

**Highlands & Islands Airports Ltd and Dundee Aiprort Ltd**

Settlement Date: 01-Apr-19

Outturn forecast at:

Forecast Outturn / Actual Outturn for the previous remit	Forecast to end of year £	Staff in Post (FTE)
Paybill	21,505,384	386.00
Paybill Savings	3,221,228	
of which: Non-recurring Savings		
Forecast baseline paybill for 2019-20	21,505,384	
Confirm the 2018-19 remit was implemented in line with the approved remit	Yes	
Confirm the 2018-19 remit savings were delivered in line with the approved remit	No	

Paybill per Head £
55,713
55,713

Explanatory Information (differences compared to the approved remit for 2018-19)
•
•
The headcount savings that were hoped for at Dundee and Wick did not come through as the circumstances changed however the take on of the staff related to the ATMS project and IT were later than expected saving £1,375k in basic

Baseline Paybill	2019-20 £	Staff in Post (FTE)
Salaries: staff earning £36,500 or less	7,307,198	273.19
vacant posts	259,046	11.57
seasonal Staff	0	0.00
Total staff earning £36,500 or less	7,566,244	284.76
Salaries: staff earning above £36,500 & below £80,000	6,202,754	119.00
vacant posts	96,000	1.80
seasonal staff	0	0.00
Total staff earning above £36,500 & below £80,000	6,298,754	120.80
Salaries: staff earning £80,000 or more	250,806	3.00
vacant posts	0	0.00
seasonal staff	0	0.00
Total staff earning £80,000 or more	250,806	3.00
Total Staff Salaries	14,115,804	408.56
On-costs	5,225,544	37.0%
Gross Salaries	19,341,348	
Allowances (including on-costs)	1,940,570	
Overtime (including on-costs)	1,583,856	
Other (please specify)	0	
Total Baseline Paybill	22,865,774	408.56

Paybill per Head £
26,748
22,389
0
26,571
52,124
53,333
0
52,142
83,602
0
0
83,602
34,550
55,967

Explanatory Information (differences between the current baseline and previous year's paybill)
• Still to recruit ICT Systems Technician (£20,249 - 1 x 1 FTE), Comms Executive (£30K - 1 x 0.57 FTE), FF Dundee (£19,840 - 1 x 1 FTE), 7 x Abinitio (£23,162 - 7 x 1 FTE) & 2 x Trainee ATSA (£19,840 - 2 x 1 FTE)
• Still to recruit ICT Systems Architect (£58K - 1 x 1 FTE) & ICT Contract and Performance Officer (£47,500 - 1 x 0.8 FTE)
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Existing Pay Scales			
Grade	Minima	Maxima	Journey Time (yrs)

Total Staff in Post	FTE Staff in Post				Calculated baseline paybill for staff on their maxima
	£36,500 or below	Above £36,500 & below £80,000	£80,000 or above	On Max	
0.0	0.0	0.0	0.0	0.0	0

Key Metrics	£	Staff in Post (FTE)	Increase per FTE (£)
Progression	125,537	47.73	2,630

Outline proposals	Confirm	Additional Information (on how you plan to apply the pay policy to
Progression will be awarded to staff based on existing arrangements		•

Key Metrics		Proposed Increase £	Staff in Post (FTE)	Policy Limit £	Difference £
Staff earning £36,500 or less	Uplift for Scottish Living Wage			229,000	-7,703
	Basic award increase	221,297	280.32		
	Cost of applying 3% for staff just above £36,500				
Staff earning above £36,500 & below £80,000	Basic award increase	194,402	125.24	127,000	67,402
Staff earning £80,000 or above	Basic award increase	2,508	3.00	4,800	-2,292
Using paybill savings	Underpin of up to £750 for staff earning less than £25,000	11,657	138.66	141,000	-67,029
	Awarding up to 1% non-consolidated payment to existing staff on their maxima	62,313	357.00		
	Addressing inequalities				
		<b>492,178</b>		<b>501,800</b>	<b>-9,622</b>

Outline proposals	Confirm	Additional Information (on how you plan to apply the pay policy to your pay ranges)
All staff will be paid at least £17,385 following the pay award	Yes	•
All staff currently earning £36,500 or less will receive 3% (in addition to progression if applicable)	Yes	•
Will any part of the 3% be paid as non-consolidated?	No	
Do you propose to apply >2% to staff just above the £36,500 threshold to maintain the integrity of any grade which crosses the threshold?	Yes	•
Do you propose to vary the basic award increase between grades?	No	•
The cost of applying the basic award will be within the 2% limit on paybill increase?	Yes	
Increases to band maxima >2% will not result in the maxima exceeding the relevant market maxima by >5%	No	
All staff currently earning £80,000 or more will receive a basic award increase of no more than £1,600.	Yes	•
Do you plan to provide an cash underpin for lower paid staff? For example, £750 for those earning less than £25,000?	Yes	•
Do you plan to use the 1% paybill savings available to address inequalities and/or award a non-consolidated payment to staff on their maxima?	Yes	
Do your proposals include awarding up to 1% non-consolidated payment for existing staff on their maxima?	Yes	
Is the cost of addressing inequalities being wholly funded by paybill savings?	Yes	•
Do you propose to undertake a Pay and Grading review in 2018-19?	No	•
Do you propose to reduce progression journey times?	No	•
Consolidated increases to pay range maxima above policy limits will not result in the maxima exceeding the relevant market maxima by >5%	No	•
Do you propose any other changes not covered above.	No	•

Applied On-Costs Percentage	Pension	27.4%	37.0%
	NI	13.8%	
		41.2%	
Increase in Allowances & Overtime	86,327	88,000	
Paybill Savings	0		
of which: Non-recurring Savings	0		

Please provide details of any material changes not covered above that will impact on your Baseline Paybill and staff numbers for 2019-20 or beyond.

#### Declaration

The maximum cost of the proposals are affordable under existing budget provision and any changes to existing terms and conditions do not create future paybill pressures

You will contact Finance Pay Policy if there any changes to the information provided above or issues arise during pay discussions that have not already been identified

Confirm

Scottish Government Assessment

Affordability Estimate	Maximum Increase Based on Pay Policy £	Revised Costs £	Comments
Baseline Paybill	22,865,774	22,865,774	•
Progression	125,537	125,537	•
Maximum Increases against Policy Metrics	501,800	492,178	•
Increase in Allowances & Overtime	88,000	86,327	•
On-Costs	276,500	273,000	•
<b>Gross Estimated Cost of the Pay Award</b>	<b>991,837</b>	<b>977,042</b>	•
<b>Gross Estimated Paybill for 2019-20</b>	<b>23,857,611</b>	<b>23,842,816</b>	•
<b>Net Estimated Paybill for 2019-20 (adjusted for anticipated paybill savings)</b>	<b>23,857,611</b>	<b>23,842,816</b>	•
Apprenticeship Levy	59,000		•
Process recommendation	0		
Finance Pay Policy Rating		Comments	•
Sponsor Division Rating		Comments	•
2018-19 outturn rating			
2019-20 Remit Rating			