

IPO Pay 2014 – 2015 for Spans A1 to D1

Management's final offer

Overview

Introduction

- This document sets out the IPO's offer on pay for 2014 - 2015 and covers the period 1 August 2014 to 31 July 2015 for staff in Spans A1 to D1.
- The headlines are:
 - A restructure of pay spans B1, B3, C1/C1 Examiner and D1 to reduce span overlaps and eliminate leapfrogging;
 - Creating a mechanism for movement through the pay span;
 - Access to recyclables for the purpose of providing additional monies to put into the pay system;
 - Re-focussing our approach in respect of our recruitment and retention allowances to allow us to match market rates for some specialist roles.
 - The introduction of a Scarce Skills Recruitment and Retention Allowance to support our recruitment of specialist staff;
 - Increase to the B2 Associate Patent Examiner Recruitment and Retention Allowance.
 - Awarding consolidated increases to all span minima of at least 1.5% and maxima of at least 1%

1. Restructure

- Uplifting the minima of Span B1, B3, C1, C1 Examiner and D1, to ensure that there is at least a 5% or 8% gap to solve leapfrogging issues. People who are below the new minimum in these spans will receive an increase up to the level of the new minimum outlined in table 2. The maximum increase that any individual will receive is shown in the table below:

Span	Consolidated payment	% increase
B1	£1,367	7.05%
B3	£1,998	7.68%
C1	£2,898	9.69%
C1 Exr	£2,898	9.69%
D1	£2,590	4.55%

- If anyone in the restructure receives a payment that is less than the median payment for their span outlined in table 1 they will receive an extra payment to ensure they receive no less than the median payment. This will happen in instances where people are only just below the restructured minimum.

2. Increases to maximum

- 2.40% increase to Span A1 and Span A2 spot rates.
- 1% increase to Span A3, B2, B2 exr, C2, C2 exr and D1 maximum rate.
- 1.19% increase to Span B1 rate.
- 1.14% increase to Span B3 maximum rate.
- 2.12% Increase to Span C1 and C1 exr maximum rate.

3. Increases to the span minima

The minima of spans outside the scope of the restructure will increase by at least 1.5%, which is less than the payment that people at the bottom of the span will receive. This approach has been taken to tackle clustering at the bottom of spans.

4. Achieving movement through the pay span – this applies to people not affected by the restructure

- As part of the pay pilot, HM Treasury gave us permission to consider alternative ways of ‘cutting the cake’ in order to find ways of moving people up the pay spans more quickly. (Being in the pay pilot has also allowed us to increase the size of the cake!). A number of alternatives were discussed at open pay meetings, and the pros and cons to each, and your feedback helped us to decide on this approach.
- We decided to adopt an approach based on the median (mid salary point in the pay range) which works in this way:
 - We have calculated 2.40% of each span median to generate a fixed payment. In percentage terms this will be a higher payment for those lower down the spans than those higher up.
 - This has the effect of moving salaries in each span up faster than the span minimum. This is intended to tackle the problem of clustering at the bottom of spans. Also, continuing our commitment to shorten pay spans, the span minima will increase more than the span maxima - except, this year, for those spans in the restructure.

5. No Payments

- No consolidated or non-consolidated payments to staff who are in receipt of salaries that are above the maximum of their span.

6. C2 Senior Patent Examiner on Personal Maximums

- C2 Senior Patent Examiners on a Personal Maximum will have the option to move to the top of the new C2 maximum and receive the C2 Senior Patent Examiner Retention Allowance – which remains at £1,500 for these posts.

7. Performance Pay

- The emphasis as outlined by the Government is that non-consolidated performance pay should reward excellence. In light of this, staff who have achieved an Outstanding marking in their 2013-14 Performance Management Forms (including break reports), will receive a non-consolidated performance-related pay award. This will be a full payment regardless of working pattern. Table 3 provides details of the payments.

Table 1

Breakdown of consolidated payments per span for those outside the restructure

Span	Consolidated payment based on 2.40% of the span median. Payments capped at span maximum	Consolidated payments people will actually receive (as some maximums are only going up by 1%)	% increase that people will receive
A1 (spot rate)	£371	£371	2.40%
A2 (spot rate)	£396	£396	2.40%
A3	£451	£190 - £451	1% - 2.58%
B1	£497	£258 - £497	1.19% - 2.39%
B2	£562	£264 - £562	1% - 2.40%
B2 Exr	£562	£562	2.25% - 2.40%
B3	£672	£333 - £672	1.14% - 2.40%
C1	£787	£787	2.12% - 2.40%
C1 Exr	£787	£787	2.12% - 2.40%
C2	£1,308	£545 - £1,308	1% - 2.58%
C2 Exr	£1,308	£545 - £1,308	1% - 2.58%
D1	£1,430	£1,430	2.35% 2.40%

Table 2**Pay Scale**

Pay Span	2013 Span Minimum	2013 Span Maximum	2014 Span Minimum	2014 Span Maximum
A1	£15,451	Spot rate	£15,822	Spot rate
A2	£16,512	Spot rate	£16,908	Spot rate
A3	£17,487	£18,995	£17,760	£19,185
B1	£19,383	£21,742	£20,750	£22,000
B2/B2 Exr	£23,428	£26,375	£23,779	£26,639
B3	£26,002	£29,167	£28,000	£29,500
C1/C1 Exr	£29,902	£37,150	£32,800	£37,937
C2/C2 Exr	£50,673	£54,512	£51,433	£55,057
D1	£56,910	£63,813	£59,500	£64,451

Table 3**Non Consolidated Payments**

- Payments to top 25% of performers who received an 'Outstanding' performance marking for 2013/2014.

Span	Performance Pay 3.5% of Span median
A1	£541
A2	£578
A3	£658
B1	£726
B2	£820
B2 Exr	£820
B3	£981
C1	£1,148
C1 Exr	£1,148
C2	£1,908
C2 Exr	£1,908
D1	£2,086

8. Changes to Allowances

- B2 Associate Patent Examiner RRA to increase to £3,000.

Scarce Skills Allowance

B2 Associate Patent Examiner allowance of £4,000 for scarce skills on top of the new £3,000 RRA. Currently the scarce skill is in the area of telecoms. Individual

members of staff will only be eligible for these allowances (at these levels) while they remain in the B2 Associate Patent Examiner span.

- C1 Patent Examiner allowance of £2,000 for scarce skills (currently the scarce skill is in the area of telecoms) on top of the £1,500 RRA currently paid. C1 Patent Examiners in receipt of the scarce skills allowance will not be able to keep the allowance if they leave the span (eg on promotion to C2).
- Increase in IT Technical Management Allowance for up to 16 people with scarce skills of £6,250.
- All other allowances will be retained at current levels. The allowances covered include the following and for the avoidance of doubt, any allowances not included in this list are unchanged:
 - Accountancy Basic/Additional
 - TM Hearing Officer
 - Procurement Level 1/2
 - RRA ADP Allowance
 - RRA Local Pay Addition
 - RRA London (Inr)
 - Technical Management
- We will undertake a review of allowances over the next year to ensure they remain relevant and reflect business need.

9. Other elements

Pay on Promotion/Progression

- Pay on promotion will remain at 8% across a pay band and 5% across a pay span or the span minimum, whichever is greater;

Living Wage

- We support the principle that all employees should be paid the living wage and all our salaries are currently higher.

Explanation of terms

Consolidated payment/salary increase	This is a pensionable payment added to your basic salary.
Non-consolidated payment	This is a non-pensionable payment only paid in the year it is earned and is not added to your salary. This will be paid as a lump sum.
Spot Rate	This is a single salary for all staff in span whereby the maximum and minimum are the same.
Recyclables	This is forecasted pay bill savings generated from leavers earning high salaries and being replaced by joiners earning less.