

OFFICIAL: SENSITIVE

IPO Pay 2016 – 2017 for Spans A1 to D1

Overview

Introduction

- This document sets out the IPO's offer on pay for 2016 - 2017 and covers the period 1 August 2016 to 31 July 2017 for staff in Spans A1 to D1.

The headlines are:

- Continued restructuring of our pay system using additional monies and flexibilities above the 1% cap on public sector pay which has been afforded from being in the pay pilot
- Specifically, a targeted restructure of pay spans: A3, B2/B2 Examiner and C1/C1 Examiner to reduce their length from minimum to maximum
- Continuing using a mechanism for movement through the pay span based upon a cash payment set per grade
- Awarding consolidated increases to all span minima ranging between 1.00% and 3.62% for A1 – D1 staff
- Awarding consolidated increases to span maxima ranging between 0.60% and 1.50% for A1 – D1 staff
- As of 1 August 2016, Apprentice pay will be increased to the new A1 spot rate.

1. Restructure

- Uplifting the minimums of Span B2, B2 Exr, C1 and C1 Exr to reduce the length of these pay spans as they are the longest spans
- Finalising our move towards a spot rate at A3
- Reducing the length of B1, B3, C2, C2 Exr and D1 spans

2. Increases to maximum

- 1.30% increase to Span A1 and Span A2 spot rates
- 0.60% increase to A3, B1, B2, B2 Exr, B3, C2, C2 Exr and D1 maxima
- 1.50% increase to Span C1 and C1 Exr maxima

3. Increases to the minimum

- 2.20% increase to the A3 minimum
- 1.00% increase to Span B1, B3, C2, C2 Exr and D1 minimum
- 1.65% increase to B2 and B2 Exr minimum

- 3.62% increase to the C1 and C1 Exr minimum

Table 2: Pay Scales

Pay Span	2015 Span Minimum	2015 Span Maximum	2016 Span Minimum	2016 Span Maximum
A1	£16,178	Spot rate	£16,389	Spot rate
A2	£17,289	Spot rate	£17,514	Spot rate
A3	£19,185	£19,490	£19,607	Spot rate
B1	£21,058	£22,165	£21,269	£22,298
B2/B2 Exr	£24,255	£26,839	£24,656	£27,001
B3	£28,420	£29,943	£28,705	£30,123
C1/C1 Exr	£34,300	£39,000	£35,542	£39,585
C2/C2 Exr	£51,691	£55,333	£52,208	£55,665
D1	£60,095	£64,451	£60,696	£64,838

4. Overall increases

- Payments will be based on the cash value which is derived from a percentage of the median salary of the span. In percentage terms this will be a higher payment for those lower down the spans than those higher up and create movement through the span.
- All payments will be capped at the new span maxima.

5. No Payments

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

Table 3: Breakdown of consolidated payments per span

Pay Span	Cash payment	What cash increase people receive as payment is capped at the max	What % increase people receive as payment is capped at the max
A1	£210	£210	1.30%
A2	£224	£224	1.30%
A3	£422	£117 - £422	0.60% - 2.20%
B1	£273	£133 - £273	0.60% – 1.30%
B2/B2 Exr	£467	£162 - £467	0.60% – 1.93%
B3	£379	£180 - £379	0.60% – 1.33%
C1/C1 Exr	£1,326	£585 - £1,326	1.50% - 3.87%
C2/C2 Exr	£708	£332 - £708	0.60% – 1.37%
D1	£781	£781	1.24% - 1.30%

6. 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 2015-16 Performance Management Forms (including break reports), will receive a non-consolidated performance-related pay award as per the current guidance on performance-related pay. This will be a full payment regardless of working pattern.
- Table 4 provides details of this year's payments.

Table 4: Non-Consolidated Performance payments

Pay Span	Cash amount
A1	£655
A2	£700
A3	£788
B1	£896
B2	£1,085
B2 Exr	£1,085
B3	£1,210
C1	£1,585
C1 Exr	£1,585
C2	£2,236
C2 Exr	£2,236
D1	£2,603

Proposed changes to the performance-related pay policy for 2017-18 (linked to 2016-17 performance development reviews)

- For the 2016-17 reporting year, we will be looking at the issue of people with more than one box marking over the next year with a view to changing this approach.

7. 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.

Allowances

- There will be no change to the allowances this year.

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.