

Royal Mail Pay Directive 10/2000

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ROYAL MAIL WAY FORWARD - ALLOWANCES

1. Introduction

This Directive implements the changes to the Allowances from 8 May 2000 for CWU represented grades within the new Way Forward pay package.

The new system of Shift Payments has already been covered by Directive 5/2000. A Directive covering the special reserved rights payments for former PHGs (including Streamline Levels 3-6) and former van or fork-lift drivers will be issued shortly.

2. Allowances

The Way Forward agreement lists the allowances that will be available within the new pay package. These are the only payments, over and above the new higher level of basic pay, that should be made. Many of the existing allowances have been absorbed within the higher level of basic pay, which will now reflect and reward the broader range of skills covered by the new grade.

Where existing allowances will continue within the new pay package, the criteria for payment remain generally unchanged from the previous national agreement (see Annex 1).

Most of the allowances within the new pay package are assigned (i.e. paid to job holders during periods of paid absence). Common principles that apply to these allowances are:

- Evidence of entitlement is obtained from the appropriate Work Area Job Description, assessed against the criteria for the allowance.
- All assigned allowances are fully pensionable and contributory, and paid in current week.
- Payments are made for work within conditioned hours only. There is no additional payment for hours worked as overtime or SA. Ad hoc payments will be made on an intermittent pensionable basis (one week in arrears) where employees perform the appropriate task within conditioned hours on an ad hoc basis rather than as a normal requirement of their job.
- Payments are made pro-rata to conditioned hours (including single-rate overtime) to less than full-time employees.
- Apart from the Leadership Allowance which may be combined with another allowance in certain circumstances (e.g. with TPO Duty for "TPO in charge"), no more than one assigned allowance may be claimed by any employee during any week

3. Grading

The eligibility for the allowances listed in the Directive is set out in the attached Annex. As in the Way Forward agreement, the new Operational Grade will be eligible for all of the allowances listed in the agreement, with the new Operational Support Grade eligible for the Leadership Allowance and Non School Training Allowance only.

Royal Mail Pay Directive 10/2000

4. Payment during absence and on change of job

As currently, assigned allowances will continue to be paid during periods of paid absence, and abated in line with pay for periods of absence on less than full pay.

Intermittent and ad hoc allowances will only be paid for periods actually worked.

Payment continues so long as the employee holds the job concerned. As soon as an employee ceases to hold a job that qualifies for a particular allowance then payment ceases.

For swaps or exchange of job for periods less than on full week, there is no change in assigned allowance payments for the employees involved. For temporary job changes lasting one week or more, allowances will be paid to each employee according to the attendance actually worked.

5. Rotations within or between weeks

Employees on weekly rotations will receive an average assigned allowance payment reflecting the average of their various conditioned attendances. Although only one allowance may be reckoned for any given week, potentially someone rotating weekly between two jobs each of which attracts a different allowance would receive a payment based on the average of the two allowances.

The same approach is taken where a duty involves work qualifying for an allowance on some days of the week only (e.g. the arrangement in some small delivery offices in relation to the Leadership Allowance, where a front-line employee covers for one day each week in the absence of the manager). In this case the weekly assigned payment due will be reckoned according to the number of attendances requiring the work. Again, although only one allowance may be reckoned for any particular attendance, this may result in a weekly payment averaged from the amounts of different allowances (e.g. someone working a 5-day week is scheduled to drive an LGV vehicle of over 7.5 tonnes for three days and a smaller vehicle of 3.5 tonnes or over for two days, so the allowance due is 60% of the higher LGV rate plus 40% of the lower rate).

6. Starting pay in promotion

The existing arrangements continue unchanged. Skill and responsibility allowances are not used within the starting pay on promotion calculation. Any allowances due at the higher grade are paid on top of the promotion increase. However where the old basic pay plus the assigned allowance is greater than the old basic plus the promotion increase plus any allowance payable in the new job, then the higher figure may be retained on a mark-time basis.

7. Ad Hoc payments

Where the appropriate work is performed within conditioned hours on an infrequent or periodic basis, an equivalent one-off ad hoc payment will be made. This will be calculated as above, by dividing the weekly rate by the number of attendances to which they are conditioned for that week. Thus for a 5 day attendance 20% of the weekly allowance would be paid per day subject to a maximum of the full rate. Payment will be pensionable and contributory, one week in arrears.

Royal Mail Pay Directive 10/2000

8. Driving Allowances (MGV and LGV)

The new pay package contains allowances for driving vehicles plated at 3.50 tonnes and above, and above 7.5 tonnes. Entitlement is based on plated gross vehicle weight (indicated as the Ministry plate on each vehicle), although non-plated vehicles of 3.50 tonnes exactly (only) are included within the lower allowance category (which therefore includes vehicles from 3.50 tonnes up to and including 7.50 tonnes). To determine the eligibility local managers will need to check the vehicle's authorised classification with local operations and/or transport managers.

Note that the term HGV is no longer used for legal classifications. Vehicles from 3.51-7.50 tonnes are now called medium goods vehicles (MGV) and those from 7.51 tonnes are called large goods vehicle (LGV). For this purpose 1 Tonne (metric ton) = 1,000 Kilo.

Eligibility is based on the requirement to drive the vehicles concerned within conditioned hours. There is no longer any minimum time requirement for any particular attendance to qualify, although payment will not be made simply for moving vehicles within a yard. If any particular attendance requires driving a range of vehicles then the allowance payable will be the highest. The mere possession of the appropriate driving licence will not trigger entitlement to payments.

Within the former Streamline grades employees were paid according to skill level, with Level 5 relating to vehicles over 3.5 tonnes and Level 6 relating to articulated and draw bar vehicles. In future these employees will be paid driving allowances on the same basis as other employees, dependent upon the plated weight of the vehicles each job requires to be driven. Former Level 5 and 6 employees whose jobs do not require MGV or LGV driving will not be paid these allowances, although their former payments will be included within the assessment of guaranteed weekly pay.

Payment of driving allowances will cease as soon as the employee changes job or loses their ability to undertake the full driving duty e.g. due to their loss of their driving licence following a conviction by a court of law on a motoring offence. The compensation arrangements for employees coming off driving duties due to ill health are not affected by the Way Forward agreement. Details are set out within the People Management Framework.

Note that employees may not receive both an assigned driving allowance and the £6 reserved rights payment for former van or fork-lift drivers.

9. Weekend SA and MGV/LGV driving

There is provision for a special payment for MGV and LGV drivers on weekend SA (but not ordinary overtime) who are not otherwise in receipt of assigned driving allowance. The driving commitments concerned must involve at least three hours MGV/LGV driving scheduled between midnight Friday/Saturday to midnight Sunday/Monday.

These payments are made per weekend attendance on an intermittent and non-pensionable basis. Payment may be on top of any entitlement to the £6 reserved rights payment for former van or fork-lift drivers.

Royal Mail Pay Directive 10/2000

10. Postbus driving

This allowance applies to those employees driving a passenger carrying public Postbus, which therefore requires a PSV (Public Service Vehicle) license. It does not cover normal Royal Mail mini- or crew-buses.

Employees may not receive both this allowance and the £6 reserved rights payment for former van or fork-lift drivers.

11. Total Productive Maintenance (TPM)

The payment is to be made once TPM Foundation (stage 1) has been completed & formal Advanced (stage 2) training commences. Stage 2 TPM Operators will be expected to perform such tasks as clearing minor jams, replacing simple belts, and additional machine cleaning. As an assigned allowance payments will be made to those employees whose job requires TPM work to be performed on each attendance, on the same basis as other assigned allowances as set out above.

Where TPM work is performed on an ad hoc basis within conditioned hours then ad hoc payments may be made as for any other assigned allowance. There is no payment for work performed on overtime or SA, where the rates paid are already at a premium.

12. Payments outside of the remuneration package

There are some payments made to employees as reimbursement or compensation rather than as part of the pay package. These are not affected by the Way Forward, which has simply replaces all pay related allowances (although obviously payments related to loss of earnings will change to reflect the greater stability of earnings during absence provided by the new pay package). The payments that will continue outside of the pay package are as follows:

- a) Compensation for lost earnings due to attacks by dogs
- b) Payments made for relocation under the Code of Practice Agreement
- c) Payments following loss of driving for medical reasons
- d) All travel and subsistence payments including TPO trip and rest allowances
- e) Door-to-Door payments
- f) Payments for late provision of uniform
- g) Reimbursement for use of home as an office
- h) Pouching Off Allowance, which reflects both travelling expenses and travelling time
- i) Private Cycle Allowance

13. Leadership Allowance

This allowance replaces the existing supervisory postal allowance (sometimes also called PHG "A" or postal chageship allowance), but with the criteria for the allowance remaining unchanged (except that in future payment will be during conditioned hours only). Note that the "A" in PHG "A" relates to the additional supervisory "Allowance" and not to "A-level" tasks. The allowance reflects additional supervisory responsibilities and not simply carrying out administrative tasks of the sort that have always been appropriate to PHG/LA2 grades.

Royal Mail Pay Directive 10/2000

14. Cycle maintenance

As covered by Directive 9/2000, the cycle cleaning allowance ceases under Way Forward and can be included within the guaranteed pay calculation on a "one per person" basis. Where irregular arrangements already exist that have aggregated these payments to one employee who carries out all local cycle maintenance work, it has been agreed that this may continue on the basis that the maintenance work continues outside of scheduled conditioned hours, as an *interim* arrangement pending implementation of dedicated cycle mechanics into each Area. This is currently underway in order to conform with health & safety requirements. The interim arrangement is that the existing aggregated payment is reduced by £2.55 per week (i.e. by the amount included within the guaranteed pay calculation) and then fixed. This fixed payment, made when the employee is at work only, will then continue (reflecting the additional and otherwise unpaid work being done over and above conditioned hours) until such time as the work is transferred to a dedicated cycle mechanic. This arrangement applies to the current nominated employee only.

15. Queries

Should you need further assistance please contact:

Policy issues	SD Personnel	P/L 5460 2589
HR / Payroll Procedures issues	HR Support @ Chesterfield	P/L 5888 6060

Royal Mail Pay Directive 10/2000

SCHEDULE OF AUTHORISED ALLOWANCES

Allowance	Grade	Description/Qualifications	Reckonability
Central Postal Control	LA1 EL2 ML3 NPC9	Paid to employees working within the Central Postal Control unit (instead of all other premia, overtime and allowance payments)	SPA
Compensation for lost earnings due to attacks by dogs	Operational Grade only	Paid as compensation for a drop in earnings during absence from work due to illness or injury as a result of an attack by a dog whilst on duty. Absence must be at least one week and is subject to an overall maximum of 13 weeks. The attack must be reported without delay and recorded in the accident book. A claim form is submitted to and authorised by the Claims Handling unit at Chesterfield. A weekly payment based on average earned in overtime, scheduled attendance and shift payments (after two months absence) based on the amounts earned during the 13 weeks prior to initial absence. Earnings in December are ignored in calculation. Shift payments made whilst on sick leave will be offset against the compensation paid.	T
Double day shift working (obsolete)	Some engineering grades	For shifts falling wholly within 0730 - 1800 For shifts falling wholly or partly outside the period 0730 - 1800 and within finishing times: - not later than 2000 - after 2000 and up to and including 2100 - after 2100 and up to and including 2200	P if earned in conditioned hours
House of Commons	LA 1 only	Responsibilities for working within Palace of Westminster	SPOA
Language	LA1 only	Employees at Offices of Exchange who need a language qualification to carry out their duties. Does not apply to translations to and from Welsh, Gaelic etc.	SPOA

Royal Mail Pay Directive 10/2000

Allowance	Grade	Description/Qualifications	Reckonability
Long Attendance	LA 1 only	<p>Paid when the daily scheduled attendance, excluding overtime, exceeds certain limits. The excess qualifies for an allowance. In each case the allowance is granted as follows, a day being the period midnight to midnight:-</p> <p>(a) On duties with attendance on 6 days a week. attendance in excess of 10 hours in one day or 18 hours in two days is reckonable.</p> <p>(b) On duties with attendance on 5 1/2 days a week attendance in excess of 10 1/2 hours in one day or 19 hours in two days is reckonable.</p> <p>(c) On duties with attendance on 5 days a week, attendance in excess of 11 hours in one day or 20 hours in two days is reckonable.</p> <p>The allowances are not granted for:-</p> <p>(a) A period of duty which qualifies for a long covering period allowance.</p> <p>(b) Special attendance scheduled during the Christmas season.</p> <p>(c) Exceptional duties where attendance are scheduled on less than 5 days a week.</p> <p>(d) Duties which have been specially authorised.</p> <p>The excess is reckoned as time and a quarter towards the scheduled duty for the week.</p>	T
Split Duties/Long Covering Periods	LA 1 LA 2 Operational Grade Operational Support Grade	<p>Employees performing split attendance with covering periods in excess of 10 hours</p> <p>Operational, Operational Support and LA2 grade - a set sum</p> <p>LA1 grade - a time allowance of 1 minute for each 4 minutes., for the excess above 10 hours</p>	PAX T

Royal Mail Pay Directive 10/2000

Allowance	Grade	Description/Qualifications	Reckonability
Loss of Driving	Operational Grade	<p>Employees removed from driving duties on recommendation of EHS. Paid on a reducing scale over a maximum period of payment of 3 months.</p> <p>Employees must have been employed on driving duties for at least 12 months. Compensation based on total driving allowances earned in previous 12 months divided by 52.</p> <p>Payment made as follows: Month 1 - 4 times the calculated sum Month 2 - 60% of month 1 Month 3 - 30% of month 1</p> <p>Note: where the employee continues to hold the job but is absent, payment of driving allowance will continue under the normal rules for assigned allowances.</p>	T
LGV and MGV Driving	Operational Grade	<p>Paid when employees are required to drive medium or large goods vehicles within conditioned hours (allowances are not paid during training or for driving practice).</p> <p>Only one allowance is payable for driving in any period of 24 hours.</p> <p>a) Plated vehicles 3.50 tonnes to 7.50 tonnes.</p> <p>(b) Vehicles plated over 7.5 tonnes gross.</p>	SPA
Postbus Driving	Operational Grade	<p>Driving a public service Postbus. This only applies to driving a bus carrying fare paying passengers it does not apply to driving crew or mini-buses.</p>	SPA
MGV and LGV Driving on weekend Scheduled Attendance	Operational Grade	<p>Paid to employees working SA requiring at least three hours MGV or LGV driving on a Saturday or Sunday and who are not already in receipt of assigned MGV or LGV allowance for that week.</p>	T

Royal Mail Pay Directive 10/2000

Allowance	Grade	Description/Qualifications	Reckonability
Night Attendance	See Pay Compendium	Payable for employees required to attend for work between 1900 and 0600. The allowance is paid for hours actually worked. Not payable to engineering employees nor to the Operational, Operational Support and LA2 grades	T, P on conditioned hours only
Training (Non School Postal training)	Operational Grade Operational Support Grade	Training Instructors for training not carried out at central training school in work at the same grade, where at least two or more trainees are instructed at the same time. Instruction given for only part of the week should be made on the basis of a complete days attendance, reckonable hours if necessary being aggregated on a weekly basis.	Nil
Pouching Off	Operational Grade	Paid where a delivery walk extends to a considerable distance from the delivery office and it is more economic or improves attendance to allow the employee to return home immediately upon completion of delivery. Payable when the employee has to travel over half a mile more a day after completing duty, than he would travel if he were to book off at the office, compensation will be paid for excess distance beyond half a mile. The allowance represents payment for both travelling expenses and travelling time.	T
Private Cycle	Operational Grade	Paid for use of private cycle of scheduled cycling duties where: <ul style="list-style-type: none"> - An employee prefers to use their own cycle or an official cycle is not available for use; - A part time postman/woman works from and to a point on the roadside where the use of a cycle cannot be officially controlled; - A cycle is used on short journeys and the postman/woman is willing to provide their own cycle at less than the cost of an official cycle. Payment includes cleaning and minor repairs	T

Royal Mail Pay Directive 10/2000

Allowance	Grade	Description/Qualifications	Reckonability
Scheduled Rural Waiting time away from HQ.	Operational Grade	Paid to full time rural employees where there is a booked off period of more than 2 hours at the end of the outward journey within conditioned hours.	SPA
Saturday Attendance	LA1	Paid for attendance within conditioned hours or on overtime on a Saturday.	T, P if conditioned hours
Saturday Attendance	Secretarial grades	For attendance within conditioned hours. Employees are paid whichever is more beneficial: a) a monetary allowance of $\frac{1}{3}$ of single hourly rate for each hour worked between 1230 and 2000. b) a monetary allowance of $\frac{1}{5}$ of single hourly rate for each hour worked on the day. For attendance on overtime between 1230 and 2000 - a monetary allowance of $\frac{1}{3}$ of single hourly rate for each hour worked (not payable where a shift allowance is paid).	T, P if in conditioned hours
Scottish and Distant Islands (SDIA)	Employees working in specified locations	Paid in recognition of a number of factors and conditions considered to be sufficiently different and uniquely appropriate to employees working in these locations.	S
24 Hour Shift Working	Engineering Grades	24 hour shift payments are made for working approved shift rota patterns as per the Engineering 2000 Agreement. No payment is made for shifts on overtime.	SPA
Ad Hoc Shift Working	Engineering Grades	Ad hoc shift payments are made to engineers not in receipt of the 24-Hour Allowance who work shifts, within conditioned hours, on an ad hoc basis.	
Shift allowance	Operational Grade Operational Support Grade EL and ML Managers.	Assigned to employees for duties starting or finishing within certain times (see pay rates appendix for details)	AX, generally P

Royal Mail Pay Directive 10/2000

Allowance	Grade	Description/Qualifications	Reckonability
Six day attendance	RM. Executive Managers. RM. Managers	Paid for working a 6 day week on conditioned hours on a permanent basis. Employees on a permanent rotation that requires them to work a 6 day week, receive the allowance on a pro-rata basis. Employees temporarily promoted, or substituting to or within these grades for at least one week on a 6 day duty, receive the allowance on a weekly basis. This also applies to leave reserves. No payment is made where the sixth attendance is on overtime.	SPA
Leadership	Operational Grade Operational Support Grade	<p>Paid where there are no senior officers present and the following criteria are met (during conditioned hours only):</p> <ul style="list-style-type: none"> (a) supervision is for at least one and three quarter hours a day (separate periods of 30 minutes may be aggregated) (b) between 0600 and 2200 there are at least six employees (including the allowance holder) on duty in an office, section or railway station, and effective supervision cannot be given by a substantive supervisor (c) primary responsibility is taken for a section of work or employees during the preparation for first delivery and the sole Manager on duty is in charge of at least 30 employees and is unable to be reasonably expected to exercise adequate supervision; (d) in charge of a sorting office or railway station at night with at least four employees (including the allowance holder) are on duty, or three in the case of a TPO; (e) exceptionally for a single period of one and a half hours supervision on station duties; (f) if an inspection has established the need for supervision in addition to that which can be normally provided and there is a minimum requirement of two hours supervision; <p>Allowance holders should only be expected to undertake manipulative work during their supervision periods as long as this is consistent with their being able to exercise effectively the required degree of employee control.</p>	SPA

Royal Mail Pay Directive 10/2000

Allowance	Grade	Description/Qualifications	Reckonability
Advanced Total Productive Maintenance (TPM)	Operational Grade	<p>Paid to employees involved with TPM during conditioned hours.</p> <p>Operators who have successfully completed Advanced TPM training will receive an allowance whilst holding jobs requiring TPM work. Operators will be trained to perform additional tasks such as: - clearing minor jams, replacing simple belts, additional machine cleaning.</p>	SPA
Travelling Post Office	Operational Grade	<p>Paid to employees on Travelling Post offices within conditioned hours in recognition of and compensation for:-</p> <ul style="list-style-type: none"> - Discomfort - Erratic attendance - Long periods away from home - Effect on social and family life - General working conditions on TPOs 	SPA
Travelling Post Office - Trip Allowance	Postal	<p>Paid to TPO employees where their duties take them away from their Headquarters on official journeys. Paid in addition to TPO duty allowance. Note that this is a subsistence payment as reimbursement, and not an allowance within pay.</p>	Nil

Allowances reckonable for pension/sick pay/ overtime/starting pay on promotion and those on which contributions are payable to the POSSS / POPS are denoted by the following letters:-

P = Reckonable for pension purposes.

S = During sick leave the allowance is continued at full or half rate or discontinued in accordance with whatever sick pay is due.

X = Payment is continued during paid absence, except that payment will cease after any single spell of two months continuous paid absence from work and during any absence on less than full pay

O = Included with pay in calculating overtime payments, but not Scheduled Attendance.

A = Assigned allowances, subject to superannuation contributions.

T = See below.

Allowances for part-time employees are paid pro-rata to contractual hours (but including single-rate overtime up to normal full-time hours) unless the allowance is paid hourly, tied to a span of time, or based on the employee's previous earnings, in which cases the allowance is marked "T" above.