



United Kingdom  
Hydrographic Office

## Pay Notice for Pay Remit year 2013/14

### Pay Notice 2/2013

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#### Document Control

Author	HR, NG
Reference/Version	1/2013
Version Date	08.10.2013
Master Soft Copy	BMS
Approval	HR, DE

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HA240/003/009-12

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### Context for the pay offer 2013/14

In November 2011, the Chancellor of the Exchequer announced that all Civil Servants would be subject to a 2 year pay freeze, apart from those earning under £21k who would receive a £250 increase in consolidated pay. In 2011/12 and 2012/13 the UKHO entered into the 2 year pay freeze. In addition to the pay freeze the Chancellor of the Exchequer announced that all Civil Servants would be subject to a 1% consolidated pay cap for an additional 3 years, which will end on 31 July 2016. The 2013/14 pay year is the first of those 3 years for the UKHO.

The ExCo were determined to maximise the rewards to staff within the limits of the Pay Remit and the MOD Guidance on Pay, this pay offer reflects that desire to maximise the consolidated and non-consolidated awards to staff through use of the non-consolidated 'pot' and the approved consolidated pay award.

### Background

This offer relates to the pay remit period from 1 August 2013 to 31 July 2014. The offer applies to permanent, fixed term and casual staff employed by the UKHO in bands A to C excluding Retired Officers who are subject to arrangements agreed with MOD and SCS 1\* and above who are subject to arrangements agreed with Cabinet Office.

The UKHO proposed, without prejudice to a final agreement, to pay all staff 1% consolidated salary increases from 1 August 2013. No agreement had been reached between the UKHO, and the two recognised trade unions - PROSPECT and PCS at that time. This was implemented from 1 August as a revalorisation of all salaries in the A, B and C Bands, as well as compilation trainee rate and MCTG1 grade. The salary uplift was made to all staff who had reached a satisfactory level of performance and were not/had not been, subject to Restoring Efficiency action for performance during the previous pay year.

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The offer reflects the 2013 Pay Guidance issued by HM Treasury and current economic and business constraints.

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**2013/14  
Pay Offer**

- 1% revalorisation of all salaries, including MCTG1 & Compilation Trainee Rate.
- Non-consolidated, non-pensionable performance-related award paid to a maximum of 25% of staff, by division, by grade, at 7% of salary.
- A one off non-consolidated, non-pensionable payment of 1% of salary is proposed to all staff in post on 1 August 2013, in recognition of the changes to the Flexible Working Hours Agreement.
- Maximum annual leave entitlement of 31.5 days after 5 years' service, for all staff.
- 1% increase to the following allowances: on call and standby, radio pager, standby - meal break, limp shift allowance.

**2013/14**

All salaries have been increased by 1% for all grades.

2013/14 pay scales with effect from 01 August 2013:

**1% Increase to  
Salaries**

	A2	A1	B3	B2	B1	C2	C1
Min		£17,630	£23,680	£29,712	£37,935	£47,935	£60,064
Max	£16,036	£20,296	£28,124	£33,924	£41,793	£54,049	£66,270
Performance Zone						£60,000	£68,000
Trainee Compiler Rate = £19,153							
MCTG1 = £20,517							

**Performance Awards**

It is proposed that performance awards will be paid by grade, by division, for bands A and B, to up to 25% of top performers.

**For Performance Year 2012/13**

It is proposed that performance awards will be paid to up to 25% of top performers within the whole of the C band.

**Up to 25% of staff, by division, by grade**

The transition to a new Performance Management system and application of the Remit Guidance has meant that the UKHO has moved from a position where the majority of staff receive some form of performance award, to a position where only the top 25% of performers will be rewarded.

**Award = 7% of salary**

The UKHO Executive Committee were keen to ensure that staff received the full benefit of the non-consolidated performance 'pot' and as such agreed that all staff who meet the conditions below in each grade will received a non-consolidated, non-pensionable award of 7% of the individual salary that was relevant for the performance year 2012/13.

It is proposed that this will be calculated by placing all staff in rank order based on an overall score made up of the individual elements that were part of the 2012/13 performance system.

e.g.

Achievement	7
Behaviour	7
Competence	8
Overall	7
Total	29

An example of rank order is produced below.

In this example there are 12 individuals (not all shown) within the particular grade. The individual scores have been added together to provide a total against each individual and they have been placed in rank order. 25% of 12 is 3, therefore; 3 people are entitled to an award. In this case it is not possible to award 3 staff. To ensure fairness, either all of those scoring 26 would need to get an award, this would be in excess of 25%, or none of them would receive an award. In this case only the top two will receive an award in this division, in this grade.

Achievement	Behaviour	Competence	Overall	Total
8	7	8	8	31
7	7	7	7	28
7	7	6	6	26
7	7	6	6	26
7	6	7	6	26
6	6	6	6	24

It was decided that the line would be drawn under the top performers, wherever it could be clearly defined. This does mean that the total percentage of staff receiving a performance award is slightly less than 25%. It would be unfair to staff for the line to be drawn through the middle of those of equal performance.

The below table gives an indication of how much 7% equates to for the min/max of each grade:

<b>Indicative Example</b>				
<b>Grade</b>	<b>Grade Min</b>	<b>7%</b>	<b>Grade Max</b>	<b>7%</b>
A2	£15,877	£1,111	£15,877	£1,111
A1	£17,455	£1,222	£20,095	£1,407
B3	£23,446	£1,641	£27,846	£1,949
B2	£29,418	£2,059	£33,588	£2,351
B1	£37,559	£2,629	£41,379	£2,897
C2	£47,460	£3,322	£60,000	£4,200
C1	£59,469	£4,163	£68,000	£4,760

**Annual Leave  
and Public and  
Privilege  
Holidays**

In addition to 1% consolidated pay, the UKHO are able to offer an improvement to the leave terms available to staff.

**Changes from  
1 October 2013**

With effect from 1 October 2013, the privilege day taken within a two week period over Christmas and the half privilege day taken for Maundy Thursday transferred to staff annual leave allowances. This will provide staff with greater flexibility to take the time off work, subject to usual management approval, and ensure the business can provide increased cover and support to customers during these periods.

The Queen's birthday in May will remain as a privilege day. This is no longer a fixed date. Staff may choose, with their line manager's agreement, any working day in the week either side of the Bank Holiday.

Further to the above changes, it is proposed that staff will now be entitled to the maximum leave allowance of 31.5 days after 5 years' Civil Service, rather than 10 years.

The changes and proposed changes to annual and privilege leave are detailed below.

<b>Pre-October 2013</b>			<b>1 October 2013 changes</b>	
<b>Length of Service</b>	<b>Leave</b>	<b>Privilege Leave</b>	<b>Leave</b>	<b>Privilege Leave</b>
0-5 years	25	2.5	26.5	1
5-10 years	27	2.5	31.5	1
+10 years	30	2.5	31.5	1

Part time staff are entitled to the pro rata equivalent annual leave and public and privilege leave.

**Allowances**

It is proposed to increase for on call and standby, radio pager, standby - meal break, limp shift allowance.

**Flexible  
Working Hours  
Agreement**

It is proposed to make a one off, non-consolidated, non-pensionable payment of 1% of salary to all staff in recognition of the changes to terms and conditions of employment, in particular, the Flexible Working Hours agreement. This payment will be made as soon as possible after negotiations are complete.

The UKHO Flexible Working Hours Agreement has been updated in consultation with PCS and Prospect. The changes took effect from 1 October 2013. The amendments to the agreement are:

<b>Previous Terms</b>	<b>From 1 October 2013</b>
Staff can currently take a maximum of 6.5 flexi days in a quarter.	Staff can take a maximum of 2 flexi days each month. (Pro rata for part-time staff)
Hours in excess of 18.5 credit at the quarterly truncation date are being reinstated, in some cases, without robust justification.	All requests for reinstatement should be by exception. UKHO will increase governance in this area to meet duty of care obligations. All exceptions will be signed off by Divisional Heads.
Staff can currently amend CATS records for the previous 4 weeks. There have been some instances where flexi leave and leave have been substituted to ensure hours, or leave allowance are not lost.	Staff will only be able to amend their CATS record for the previous 2 weeks. All changes required before 2 weeks must be referred to the CATS mailbox by the staff member's line manager.
The majority of staff are recruited to UKHO with flexitime privileges.	New staff will acquire the privilege of flexitime after 26 weeks, in line with flexible working legislation. Managers will be able to decide whether to award flexitime from day 1 or to put in place local arrangements, with set times.

**Why are these changes being made?**

These changes are being made to support managers in the management of staff time. It is envisaged that it will reduce the build up of large flexi balances and it will no longer be possible for staff to take 6.5 flexi days in a row. The increase in annual leave

allowances will make the management of staff time increasingly difficult. 2 days flexi a month is seen as easier for managers to manage staff time, supports a 'no long hours culture' and aims to improve staff work/life balance.

There have been instances where staff have attempted to adjust flexi balances by retrospectively substituting leave for flexi leave, or vice versa. To encourage improved time recording behaviour the business has shortened the period for entering CATS and amending mistakes to 2 weeks.

**Working Week**

There are no proposals to change the current working week of 42 hours gross. Any change in hours would have to be costed against the consolidated pay award, as detailed in the HMT Remit Guidance.

**Pay  
Implementation**

The 2013/14 consolidated 1% pay award was implemented, without prejudice, with effect from 1 August 2013.

Every effort will be made to pay the proposed performance awards at the earliest possible payroll after negotiations are complete.

Every effort will be made to pay the proposed one-off non-consolidated payment of 1% of salary, to recognise the flexi-leave changes, to all staff, at the earliest possible payroll after negotiations are complete.

The proposed change to the length of Civil Service required to receive the maximum annual leave allowance, will take effect from 1 October 2013, back-dated.

The changes to annual leave and privilege leave (1.5 privilege days added to annual leave allowances) took effect from 1 October 2013.

The changes to the Flexible Working Hours Agreement took effect from 1 October 2013.



**Future Pay Implementation**

The UKHO are committed to on-going discussions with Prospect and PCS regarding the future pay proposals, following implementation of this pay offer. However; should there be a material change in the operation of UKHO business, or to the Treasury Pay Guidelines for 2014, or arising from the Cabinet Office discussions with Trade Unions, both or either party may seek to re-open the negotiations by giving written notice stating their reasons for review.

This pay offer covers the period from 1 August 2013 to 31 July 2014 and does not form part of any future pay agreements beyond this date.

**Reviewers**

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<b>Name</b>	<b>Role</b>	<b>Date reviewed</b>	<b>Version reviewed</b>
Policy Author	[REDACTED]		
Policy Owner	[REDACTED]		
Ensure all stakeholders from throughout the organisation have reviewed	[REDACTED]		

