STATES OF JERSEY



STATES OF JERSEY: PAY BENCHMARKING (R.99/2009) – ADDENDUM

Presented to the States on 8th September 2009 by the Chief Minister

STATES GREFFE

2009 Price code: A R.99 Add.

REPORT

- 1. Earlier this year, Hassell Blampied Associates were commissioned to undertake a pay benchmarking survey of the local private and public sectors of employment. The report confined itself to Manual Worker, Civil Service and Chief Officer jobs and did not include jobs like Nurses, Teachers, Policemen, Firefighters and Prison Officers, where local comparisons are not easily made.
- 2. Their report shows the following –

States of Jersey pay policy is in general higher relative to the market at the lower end of its pay scales than at the higher end.

BASE SALARY

Clerical and financial jobs

• The maximum **base salary** points for States of Jersey Civil Service Grades 5 to 11 - £25,264 - £50,725 (with Grade 11 representing a middle manager's level) are above the market rates and thereafter are consistent with or below the market.

Manual, technical and engineering jobs

- The maximum base **salary** points in States of Jersey Manual Worker Grades 2 and 3 (unskilled/semi-skilled jobs £21,658 £22,708) are above the market; at around the market line for the heavy populated manual worker Grades 5 and 6 £25,603 £27,709; and below the market for Grades 7 and 8 (£29,462 £34,081) where skilled technicians and many charge-hands are graded.
- For Civil Service jobs in these categories, the maximum **base salary** points in Grade 8 £35,658 (junior management) are below the market and the maximum **base salary** points in Grades 11 to 13 £50,725 £63,880 (middle management) are above the market.

Chief Officers

• The actual **base salaries** for States of Jersey Chief Officers are broadly in line with the market, except for the highest level roles where they fall below the market, in some cases of the order of 20%.

TOTAL CASH

• The report concludes that as bonuses are not paid in the public sector, total cash is identical to base pay. As bonuses are paid in many areas of the private sector, this results in many cases in private sector total cash being in excess of that in the public sector, especially at the higher ends of the pay scales.

The survey shows that to the extent that **base pay** is equal to **total cash** in the public sector, whereas in the private sector **total cash** can significantly exceed **base pay**, the private sector has a comfortable lead over States employees in the higher Civil Service Grades 12, 13, 14 and 15 (£55,752 – £79,794) and for Chief Officers.

- 3. Generally, the report confirms the broad trends demonstrated in the 2006 Hay survey. The States pay significantly better than the private sector in terms of **total cash** at the lower grades; are generally competitive at the middle grades; and continue to underpay the market at the more senior levels in the organisation. This position will be affected by the decision not to increase pay in the public sector in 2009 to the extent that market rates move over the next 12 months.
- 4. States employees' pension entitlements are generally better, in some cases significantly, than their private sector counterparts; and the continuation of a final salary calculation basis is a valued public sector benefit. Further, there is generally perceived greater security of employment in the public sector. These factors can assist the public sector to recruit and retain staff, even where the cash value of packages offered is lower than private sector equivalents.
- 5. The report also draws attention to the fact that States of Jersey pay scales comprise an "unusually" large number of grades.
- 6. A table expressing comparisons at various levels is attached at the **Appendix**.

Employee Relations September 2009

APPENDIX

SoJ CS	SoJ MW	SoJ Max	Survey Median	% + or -	SoJ Max	Survey Median	% + or -		
Grade	Grade	Base Pay			Total Cash				
	1								
	2	£21,658	£14,420	50.19%	£21,658	£14,420	50.19%	£7,238	£7,238
1	3	£22,708	£18,301	24.08%	£22,708	£18,301	24.08%	£4,407	£4,407
2	4								
3		£24,114	£21,225	13.61%	£24,114	£22,000	9.61%	£2,889	£2,114
4	5	£25,603	£22,363	14.49%	£25,603	£22,461	13.99%	£3,240	£3,142
5	6	£27,709	£22,938	20.80%	£27,709	£23,997	15.47%	£4,771	£3,712
6	7	£29,462	£26,000	13.32%	£29,462	£28,458	3.53%	£3,462	£1,004
7	8	£31,302	£30,500	2.63%	£31,302	£32,085	-2.44%	£802	-£783
8		£35,658	£32,952	8.21%	£35,658	£35,857	-0.55%	£2,706	-£199
9		£41,324	£35,000	18.07%	£41,324	£38,000	8.75%	£6,324	£3,324
10		£45,535	£40,172	13.35%	£45,535	£44,565	2.18%	£5,363	£970
11		£50,725	£45,000	12.72%	£50,725	£48,906	3.72%	£5,725	£1,819
12		£55,752	£53,333	4.54%	£55,752	£59,221	-5.86%	£2,419	-£3,469
13		£63,880	£65,000	-1.72%	£63,880	£70,457	-9.33%	-£1,120	-£6,577
14		£72,236	£76,796	-5.94%	£72,236	£90,828	-20.47%	-£4,560	-£18,592
15		£79,794	£80,391	-0.74%	£79,794	£98,544	-19.03%	-£597	-£18,750
"A" & above									