

## Pay review at TWI introduces flexi-time and pays bonus

TWI has awarded 575 engineering staff and manual workers pay increases of 4 per cent from 1 January 2013. The increase was a combination of general pay rises and individual merit payments.

As part of this year's pay review, TWI an independent research and technology organisation located in Cambridge, has also introduced a number of other

changes including flexible working and a bonus payment.

The introduction of flexible working time means that employees can vary their start and finish times within the standard 36-hour working week. The bonus, which is linked to company performance, will be paid at the end of February and will be worth, on average, 8.33 per cent of salary.

## Bentley Motors pays second-year increase

Employees at car maker Bentley have received a 3 per cent increase to basic salaries from 1 January 2013, in the second year of a two-year deal. The agreement, negotiated with Unite, covers some 2,600 manual and white-collar workers. The pay rise takes the spot rate for a semi-skilled manual worker (grade 2) to £22,307 a year and the salary midpoint for an engineer to £30,446 a year.

### Company bonus

Employees are also eligible for a company bonus based on 2012 targets. Under the original agreement, potential payments to be awarded in 2013 will range from £250 to £1,000. According to the firm, these

company targets have been met so it is likely that bonus payments will be towards the upper end of this range. The two-year deal also set out the value of bonuses to be paid in 2014, which range from £500 to £1,500 based on 2013 targets.

### New starter rates

In the first year of the agreement, employees at Bentley's Crewe manufacturing plant received an increase of 4 per cent from 1 January 2012. The deal also introduced new starter rates worth approximately 90 per cent of the established rate. Under the latest increase the grade 2 new starter rate has risen to £20,161 a year.

## Oxford City Council opts out of national bargaining

Oxford City Council has agreed a new five-year pay deal with staff, simultaneously ending the link with national pay bargaining in local government. The settlement awards consecutive increases of 1.5 per cent to all salaries and spine points on 1 April each year, beginning on 1 April 2013 and covering the period to 31 March 2018. As part of the deal, the council has restated its commitment to 'do everything possible to avoid compulsory redundancies,' an assurance originally given during the pay freeze in 2011. The five-year deal is not linked to inflation, contains no re-opener clause and covers all 1,250 directly-employed staff at the council.

### National bargaining

The decision to commit to a five-year pay deal effectively ends the council's affiliation with the NJC for England and Wales and sets

it apart as an 'opted-out' council, negotiating on pay, terms and conditions at a local level. At a time when a number of councils have threatened to withdraw if national bargaining yields too high an increase, it is significant that Oxford has withdrawn in order to offer a *higher* increase than is likely at a national level.

### Pay progression and spot rates

An element of incremental progression has been reintroduced as part of the five-year deal at Oxford. Progression at the council has been frozen since 2011, but will be partially restored through the gradual deletion of the bottom point of each pay grade. In October 2013, all employees on the bottom point of the pay grade for their role (about 500) will move up one spine point, subject to satisfactory performance and attendance,

## News in brief

### Draeger Safety

Some 450 employees at Draeger Safety's two sites in Blyth and Plymouth have been awarded pay increases of 3 per cent from 1 January 2013. Staff also received bonuses worth 1 per cent of salary or £300, whichever was higher, paid one month earlier in December 2012. Last year the company also increased basic pay by 3 per cent from 1 January 2012 and paid bonuses worth 1 per cent of salary. Draeger Safety manufactures breathing apparatus.

### Vue Cinemas

Salaried employees at cinema operator and developer Vue have received a 2.5 per cent combined general and merit increase, from 1 January 2013. The review covered around 500 salaried employees at the firm's head office and cinemas. Vue employs over 3,000 employees and operates 68 cinemas across the UK.

### Aga-Rayburn

Aga-Rayburn, the manufacturer of cast-iron cooking and heating appliances, has agreed 2 per cent pay increases for some 1,200 employees. The deal covers foundry, white-collar and retail staff and is effective from 1 January 2013. Last year employees were awarded pay increases of 2.5 per cent from 1 January 2012. Aga-Rayburn is part of the Aga Rangemaster group which owns brands such as Aga, Fired Earth and Leisure Sinks.

### Farsound Engineering

Some 90 employees at Farsound Engineering, which is based in Romford, Essex, have been awarded a general pay increase of 3 per cent from 1 January 2013. Last year, the company awarded 3 per cent pay rises from 1 January 2012. The company manufactures and distributes components and assemblies used in the aerospace, defence, marine, energy and petrochemical industries.

News in brief

**Motherwell Bridge**

Motherwell Bridge Engineering Group has implemented pay rises averaging 2 per cent from 1 January 2013, covering 240 manual workers and staff. The increases are in line with the National Agreement for the Engineering Construction Industry. The company, which was established in 1898, is based in Motherwell, Scotland and is involved in the building and maintenance of storage tanks, heat exchangers and gas holders.

**Darchem Engineering**

Some 690 employees at Darchem Engineering in Stockton-on-Tees have been awarded pay increases of 3.5 per cent from 1 January 2013. This brings the craft rate to £12.42 an hour. In 2012 employees were awarded pay rises of 4.5 per cent from 1 January. Darchem is a manufacturer of speciality metal fabrications and fire protection and insulation products for the aerospace, nuclear, defence, oil and gas and automotive industries. It is part of the larger Esterline Technologies.

**Iggesund**

Around 400 employees at the Workington mill of paperboard manufacturer Iggesund have received pay increases worth 2.6 per cent. For around 200 white-collar staff the increase was backdated to 1 January 2013, with the 200 blue-collar staff receiving the increase with effect from 1 February. The increases for both groups are in line with the national industry agreement negotiated each year between Unite and the Confederation of Papermaking Industries (CPI). All staff are eligible for quarterly bonuses, worth a maximum of 8 per cent, based on mill performance. Last year, both staff groups received increases of 3 per cent, with effect from 1 January and 1 February 2012.

with the lowest spine point then deleted for new starters in the role.

The progression and deletion of the bottom grading points will be repeated in October 2015 and October 2017 until the midpoint in any grade is reached. Some 300 craft workers are not covered by this element of the deal as they have their own separate progression arrangements based on defined productivity.

**'Partnership payments'**

In each year of the deal, staff will be eligible for a 'partnership payment'. This is a one-off, non-consolidated bonus to be paid to staff, subject to both satisfactory individual performance and to the council achieving its financial targets. The partnership payment will only be available to those not receiving a progression increment, meaning that it will be available to all employees in 2014 and 2016, and to all those not at the bottom of their grade in 2013, 2015 and 2017.

**Synthomer pays staged increases in 15-month deal**

Employees at specialist polymer manufacturer Synthomer have received general pay increases, with effect from 1 January 2013, in two separate agreements. The staged awards see some 230 white-collar employees receive pay increases of 2.7 per cent, with an additional 0.3 per cent payable from 1 January 2014.

The basic pay of 129 industrial staff was raised by 2.5 per cent, with a further 0.5 per cent from 1 October 2013, following negotiations with the Unite union. Both reviews will be effective for 15 months, with the annual review date moving to April from next year.

**Police lack 'clear mandate' for industrial action rights**

Police officers have voted by four-to-one to pursue the right for officers to take industrial action. However, the policy of the Police Federation of England and Wales is that a clear mandate to seek 'full industrial rights' can only be provided by more than half of the total membership voting in favour. The Police Federation has 133,108 members that were eligible to vote, of which 56,333, or 42 per cent, took part in the ballot. Over 80 per cent of these voted in favour.

Steve Williams, Police Federation Chair, said 'It would not be appropriate for us to pursue

**Pay premiums abolished**

To help fund the pay increases, all premiums for unsocial hours are to be abolished for new starters under the terms of the new settlement. Existing staff will continue to receive premium rates (at time-and-a-third or time-and-two-thirds) for working at weekends or on bank holidays as per their current contracts, but all new employees joining the council will be employed on a single flat rate of pay no matter when hours are worked.

As another part of the deal, the council will now provide a 20 per cent travel-to-work discount, effective from 1 April 2013. The scheme covers those travelling to work by bus or train, but not private cars. In addition, the existing staff discount scheme on other products and services has been enhanced.

For more details please see the full story on our online service.

**Bonus payments**

Both staff groups are eligible for annual bonuses worth between 8 and 12 per cent on average, based on company performance. Industrial staff are also eligible for bonuses based on individual performance, worth 2.4 per cent on average.

Last year, the company increased pay by 2.6 per cent for non-negotiated staff and by 2 per cent plus an additional £200 lump sum for industrial employees at the Harlow industrial site, with effect from 1 January 2012.

a course of action that could potentially change the employment status of more than 133,000 police officers if fewer than half of those officers have voted for us to do so.'

The vote came in response to a series of changes being made to police officer pay and conditions of service, under the wide-ranging Winsor review. These include the introduction of lower salaries for constables, the replacement of the current negotiating machinery with a pay review body and the introduction of performance-related progression.