

## Pay award worked examples for 35 & 37 hour weeks

These fictitious worked examples are designed to provide some guidance on how the arrears are calculated. The arrears you are entitled to is dependent on which category of the award is applicable to you.

Calculations are based on gross salary figures.

### The examples below are based on employees working a 35hour week.

35 hour contract \*52weeks = 1820 hours per annum

#### **Example 1. How the arrears would be calculated for an Employee in receipt of the Scottish Local Government Living Wage entitled to the £2,000 uplift calculated on a nominal 36-hour full-time working week, e.g. Salary point 9 –**

- arrears due for the period 01/04/22 – 31/10/22

Employee due  $\text{£}2,000/36*35 = \text{£}1,944.44/1820 = \text{£}1.07$  increase on previous hourly rate which was  $\text{£}9.78$

$\text{£}9.78 + \text{£}1.07 = \text{£}10.85 * 1820 = \text{£}19,747$  new annual salary wef 01/04/22

**\*please note that Highland Council employees have been in receipt of the real living wage of £9.90 since 01/04/22, however the award was applied to the Scottish Local Government Living Wage £9.78\***

Salary prior to pay award

Annual	1/12 <sup>th</sup>	Hourly rate
£18,018	£1,501.50	£18,018/1820 = £9.90

Salary after pay award

£19,747	£1,645.58	£19,747/1820 = £10.85
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- Basic Pay  $\text{£}1,645.58 - \text{£}1,501.50 = \text{£}144.08 * 7 = \text{£}1,008.56$  – arrears due for the period 01/04/22 – 31/10/22

Pay Element	Tax Year	Tax Period	Old Rate	New Rate	Old Amount	New Amount	Backpay Calculated
1020	2022	01	0.0000	0.0000	1501.50	1645.58	144.08
1020	2022	02	0.0000	0.0000	1501.50	1645.58	144.08
1020	2022	03	0.0000	0.0000	1501.50	1645.58	144.08
1020	2022	04	0.0000	0.0000	1501.50	1645.58	144.08
1020	2022	05	0.0000	0.0000	1501.50	1645.58	144.08
1020	2022	06	0.0000	0.0000	1501.50	1645.58	144.08
1020	2022	07	0.0000	0.0000	1501.50	1645.58	144.08

Total Amount for Employee : 1008.56

**Example 2. How the arrears would be calculated for an Employee entitled to the £1,925 uplift on a nominal 36-hour full-time working week who is also in receipt of overtime and enhancements –**

- arrears due for the period 01/04/22 – 31/10/22 on 1020 basic pay, 1450 straight time, 1887 sleep in allowance, 7800 holiday pay and 7850 pensionable holiday pay

Employee due  $\text{£}1,925/36 \times 35 = \text{£}1,871.53/1820 = \text{£}1.03$  increase on previous hourly rate which was  $\text{£}19.83$

$\text{£}19.83 + \text{£}1.03 = \text{£}20.86 * 1820 = \text{£}37,965.20$  new annual salary

Salary prior to pay award

Annual	1/12 <sup>th</sup>	Hourly rate
£36,090.60	£3,007.55	£36,090.60/1820 = £19.83

Salary after pay award

£37,965.20	£3,163.77	£37,965.20/1820 = £20.86
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- Basic pay  $\text{£}3,163.77 - \text{£}3,007.55 = \text{£}156.22 * 7 = \text{£}1,093.54$  arrears due for the period 01/04/22 – 31/10/22
- Holiday pay old amount due  $\text{£}872.52 * 8.3\% = \text{£}72.42$  New amount due  $\text{£}917.84 * 8.3\% = \text{£}76.18$   $76.18 - 72.41 = \text{£}3.76$  due for hours paid in August mth 5
- Overtime  $\text{£}917.84 - \text{£}872.52 = \text{£}45.32$  due for overtime worked in August mth 5
- Sleep in allowance old rate  $\text{£}31.91 + 5\%$  for the pay award =  $\text{£}33.51$  new rate

Pay Element	Tax Year	Tax Period	Old Rate	New Rate	Old Amount	New Amount	Backpay Calculated
1020	2022	01	0.0000	0.0000	3007.55	3163.77	156.22
1020	2022	02	0.0000	0.0000	3007.55	3163.77	156.22
1020	2022	03	0.0000	0.0000	3007.55	3163.77	156.22
1020	2022	04	0.0000	0.0000	3007.55	3163.77	156.22
1020	2022	05	0.0000	0.0000	3007.55	3163.77	156.22
1020	2022	06	0.0000	0.0000	3007.55	3163.77	156.22
1020	2022	07	0.0000	0.0000	3007.55	3163.77	156.22
1450	2022	02	19.8300	20.8600	148.73	156.45	7.72
1450	2022	05	19.8300	20.8600	872.52	917.84	45.32
1887	2022	02	31.9100	33.5100	63.82	67.02	3.20
1887	2022	04	31.9100	33.5100	287.19	301.59	14.40
1887	2022	05	31.9100	33.5100	287.19	301.59	14.40
1887	2022	07	31.9100	33.5100	861.57	904.77	43.20
7800	2022	02	0.0000	0.0000	16.46	17.10	0.64
7800	2022	05	0.0000	0.0000	72.42	76.18	3.76
7850	2022	02	0.0000	0.0000	5.57	5.83	0.26
7850	2022	04	0.0000	0.0000	23.84	25.03	1.19
7850	2022	05	0.0000	0.0000	23.84	25.03	1.19
7850	2022	07	0.0000	0.0000	71.51	75.10	3.59

Total Amount for Employee : 1232.41

**Example 3. How the arrears would be calculated for an Employee if they were in receipt of the 5% uplift e.g. Salary point 41 –**

- arrears due 01/04/22 – 31/10/22

$\pounds 1,925/36 \times 35 = \pounds 1,871.53/1820 = \pounds 1.03$  this is less than a 5% increase on the employees' old hourly rate e.g.  $\pounds 22.10 \times 5\% = \pounds 1.11$  therefore they are entitled to the 5% increase

Salary prior to pay award

Annual	1/12 <sup>th</sup>	Hourly rate
£40,222	£3,351.83	$\pounds 40,222/1820 = \pounds 22.10$

Salary after pay award

£42,242.20	£3,520.18	$\pounds 42,242.20/1820 = \pounds 23.21$
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- Basic pay  $\pounds 3,520.18 - \pounds 3,351.83 = \pounds 168.35 \times 7 = \pounds 1,178.45$  arrears due for the period 01/04/22 – 31/10/22

Pay Element	Tax Year	Tax Period	Old Rate	New Rate	Old Amount	New Amount	Backpay Calculated
1020	2022	01	0.0000	0.0000	3351.83	3520.18	168.35
1020	2022	02	0.0000	0.0000	3351.83	3520.18	168.35
1020	2022	03	0.0000	0.0000	3351.83	3520.18	168.35
1020	2022	04	0.0000	0.0000	3351.83	3520.18	168.35
1020	2022	05	0.0000	0.0000	3351.83	3520.18	168.35
1020	2022	06	0.0000	0.0000	3351.83	3520.18	168.35
1020	2022	07	0.0000	0.0000	3351.83	3520.18	168.35
Total Amount for Employee :							1178.45

**Example 4. How the arrears would be calculated for an Employee if they were in receipt of a salary over £60,000 based on a 37-hour week –**

- arrears due 01/04/22 – 31/10/22

Employee due  $\text{£}3,000/37 \times 35 = \text{£}2,837.84/1820 = \text{£}1.56$  increase on previous hourly rate which was  $\text{£}46.47$

$\text{£}46.47 + \text{£}1.56 = \text{£}48.03 * 1820 = \text{£}87,414$  new annual salary

Salary prior to pay award

Annual	1/12 <sup>th</sup>	Hourly rate
£84,575.40	£7,047.95	£84,575.40/1820 = £46.47

Salary after pay award

£87,414.60	£7,284.55	£87,414.60/1820 = £48.03
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- Basic Pay  $\text{£}7,284.55 - \text{£}7,047.95 = \text{£}236.60 * 7 = \text{£}1,656.20$  arrears due for the period 01/04/22 – 31/10/22

Pay Element	Tax Year	Tax Period	Old Rate	New Rate	Old Amount	New Amount	Backpay Calculated
1020	2022	01	0.0000	0.0000	7047.95	7284.55	236.60
1020	2022	02	0.0000	0.0000	7047.95	7284.55	236.60
1020	2022	03	0.0000	0.0000	7047.95	7284.55	236.60
1020	2022	04	0.0000	0.0000	7047.95	7284.55	236.60
1020	2022	05	0.0000	0.0000	7047.95	7284.55	236.60
1020	2022	06	0.0000	0.0000	7047.95	7284.55	236.60
1020	2022	07	0.0000	0.0000	7047.95	7284.55	236.60
Total Amount for Employee :							1656.20

**The examples below are based on employees working a 37hour week.**

These fictitious worked examples are designed to provide some guidance on how the arrears are calculated. The arrears you are entitled to is dependent on which category of the award is applicable to you.

37-hour contract \*52weeks = 1924 hours per annum

**Example 1. How the arrears would be calculated for an Employee in receipt of the Scottish Local Government Living Wage entitled to the £2,00 uplift calculated on a nominal 36-hour full-time working week, salary scale**

**point 9 –**

- arrears due for the period 01/04/22 – 31/10/22

Employee due  $\text{£}2,000/36*37 = \text{£}2,055.56/1924 = \text{£}1.07$  increase on previous hourly rate which was  $\text{£}9.78$

$\text{£}9.78 + \text{£}1.07 = \text{£}10.85 * 1924 = \text{£}20,875.40$  new annual salary wef 01/04/22

**\*please note that Highland Council employees have been in receipt of the real living wage of £9.90 since 01/04/22, however the award was applied to the Scottish Local Government Living Wage £9.78\***

Salary prior to pay award

Annual	1/12 <sup>th</sup>	Hourly rate
£19,047.60	£1,587.30	$\text{£}19,047.60/1924 = \text{£}9.90$

Salary after pay award

£20,875.40	£1,739.62	$\text{£}20,875.40/1924 = \text{£}10.85$
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- Basic Pay  $\text{£}1,739.62 - \text{£}1,587.30 = \text{£}152.32 * 7 = \text{£}1,066.24$  – arrears due for the period 01/04/22 – 31/10/22

Pay Element	Tax Year	Tax Period	Old Rate	New Rate	Old Amount	New Amount	Backpay Calculated
1020	2022	01	0.0000	0.0000	1587.30	1739.62	152.32
1020	2022	02	0.0000	0.0000	1587.30	1739.62	152.32
1020	2022	03	0.0000	0.0000	1587.30	1739.62	152.32
1020	2022	04	0.0000	0.0000	1587.30	1739.62	152.32
1020	2022	05	0.0000	0.0000	1587.30	1739.62	152.32
1020	2022	06	0.0000	0.0000	1587.30	1739.62	152.32
1020	2022	07	0.0000	0.0000	1587.30	1739.62	152.32

Total Amount for Employee : 1066.24

**Example 2. How the arrears would be calculated for an Employee entitled to the £1,925 uplift on a nominal 36-hour full-time working week who is also in receipt of overtime and enhancements –**

- arrears due for the period 01/04/22 – 31/10/22

Employee due  $\pounds 1,925/36 \times 37 = \pounds 1,978.47/1924 = \pounds 1.03$  increase on previous hourly rate which was  $\pounds 12.22$

$\pounds 12.22 + \pounds 1.03 = \pounds 13.25 * 1924 = \pounds 25,493$  new annual salary

Salary prior to pay award

Annual	1/12 <sup>th</sup>	Hourly rate
$\pounds 23,511.28$	$\pounds 1,959.27$	$\pounds 23,511.28/1924 = \pounds 12.22$

Salary after pay award

$\pounds 25,493$	$\pounds 2,124.42$	$\pounds 25,493/1924 = \pounds 13.25$
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- Basic pay  $\pounds 2,124.42 - \pounds 1,959.27 = \pounds 165.15 * 7 = \pounds 1,156.05$  arrears due for the period 01/04/22 – 31/10/22

Pay Element	Tax Year	Tax Period	Old Rate	New Rate	Old Amount	New Amount	Backpay Calculated
1020	2022	01	0.0000	0.0000	1959.27	2124.42	165.15
1020	2022	02	0.0000	0.0000	1959.27	2124.42	165.15
1020	2022	03	0.0000	0.0000	1959.27	2124.42	165.15
1020	2022	04	0.0000	0.0000	1959.27	2124.42	165.15
1020	2022	05	0.0000	0.0000	1959.27	2124.42	165.15
1020	2022	06	0.0000	0.0000	1959.27	2124.42	165.15
1020	2022	07	0.0000	0.0000	1959.27	2124.42	165.15
Total Amount for Employee :							1156.05