill

<b>Industry</b>	Food manufacture
<b>Location</b>	Trafford Park (Manchester)
<b>Employees</b>	Process operators and maintenance craftsmen/technicians
<b>Nos of employees</b>	70 (process workers)
<b>Unions</b>	Unite
<b>Basic pay increase</b>	3%
<b>Effective date</b>	1 January 2009

### Summary

This year's review increased basic pay by 3 per cent from 1 January 2009 for workers covered by collective bargaining. White-collar employees, covering around 80 sales, HR, finance, customer service and quality control roles outside of collective bargaining, did not receive a salary increase for 2009.

The previous year's review increased basic pay for process workers by 4 per cent from 1 January 2008.

### Pay structure at 1 January 2009

Process operator grades	£pa
Probationary grade	17,962
Team member 4	20,457
Team member 3	21,953
Team member 2	23,450
Team member 1	24,947
Assistant team leader	29,313
Team leader	31,184

### Shift pay

Production employees receive a continuous shift allowance worth 25 per cent of salary.

In 2007 the shift pattern changed to a 12-hour rotation that replaced the previous four-weekly full continental shift system. During the winter, process employees are required to work for four days (two days and two nights) and then have six days off. During the summer, production staff work four days on, four off and have three 18-day breaks over the summer period.

### Skills-based pay

Employees progress through the pay structure after completion of skill modules in maintenance and chemistry, for example, and through learning each of the other jobs on the shift so that they become multi-skilled. Basic pay levels for each grade are based on a percentage of the team member 1 salary.

### Cover allowance

Production employees receive a cover allowance for being available to provide cover for work at short notice.

### Hours and holidays

The weekly contractual hours are 36½. Basic annual holiday entitlement starts at 26 days, rising to 27 days after five years' service, 28 after 10 years, and 29 days after 15 years. Holiday entitlements are now built into the new shift pattern for process employees, so staff in this area who have accrued service days (up to an extra three days) now receive this through the payroll.

### Previous IDS references

*Pay Report 1018, p.6; 999, pp. 4 & 24.*

## Next Retail

<b>Industry</b>	Retail
<b>Location</b>	UK
<b>Employees</b>	Retail staff and managers; call centre and head office staff
<b>Nos of employees</b>	35,000 (retail); 1,700 (call centre); 2,000 (head office)
<b>Unions</b>	None
<b>Basic pay increase</b>	1%
<b>Effective date</b>	1 February 2009

### Summary

This year's review increased basic rates for the majority of staff by 1 per cent from 1 February 2009. Pay rates for store managers, around 500 in total, were increased by 4 per cent to bring them into line with the market from 1 February 2009. Bank holiday premiums have been changed and from 1 April 2008 are no longer payable to new starters.

Last year, rates were increased by 2.5 per cent from 1 February 2008. A further increase was made to the some rates from 1 October 2008 to bring them into line with the National Minimum Wage.

### Pay structure at 1 February 2009 – retail staff

Sales consultants	Zone 1 £ph	Zone 2 £ph	Zone 3 £ph	Zone 4 £ph
Standard	5.79	5.79	6.12	7.09
Merit*	5.96	6.19	6.82	7.35

\*Employees progress to the merit rate of pay on the recommendation of their line manager, after having completed at least 18 months' service.

### Pay structure at 1 February 2009 – retail managers

Store managers Level 1 (probationary to competent)	Zone 1 £pa	Zone 2 £pa	Zone 3 £pa	Zone 4 £pa
5 – sales turnover less than £1.41 million	17,701 to 18,696	18,583 to 19,631	20,441 to 21,593	21,467 to 22,672
4 – sales turnover £1.42-£2.41 million	20,189 to 21,200	21,202 to 22,262	23,318 to 24,485	24,485 to 25,710
3 – sales turnover £2.42-£4.19 million	22,714 to 23,849	23,850 to 25,045	26,233 to 27,545	27,545 to 28,920
2 – sales turnover £4.20-£8.02 million	24,983 to 26,233	26,233 to 27,545	28,858 to 30,298	30,298 to 31,811
1 – sales turnover £8.03-£12.92 million	27,600 to 29,326	28,981 to 30,793	31,879 to 33,870	33,474 to 35,565
1a – sales turnover £12.93-£19.49 million	29,477 to 31,318	30,951 to 32,887	34,046 to 36,174	35,747 to 37,985
Super – sales turnover £19.50 million+	–	34,711 to 36,894	37,108 to 39,897	38,964 to 42,421
Level 2 (competent and experienced to excellent)				
5 – sales turnover less than £1.41 million	19,693 to 20,686	20,673 to 21,725	22,745 to 23,893	23,883 to 25,088
4 – sales turnover £1.42-£2.41 million	22,211 to 23,217	23,318 to 24,379	25,651 to 26,818	26,934 to 28,160
3 – sales turnover £2.42-£4.19 million	24,983 to 26,122	26,235 to 27,429	28,859 to 30,169	30,512 to 31,679
2 – sales turnover £4.20-£8.02 million	27,483 to 28,734	28,859 to 30,169	31,744 to 33,187	32,318 to 34,843
1 – sales turnover £8.03-£12.92 million	31,052 to 32,776	32,606 to 34,415	35,867 to 37,855	37,657 to 39,750
1a – sales turnover £12.93-£19.49 million	33,160 to 35,007	34,819 to 36,753	38,302 to 40,430	40,216 to 42,451
Super – sales turnover £19.50 million+	–	38,113 to 40,155	43,212 to 44,630	44,630 to 46,046

<b>Pay zones</b>	Stores are separated into four pay zones, from provincial towns through to central London. Examples of locations in each zone are given below: Zone 1 (no zone allowance) – eg Ayr, Blackburn, Burnley, Carlisle, Crewe, Dundee, Eastbourne, Exeter, Gloucester, Hull, Kirkcaldy, Lincoln, Northampton, Telford, Wolverhampton. Zone 2 (larger cities and small South East towns) – eg Aberdeen, Belfast, Birmingham, Cardiff, Edinburgh, Glasgow, Leeds, Manchester, Sheffield, York. Zone 3 (outer London and large South East towns) – eg Basildon, Cambridge, Enfield, Gatwick, Ilford, Kingston, Maidenhead, Oxford, Slough, Uxbridge, Watford. Zone 4 (central London) – eg Bond Street, Covent Garden, Ealing, Holborn, Kensington, Oxford Street, Wood Green.
<b>Bonus</b>	Retail staff receive a monthly bonus of up to 10 per cent of salary, which is paid if business targets are achieved. A further half-yearly bonus can also be paid depending on how stores have performed over the six-month period.
<b>Hours and holidays</b>	Full-time retail staff work 39 hours a week. Head office and call centre staff work 36 hours a week. In line with changes to statutory minimum holiday entitlement, holidays for new starters will increase to 28 days from 1 April 2009.
<b>Staff discount</b>	Employees are eligible for an unlimited discount worth 25 per cent off goods in Next stores and catalogues. They are also entitled to 75 per cent off ‘business dress’ to be worn during work times.
<b>Premium rates</b>	All premium rates for unsocial working hours remain at the following levels: Sunday working is rewarded at T+ <sup>1</sup> / <sub>10</sub> for staff and T+ <sup>1</sup> / <sub>3</sub> for managers. Overtime worked after 39 hours is paid at T+ <sup>1</sup> / <sub>2</sub> . Employees working between the hours 10pm and 6am receive a night premium of T+ <sup>1</sup> / <sub>3</sub> .
<b>Previous IDS references</b>	<i>Pay Report 1020, p.6; 997, p.24; 996, p.6; ‘Pay and conditions in call centres 2008/09’, p.86.</i>

## Engineering Construction NJC

<b>Industry</b>	Power station, refinery and fabrication work
<b>Location</b>	UK
<b>Employers</b>	Engineering Construction Industry Association
<b>Employees</b>	Unskilled and semi-skilled workers, craftsmen and chargehands
<b>Nos of employees</b>	20,000
<b>Unions</b>	Unite, GMB
<b>Basic pay increase</b>	5.5% (categorised rates); 6.6% (national guaranteed rates) (3rd stage of 30-month deal)
<b>Effective date</b>	5 January 2009

**Summary**

Basic rates for categorised work (category 1, 2 and 3 sites) have increased by 5.5 per cent from 5 January 2009 in the third and final stage of a 30-month deal. National guaranteed rates (previously classified under category 4 sites) increased by 6.6 per cent from 5 January 2009.

Shift and overtime rates on categorised work, welding proficiency payments and radius and accommodation allowances have all increased by 5.5 per cent and the upper limit on performance-related bonuses was increased from £2.15 to £2.50 an hour. Sick pay also rose by 5.5 per cent, with the exception of sick pay after 15 weeks for grades 4, 5 and 6 (covering craftsmen, advanced craftsmen and skilled working chargehands). This has increased by 12.5 per cent to £200 a week. Substantial increases were also applied to employer pension contributions, death benefit and occupational fatal accident benefit.

Last year, in the second stage of the deal, categorised rates rose by 4.4 per cent and national guaranteed rates rose by 4.9 per cent, effective from 28 January 2008.

Pay structure at 5 January 2009			
Grade		National guaranteed rates (formerly category 4) £ph	Categorised work rates £ph
1	Adult trainee	7.94	8.72
2	Adult trainee	9.10	10.01
3	Adult trainee	10.32	11.35
4	Craftsman	12.10	13.41
5	Advanced craftsman	12.70	14.00
6	Skilled working chargehand	13.27	14.59

**Project categories**

Engineering construction projects are categorised to permit the appropriate application of the agreement to the following specific work sectors:

- Category 1 – major new construction projects
- Category 2 – major repair and term maintenance sites
- Category 3 – events such as major shutdowns, turnarounds and outages

National guaranteed rates apply to general engineering and construction work which were previously classified as category 4 sites.

**Incentive bonus**

Employers may introduce incentive bonus arrangements to reward and encourage workers. Where national guaranteed rates apply, conditions such as the performance indicators and payment intervals are to be determined locally, subject to agreement with the signatory trade unions and the upper payment limit. The upper payment limit has risen by 10 pence to £2.40 an hour, effective from 5 January 2009.

On categorised work, incentive bonus arrangements may take the form of a fixed productivity allowance and/or a performance-based payment. The fixed productivity allowance is a locally negotiated fixed payment with an upper limit of £1.10 an hour.

Performance-based payments vary against agreed performance objectives. From 5 January 2009, the upper limit has increased to £2.50 an hour, incorporating a maximum fixed productivity allowance element of 80 pence an hour (previously 90 pence an hour).

**Flexible working**

The working week is 38 hours which is normally worked between Monday and Friday. However, the national agreement allows the flexibility for local agreements to vary the week over any four or five consecutive days. Hours may also be averaged over more than one week, in theory up to and including annual hours.

**Overtime and shift pay**

Overtime and shift rates increased by 5.5 per cent for categorised work and 6.6 per cent for national guaranteed rates to the following levels:

Overtime rates at 5 January 2009				
Grade	National guaranteed rates (formerly category 4)		Categorised work rates	
	week day £ph	weekend £ph	week day £ph	weekend £ph
1	11.13	14.30	12.21	15.69
2	12.75	16.40	14.04	18.04
3	14.43	18.56	15.92	20.46
4	16.94	21.78	18.77	24.13
5	17.76	22.83	19.59	25.18
6	18.59	23.91	20.42	26.26

Examples of shift allowances at 5 January 2009				
Grade	National guaranteed rates (formerly category 4)		Categorised work rates	
	Night shift £ph	3-shift (7 days) £ph	Night shift £ph	3-shift (7 days) £ph
1	10.06	9.85	11.04	10.81
2	11.53	11.31	12.70	12.45
3	13.06	12.79	14.37	14.07
4	15.33	15.03	16.97	16.63
5	16.08	15.74	17.71	17.34
6	16.82	16.47	18.47	18.07

**Guaranteed income**

Workers in continuous employment for periods of four weeks and over are guaranteed employment for 38 hours in each pay week. In the event that work is not available for part or all of the pay week, such employees will be entitled to their basic hourly rate for 38 hours.

**Welding proficiency**

Skilled workers who are required to obtain a welding qualification are entitled to a welding proficiency payment ranging from between 13 pence an hour and 38 pence an hour. These payments have risen by 5.5 per cent in line with the general increase.

**Salaried status**

The agreement sets out an approved basis for employers to make an offer of salaried terms and conditions to qualifying employees. Employers now have the option of paying employees a weekly, fortnightly, four-weekly or monthly salary and enhancing one or more benefit,

including pensions, welfare benefits, notice periods and/or redundancy payments.

Periodic basic salaries shall be derived from the following figures which represent the annualised values of basic hourly rates:

Basic salaries at 5 January 2009			
Grade		National guaranteed rates (formerly category 4) £pa	Categorised work rates £pa
2	Adult trainee	17,982	19,780
3	Adult trainee	20,392	22,428
4	Craftsman	23,910	26,498
5	Advanced craftsman	25,095	27,664
6	Skilled working chargehand	26,222	28,830

For salaried employees who are normally paid at national guaranteed rates, but who periodically carry out categorised work at the higher rate of pay, the basic annual salaries will normally be based on national guaranteed rates and enhanced by supplementary payments.

**Daily travel allowances**

Daily travel allowances, known as radius allowances, are payable to employees travelling daily between their home and a site over eight miles away. Radius allowances have been increased in line with the general increase of 5.5 per cent to the following:

Radius allowances at 5 January 2009		
Distance in miles	Scale 1 £ a day	Scale 2 £ a day
8 to 11	2.16	1.42
11 to 14	4.37	2.84
14 to 17	6.94	4.62
17 to 20	9.13	6.03
20 to 25	11.09	7.36
25 to 30	12.65	8.31
30 to 35	13.95	9.28
over 35	15.17	10.17

Note: scale 1 applies to those using their own transport and has a taxed and tax-free element. Scale 2 is payable where transport is provided by the employer and is taxed.

**Accommodation allowance**

Accommodation allowance has been increased by 5.5 per cent to £31.05 a day, or £217.35 a week.

**Inner London supplement**

There is a taxable, inner London supplement for employees in receipt of the accommodation allowance and engaged on work within the M25 orbital motorway. From 5 January 2009, this supplement was increased by 5.5 per cent to £9.66 a day or £67.62 a week.

**Sick pay**

Employees are eligible for sick pay after seven days of absence for a maximum of 26 weeks in total. NAECI sick pay has risen by 5.5 per cent to £114.98 a week, with the exception of sick pay after 15 weeks of absence for grades 4, 5 and 6 (covering craftsmen, advanced craftsmen and skilled working chargehands) which has increased by 12.5 per cent to £200 a week.

**Paternity leave**

Employees are entitled to have their statutory paternity pay (SPP) supplemented by their employer so that they receive gross basic pay for the week or two consecutive weeks' leave taken.

**Pensions**

Workers in continuous employment for periods of four weeks and over are entitled access to the ECI Stakeholder Scheme. The minimum employee contribution to the scheme has risen to £8 and the fixed employer contribution, subject to matching employee contributions, has increased to £10 from 5 January 2009.

**Death and fatal accident benefit**

Death benefit has also increased by 20 per cent to £30,000 and accidental occupational fatal accident benefit has increased by 14.3 per cent to £40,000, effective from 5 January 2009.

**Holidays**

The full annual holiday entitlement consists of five weeks of annual holiday and eight days public holiday a year. The five weeks is taken as 25 days' annual leave for employees normally working a five -day week and 20 days' annual leave for employees normally working a four-day week.

**Previous IDS references**

*Pay Report 1017, p.4; 998, p.24; 995, p.3; 'Pay and conditions in engineering 2008/09', p.161.*

## House of Commons

<b>Location</b>	Westminster
<b>Employees</b>	Administrative, clerical, managerial, catering and security staff, craft workers, information providers
<b>No. of employees</b>	1,700
<b>Unions</b>	PCS, Prospect, FDA
<b>Basic pay increase</b>	4.5% consolidated (1st year of 3-year deal)
<b>Effective date</b>	1 April 2008

The first year of a three-year deal paid a consolidated increase of 4.5 per cent, effective from 1 April 2008. Consolidated increases comprise a number of elements: increases to pay band maximum rates, pay progression, increases to spine points, adjustments to pay bands and increases to allowances and premium payments. The award also introduces faster journey times between the minimum and maximum on each grade but the increases at grade.

In the second and third years of the deal consolidated increases of 3.95 per cent will be applied. The House of Commons is not bound by Treasury pay guidance for the civil service but stays close to the recommendations because it is required by statute to reward staff 'broadly in line' with the civil service. In 2007 there was an increase to paybill of 3.9 per cent from 1 April.

Pay structure at 1 April 2008			
Pay band	Job examples	Minimum £pa	Maximum £pa
E	–	14,786	15,042
Craft non-skilled	Unskilled craft (mates)	16,445	17,163
D2	Semi-skilled craft workers	18,048	22,070
D1	Skilled craft workers	19,198	24,839
C	–	22,579	29,330
B2	–	28,434	35,723
B1	–	34,643	42,401
A3 Fast Stream	Training grade	27,243	38,817
A2	–	46,071	61,255
A1	–	56,584	74,270

### Faster progression

Over the term of the agreement, faster journey times are introduced which mean that the number of incremental steps between the minimum and maximum of each grade are reduced, from ten to six in Band A1 and A2, from seven to five in Band B1, from eight to five in B2 and from six to four in D1 and D2.

Revised journey times				
Pay band	Steps in 2007	Steps in 2008	Steps in 2009	Steps in 2010
D2	6	5	4	4
D1	6	5	4	4
C	7	6	6	5
B2	8	7	6	5
B1	7	7	6	5
A2	10	9	8	6
A1	10	9	8	6

### Bonuses

The amount of bonus paid is determined by individual performance and is based on a system of 'box' marks, as follows:

Pay band	Box 3	Box 2	Box 1
D1 & D2 bands	£135	£180	£340
C bands	£150	£200	£375
B1 & B2 bands	£195	£260	£490
A3 band	£225	£300	£565
A1 & A2 bands	£255	£340	£640

Note: for staff in E bands, the bonus is worth either £60 (Box B) or £100 (Box A).

### Previous IDS references

'Pay in the public services 2008', p.94.

## Wickes

<b>Industry</b>	Retail
<b>Location</b>	UK
<b>Employees</b>	Retail staff
<b>Nos of employees</b>	3,300 hourly-paid store staff
<b>Unions</b>	None
<b>Basic pay increase</b>	2.5%
<b>Effective date</b>	1 January 2009

### Summary

This year's review increased basic rates by 2.5 per cent from 1 January 2009 for hourly-paid store colleagues. The pay review anniversary date has been moved from October to January in line with the rest of the company. To compensate for the delayed review rates were adjusted by an amount equivalent to 2.5 per cent pro-rata for two months.

At the previous review pay was increased by 3.5 per cent from 1 October 2007.

#### Pay structure at 1 January 2009 – retail staff (under 18)

Position	Zone D £ph	Zone C £ph	Zone B £ph	Zone A £ph
Cleaner	4.36	4.45	4.75	4.98
Car park attendant	4.36	4.45	4.75	4.98
Showroom assistant	4.54	4.83	5.12	5.36
Customer assistant	4.54	4.83	5.12	5.36
Cashier	4.54	4.83	5.12	5.36
Administrator	5.09	5.47	5.76	5.99
Senior customer assistant	5.09	5.47	5.76	5.99

#### Pay structure at 1 January 2009 – retail staff (over 18)

Position	Zone D £ph	Zone C £ph	Zone B £ph	Zone A £ph
Cleaner	5.73	5.79	5.95	6.49
Car park attendant	5.73	5.79	5.95	6.49
Showroom assistant	5.77	6.04	6.32	6.87
Customer assistant	5.77	6.04	6.32	6.87
Cashier	5.77	6.04	6.32	6.87
Administrator	6.11	6.66	6.96	7.51
Senior customer assistant	6.11	6.66	6.96	7.51
Fork-lift driver	6.11	6.90	7.20	7.75

### Location-based pay

The company's 193 stores are placed into four pay zones, based on criteria such as geographical location, recruitment and retention issues, local population demographics, local labour market forces and competitor activity. Most stores are in zone D. Examples of those in the higher zones are as follows: Zone A: Croydon, Slough; Zone B: Aylesbury, Cheltenham; Zone C: Banbury, Chatham.

### Pay progression

Hourly-paid staff can earn additional sums by progressing through the 'Master Programme' training scheme, each stage of which is formally signed off. The pay increments for each stage are as follows: 10p an hour; 20p an hour; 40p an hour.

### Hours and holidays

Full-time staff work 39 hours a week. Holiday entitlement starts at 23 days a year for staff and 25 days for managers.

### Premium pay

Equivalent time-off-in-lieu is given for bank holiday and overtime hours. Sundays are paid at the basic rate. For hours worked after 9pm, staff in zones C and D receive an additional £1.50 an hour, and in zones A and B they receive an extra £2.50 an hour.

### First aid allowance

Employees with first aid responsibilities receive an annual sum of £130 (£2.49 a week).

### Staff discount

Staff with two months' service are eligible for a staff discount worth 20 per cent off the retail price of goods in Wickes stores and are also able to make purchases at significantly discounted rates at other outlets within the Travis Perkins Group (e.g. Travis Perkins, Keyline, City Plumbing, CCF and Benchmarx), up to an annual limit of £1,000.

### Previous IDS references

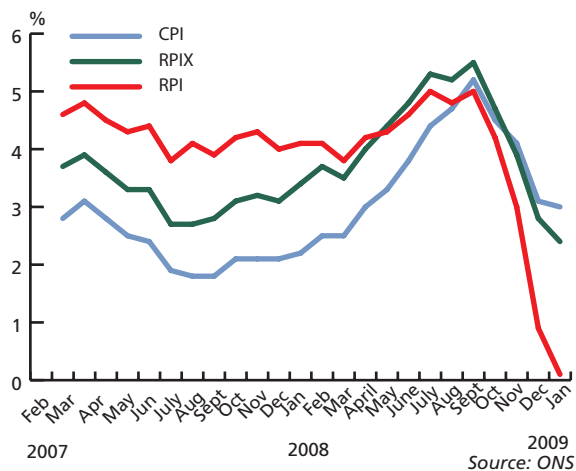
*Pay Report 1020, p.3; 988, p.26; 987, p.4; 'Pay and conditions in retail 2006/07', p.117.*

## Inflation

### Inflation measures (January 2009)

Retail Prices Index (RPI):	0.1 per cent
RPIX excluding mortgage interest payments:	2.4 per cent
Consumer Prices Index (CPI):	3.0 per cent
Next release dates:	24 March, 21 April

### Inflation rates: RPI, RPIX and CPI



In the year to January 2009 the all-items Retail Prices Index (RPI) rose by 0.1 per cent, down from 0.9 per cent in the year to December 2008. Over the same period, the measure which excludes mortgage interest payments (RPIX) rose by 2.4 per cent, down from 2.8 per cent in December.

The largest downward contribution to the fall in the RPI from December to January came from housing costs, where the largest effect was from mortgage interest payments following the one point decrease in the Bank of England rate in December. Further large downward contributions came from motoring expenditure, as the price of petrol and diesel fell this year but rose last year. There were also large downward contributions from fares and other travel as well as food.

Despite the price of most goods and services increasing at a slower rate than the previous month, the prices of many basic items are still increasing on an annual basis. According to the ONS, gas and electricity bills are 35.1 per cent higher

### Retail Prices Index

(Jan 1987=100)		All items index	inc %
2007	February	203.1	4.6
	March	204.4	4.8
	April	205.4	4.5
	May	206.2	4.3
	June	207.3	4.4
	July	206.1	3.8
	August	207.3	4.1
	September	208.0	3.9
	October	208.9	4.2
	November	209.7	4.3
	December	210.9	4.0
	2008	January	209.8
February		211.4	4.1
March		212.1	3.8
April		214.0	4.2
May		215.1	4.3
June		216.8	4.6
July		216.5	5.0
August		217.2	4.8
September		218.4	5.0
October		217.7	4.2
November		216.0	3.0
December		212.9	0.9
2009	January	210.1	0.1

Source: ONS

than 12 months ago, fares and other travel costs are 10.2 per cent higher and food prices are 9.9 per cent higher.

In the year to January 2008, the Consumer Prices Index (CPI), which excludes housing costs, rose by 3.0 per cent, down from 3.1 per cent in December. The CPI has been above the Government's target of 2 per cent for more than a year. The largest downward contribution came from transport costs, and there was also a large downward effect from housing, with rents and fuel costs falling this year but rising last year.

### RPI e-mail-alert service

To register to receive a monthly e-mail from IDS on the day that the inflation rate is published, go to:  
[www.incomesdata.co.uk/statistics/stat.htm](http://www.incomesdata.co.uk/statistics/stat.htm)

### Quarterly all-items inflation forecasts at 12 December 2008

	BC	CITI	DB	HSBC	LTSB	OEF	RBS	Average
2009 1st quarter	-0.3	-0.2	-0.3	0.2	0.5	-0.2	-0.2	-0.1
2nd quarter	-1.4	-1.7	-2.4	-1.3	-0.7	-1.6	-1.3	-1.5
3rd quarter	-1.9	-2.6	-3.6	-2.5	-1.8	-2.1	-2.4	-2.4
4th quarter	-0.4	-0.9	-3.2	-2.0	-1.0	-1.5	-1.6	-1.5
2010 1st quarter	-	2.7	-0.1	0.3	1.0	1.8	2.0	1.3

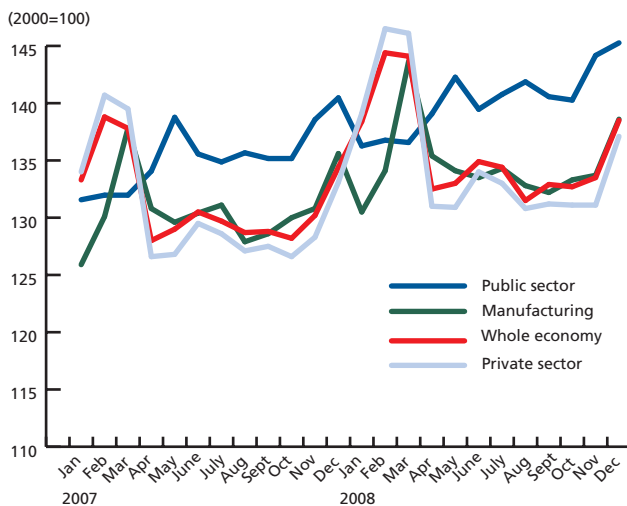
Forecasters: **BC** Barclays Capital; **CITI** Citigroup; **DB** Deutsche Bank; **HSBC** HSBC Financial markets; **LTSB** Lloyds TSB Corporate Markets; **OEF** Oxford Economic Forecasting; **RBS** Royal Bank of Scotland

## Average earnings

### Growth rates including bonuses, December 2008 (not seasonally adjusted)

Whole economy: 3.1 per cent	All services: 3.5 per cent
Manufacturing: 2.2 per cent	Private sector: 3.0 per cent
Private services: 3.5 per cent	Public sector: 3.4 per cent
Next release date: 18 March, 22 April	

### Average earnings index



### The average earnings index

The average earnings index measures changes in gross earnings per person, based on survey returns from around 8,500 employers. Each employer in the survey provides details of the total payroll, excluding employers' contributions (National Insurance etc), and the number of people covered by the payroll, with no distinction between full and part-time staff. It therefore includes basic pay, overtime, shift payments, bonuses and profit-related pay.

### Average earnings index (not seasonally adjusted)

Source: ONS		Whole economy			Private sector			Public sector		
	2000=100	Index inc bonus	Growth rate % inc bonus	excl bonus	Index inc bonus	Growth rate % inc bonus	excl bonus	Index inc bonus	Growth rate % inc bonus	excl bonus
2006	October	123.9	4.0	3.8	122.3	4.2	4.0	130.7	3.4	3.3
	November	124.6	3.9	3.7	123.0	4.0	3.7	131.5	3.6	3.5
	December	129.4	3.9	3.6	128.3	3.9	3.6	134.2	3.9	3.7
2007	January	133.3	4.8	3.5	134.0	5.2	3.5	131.1	3.4	3.4
	February	138.8	5.4	3.5	140.7	6.2	3.8	131.5	2.4	2.3
	March	137.8	3.5	3.6	139.5	3.6	3.9	131.5	2.7	2.7
	April	128.0	3.1	3.3	126.6	3.1	3.3	133.6	3.3	3.3
	May	129.0	3.6	3.5	126.8	3.7	3.5	138.3	3.4	3.7
	June	130.5	3.2	3.5	129.5	3.3	3.6	135.1	2.9	2.8
	July	129.7	3.6	3.6	128.6	4.0	4.0	134.4	2.0	2.3
	August	128.7	4.2	3.8	127.1	4.4	3.9	135.2	3.2	3.4
	September	128.8	4.2	3.4	127.5	4.4	3.5	134.7	3.0	3.2
	October	128.2	3.4	3.5	126.6	3.5	3.5	134.7	3.0	3.4
	November	130.2	4.5	4.1	128.3	4.3	3.9	138.1	5.0	5.0
	December	134.4	3.8	3.9	133.1	3.7	3.7	140.0	4.3	4.8
2008	January	138.4	3.8	3.6	139.1	3.8	3.6	135.8	3.5	3.5
	February	144.4	4.1	3.9	146.5	4.1	3.9	136.3	3.7	3.7
	March	144.1	4.5	3.8	146.1	4.8	3.8	136.1	3.5	3.7
	April	132.5	3.5	3.9	131.0	3.5	3.9	138.6	3.8	4.1
	May	133.0	3.1	3.4	130.9	3.2	3.5	141.8	2.5	3.2
	June	134.9	3.4	3.6	134.0	3.5	3.6	139.0	2.9	3.4
	July	134.3	3.6	3.8	133.0	3.4	3.7	140.3	4.4	4.3
	August	132.8	3.2	3.6	130.8	2.9	3.3	141.4	4.5	4.6
	September	132.9	3.1	3.6	131.2	2.9	3.5	140.1	4.0	4.0
	October	132.7	3.5	3.6	131.1	3.5	3.6	139.8	3.8	3.7
	November (r)	135.5	2.6r	3.5	131.1	2.2r	3.4	143.7	4.1	3.9
	December (p)	138.5	3.1	3.4	137.1	3.0	3.4	144.8	3.4	3.4

p = provisional; r = revised.

The latest figures show that average earnings growth including bonuses for the whole economy has risen to 3.1 per cent in the year to December 2008, up from 2.6 (revised from 2.5) per cent in November. On the excluding bonus series, the growth rate was 3.4 per cent in December, down slightly from 3.5 per cent the previous month.

The effect of Christmas bonuses being paid can be seen in the latest figures which have picked up in all but the public sector.

In the private sector, average earnings growth including bonuses in the year to December 2008 was 3.0 per cent, up from 2.2 (revised from 2.1) per cent in November. On the excluding bonus series, earnings growth remained unchanged in December from the previous month at 3.4 per cent. In the public sector, where bonuses are rare, average earnings growth on both measures fell to 3.4 per cent in the year to December 2008.

Elsewhere in the economy, growth figures for the services sectors showed that average earnings growth including bonuses was picking up. On the including bonuses series, the growth rate in private sector services rose by 3.5 per cent in the year to December, up from a revised 2.7 per cent in November.

Average earnings growth in the manufacturing sector has remained weak. Including bonuses, average earnings grew by 2.2 per cent in the year to December 2008, unchanged from the revised November figure. On the excluding bonuses series, growth was weaker still at 2 per cent in the year to December, down from a revised 2.3 per cent the previous month. This is due to reduced overtime and premium payments as the recession has deepened, affecting demand.

THE TOTAL REWARD AND ENGAGEMENT CHALLENGE 2009  
WHERE TO NEXT FOR PUBLIC SECTOR PAY INNOVATIONS?

## 7TH ANNUAL IDS PAY IN THE PUBLIC SECTOR CONFERENCE



CENTRAL LONDON 22nd April 2009

### In just one day you will benefit from:

- A one-stop update on public sector pay and significant changes taking effect in 2009
- Assessment of the latest developments and how these changes will impact upon your organisation
- A review of key issues and challenges and practical guidance to apply in your workplace
- Views on current trends and future developments from the experts
- Insight into the introduction of Total Reward into the public sector

For more information and to book your place, visit  
[www.incomesdata.co.uk](http://www.incomesdata.co.uk) or call 020 7393 7589

**IDS** CONFERENCES & TRAINING



THOMSON REUTERS

#### Recent feature articles

	IDS Pay Report
Inflation and long-term deals	1019
Pay in financial services	1019
Pay on the railways	1018
Pay and conditions in retail	1017
Pay in road transport and distribution	1016
Inflation forecasts	1016
Trade unions and collective bargaining	1015
Pay in fast food, pubs and restaurants	1014
Pay and conditions in engineering	1013
Pay in chemicals and pharmaceuticals	1013
Pay and conditions in call centres	1012
Maternity and paternity provisions	1012
Pay in food and drink manufacturing	1011
Pay and bargaining prospects 2009	1010
Pay in hotels 2008	1007
Pay for benchmark roles in IT	1006
Inflation forecasts	1005
Bonus payments in 2008	1004
'No-strike' arrangements	1003
Inflation forecasts	1001
Pay in housing and social care	1001
Collective bargaining since 1966	1000
Pay for nursery staff 2008	999

#### 'Understanding Reward' feature articles

	IDS Pay Report
Pay transparency	1018
Monitoring pay awards: what's a settlement worth?	1017
Job levels	1015
Arbitration	1014
Inflation indicators	1011
Measuring changes in average earnings	1009
Total Reward	1003
Bonuses (Part 2)	1001
Bonuses (Part 1)	999
Staged and deferred pay deals	993
Moving to monthly pay	987
Measuring inflation	974
Towards a modern definition of 'pay drift'	970
Pay review bodies	957
The role of ACAS	950
Pay progression	945
Salary sacrifice	942
Job evaluation	936
Bonus schemes	933
Gender pay differences	932

#### 'Occupational Focus' feature articles

Process operatives	1007
Drivers	983
Sales assistants	979



# IDS pay services

## Research Reports on pay from IDS

### **Pay and conditions in retail 2009**

This report gives you a detailed picture of pay, benefits and others conditions in a wide range of retail organisations across the UK. It is based on detailed information from over 80 companies employing over 1.5 million workers including sales assistants, supervisors and managers.

Published December 2008  
Price £315

---

### **Pay in road transport 2009**

The latest survey of pay and conditions run by IDS jointly with the Road Haulage Association.

Published December 2008  
Price £275

---

### **Pay and conditions in engineering 2008/09**

This research report provides benchmark information on rates of pay for occupations in engineering, including craftworkers, team leaders and professional engineers. It also includes detailed analysis by sector, and a comprehensive directory of current pay rates and pay structures.

Published October 2008  
Price £295

---

### **Pay and conditions in call centres 2008/09**

This report provides a detailed picture of pay, benefits and working conditions for call centre staff. The latest in an annual series, it is the most comprehensive source of information available. The 2008 edition brings together information on 50 organisations employing 78,000 staff in total.

Published September 2008  
Price £275

---

### **Pay in IT 2008**

Following the second IDS survey of pay for IT professionals in April and May 2008, this report provides benchmark information on IT salaries at 82 named organisations. It also features the findings on pay progression, recruitment and retention, bonuses, salary increases, allowances and hours and holiday arrangements.

Published July 2008  
Price £250

---