

OFFICIAL: SENSITIVE

IPO Pay Offer 2017 – 2018 for Spans A1 to D1

Overview

Introduction

- This document sets out the IPO's offer on pay for 2017 - 2018 and covers the period 1 August 2017 to 31 July 2018 for staff in Spans A1 to D1.
- The offer is worth 2.12% on average, with three quarters of the money being for consolidated increases for pay and allowances.

The headlines are:

- Everyone will get a cash payment of at least 1.5% of which at least 1% will be a consolidated base pay increase. The rest will be a one-off non-consolidated payment.
- 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: B1, 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 3.00% for A1 – D1 staff.
- Awarding consolidated increases to span maxima ranging between 1.00% and 1.50% for A1 – D1 staff.
- A consolidated increase to all allowances (including London Weighting) of 1%.
- Introduction of Digital and Economist specialist recruitment allowances in order to meet specific business needs.
- Ensuring our A1 pay rates are in line with Living Wage Foundation levels.

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.
- Uplifting the C1 and C1 Exr maxima to close the gap between C1 and C2 spans.
- Reducing the length of B1 and D1 spans.

2. Increases to maximum

- 3.12% increase to Span A1
- 2.00% increase to Span A2
- 1.62% increase to Span A3
- 1.00% increase to B1, B2, B2 Exr, B3, C2, and C2 Exr maxima
- 1.50% increase to Span C1 and C1 Exr maxima

3. Increases to the minimum

- 1.00% increase to Span B3, C2, C2 Exr and D1 minima
- 1.40% increase to B1 minimum
- 2.00% increase to the B2 and B2 Exr minima
- 3.00% increase to the C1 and C1 Exr minima

Table 2: Pay Scales

Pay Span	2016 Span Minimum	2016 Span Maximum	2017 Span Minimum	2017 Span Maximum
A1	£16,389	Spot rate	£16,901	Spot rate
A2	£17,514	Spot rate	£17,865	Spot rate
A3	£19,607	Spot rate	£19,925	Spot rate
B1	£21,269	£22,298	£21,567	£22,521
B2/B2 Exr	£24,656	£27,001	£25,150	£27,272
B3	£28,705	£30,123	£28,993	£30,425
C1/C1 Exr	£35,542	£39,585	£36,609	£40,179
C2/C2 Exr	£52,208	£55,665	£52,731	£56,222
D1	£60,696	£64,838	£61,303	£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 in the span.
- All payments will be capped at the new span maxima.

Table 3: Breakdown of consolidated increases to base salary per span

Pay Span	Cash payment	Range of increases people receive as payment is capped at the max of the span	Range of % increase people receive
A1	£512		3.12%
A2	£351		2.00%
A3	£318		1.62%
B1	£331	£223 - £331	1% – 1.56%
B2/B2 Exr	£534	£271 - £534	1% – 2.17%
B3	£449	£302 - £449	1% – 1.56%
C1/C1 Exr	£1,123	£594 - £1,123	1.50% - 3.16%
C2/C2 Exr	£643	£557 - £643	1% – 1.23%
D1	£731	£731	1.15% - 1.20%

5. Non-consolidated additional payments

- Where individuals are getting a total consolidated payment of less than the value of 1.5% of their current span maximum, they will get an additional one-off non-consolidated payment to top up their total cash payment to this level. Values will vary depending on individual salaries so please refer to the pay calculator for individual payments.

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 2016-17 Performance Management Forms (including break reports), will receive an additional 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.
- For staff that have more than one report, or a report that covers a period that is less than the full year, the payments will be pro-rated based on the length of time that the 'outstanding' report covers.
- For staff that have a report that covers more than a 12 month period, performance related pay is linked to the 2016-17 reporting year and we are unable to make payments for any performance that is considered outside of this period. This means that the maximum amount payable, is for the 12 month period between 1 April 2016 and 31 March 2017.
- Table 4 provides details of this year's payments.

Table 4: Non-Consolidated Performance payments

Pay Span	Cash amount
A1	£656
A2	£701
A3	£785
B1	£855
B2	£998
B2 Exr	£998
B3	£1,157
C1	£1,426
C1 Exr	£1,426
C2	£2,141
C2 Exr	£2,141
D1	£2,210

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.

Allowances

- All recruitment, retention and London Weighting allowances will be increased by 1%. Table 5 provides details on the new allowance levels which will be effective from 1 August 2017.

Table 5: Allowances

Allowance	Amount per annum
Accountancy Additional (Span B2/B3)	£1,208
Accountancy Basic (Span B2/B3)	£1,208
Associate Patent Examiner (Span B2)	£3,030
IT RRA Year 1	£1,437
IT RRA Year 2	£2,870
IT RRA Year 3	£4,306
IT RRA Year 4	£5,741
London Additional (A Span)	£1,049
London Weighting	£3,535
Patent Examiner (Span C1) & Senior Patent Examiner (Span C2 & D1)	£1,515
Procurement Level 1	£1,380
Procurement Level 2	£3,036
Finance – RRA (Span C1 and above)	£1,380
Technical Management IT (TMAL)	£2,296
Trade Marks Hearing Officer	£1,515

PD Scarce Skills Allowance	
Associate Patent Examiner (Span B2)	£4,040
Patent Examiner (Span C1)	£2,020

IT Scarce Skills Allowance	
SSA1	£2,778
SSA2	£1,768
SSA3	£1,515

- We will introduce non-consolidated recruitment allowances for specialist digital roles for new recruits where we need scarce specialist digital and commercial skills driven by market need. These will be considered on a case by case basis and eligibility criteria will be agreed with the Trade Unions at a later date. These allowances will be reviewed annually and are removable based upon competence and market need.
- There will be a new £4,000 non-consolidated recruitment and retention allowance for B3 Economist roles.

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.