

MANUFACTURERS MAKE ALLOWANCES FOR STANDBY & CALL-OUT

The 2017-18 Standby and Call-Out Allowances benchmark examines what type of employees are asked to be on standby/call-out and why, and also what allowances they receive.



- 37 % of companies have some of their employees who are on call-out only
- 35 % of companies ask some of their employees to be on both standby and call-out
- Less than 1 in 3 manufacturers say they do not operate standby and call-out
- The main reason for employees to be on standby or call-out is breakdown or repair of machinery and equipment



For those on call-out only:

- Maintenance employees are the group that are most likely to be called-out
- 84 % of respondents give variable payments, the most common approach is to pay for a minimum number of hours worked



For those with standby and call-out:

- Engineering employees are the most likely to be on standby/call-out
- 65 % of companies give fixed payments for standby, whereas the majority (79 %) give variable payments for call-out
- The most popular payment arrangement for call-out is to pay for the hours worked, although paying minimum hours is also very prevalent



The sample: One hundred and forty-seven manufacturers responded across England, Wales and Scotland. Only those companies with a manufacturing 2007 SIC have been included.

The survey period: the survey was open for responses throughout October 2017 and the start of November 2017.

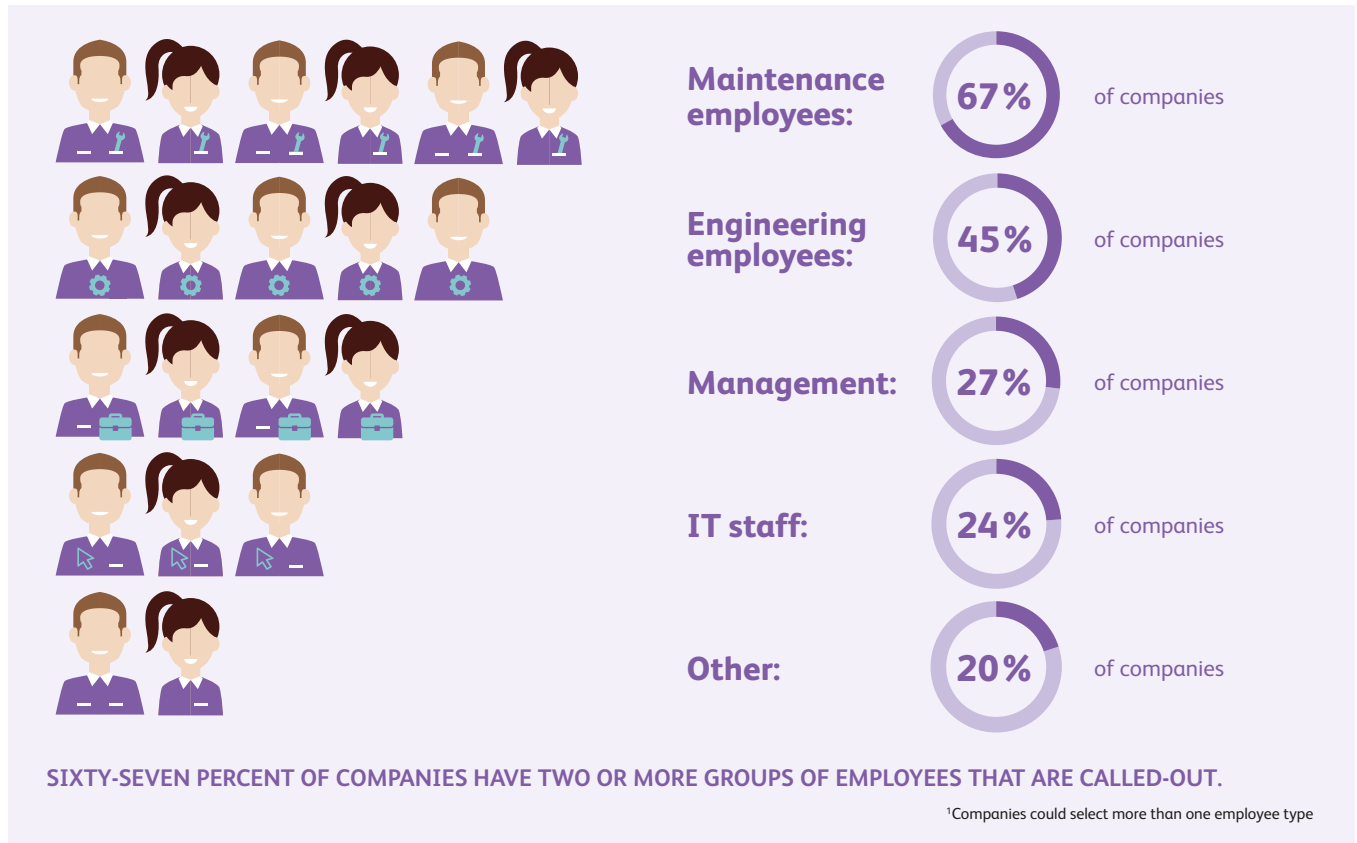
SECTION 1: CALL-OUT ONLY



This section examines the 55 companies that have some employees that are called-out, outside of normal working hours, but who are not required to be on standby.

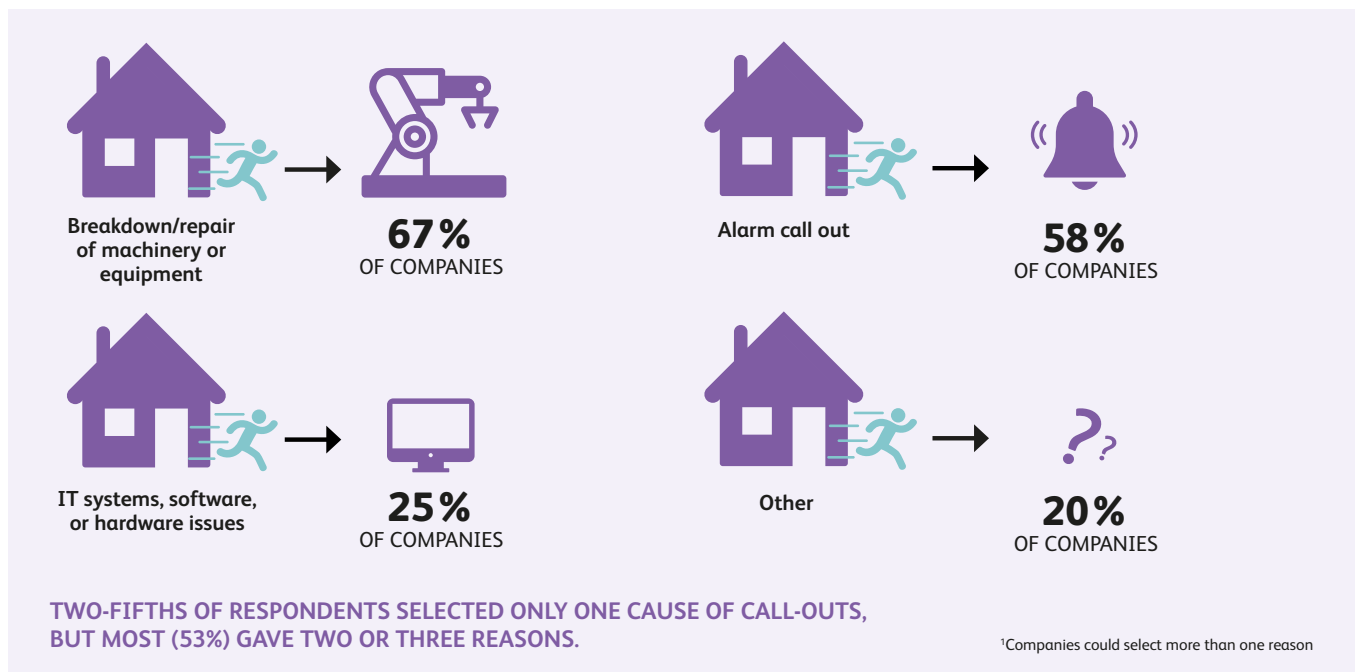
TYPE OF EMPLOYEES ON CALL-OUT

% of companies¹



REASONS FOR CALL-OUT

% of companies¹



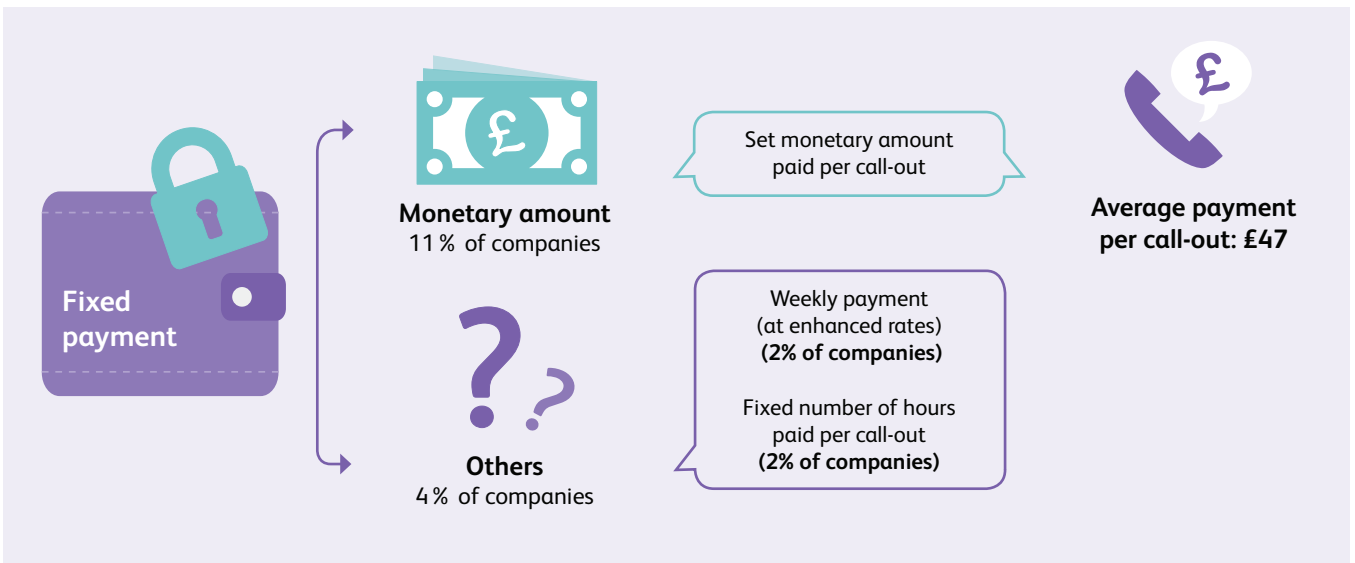
TYPE OF CALL-OUT PAYMENT

% of companies



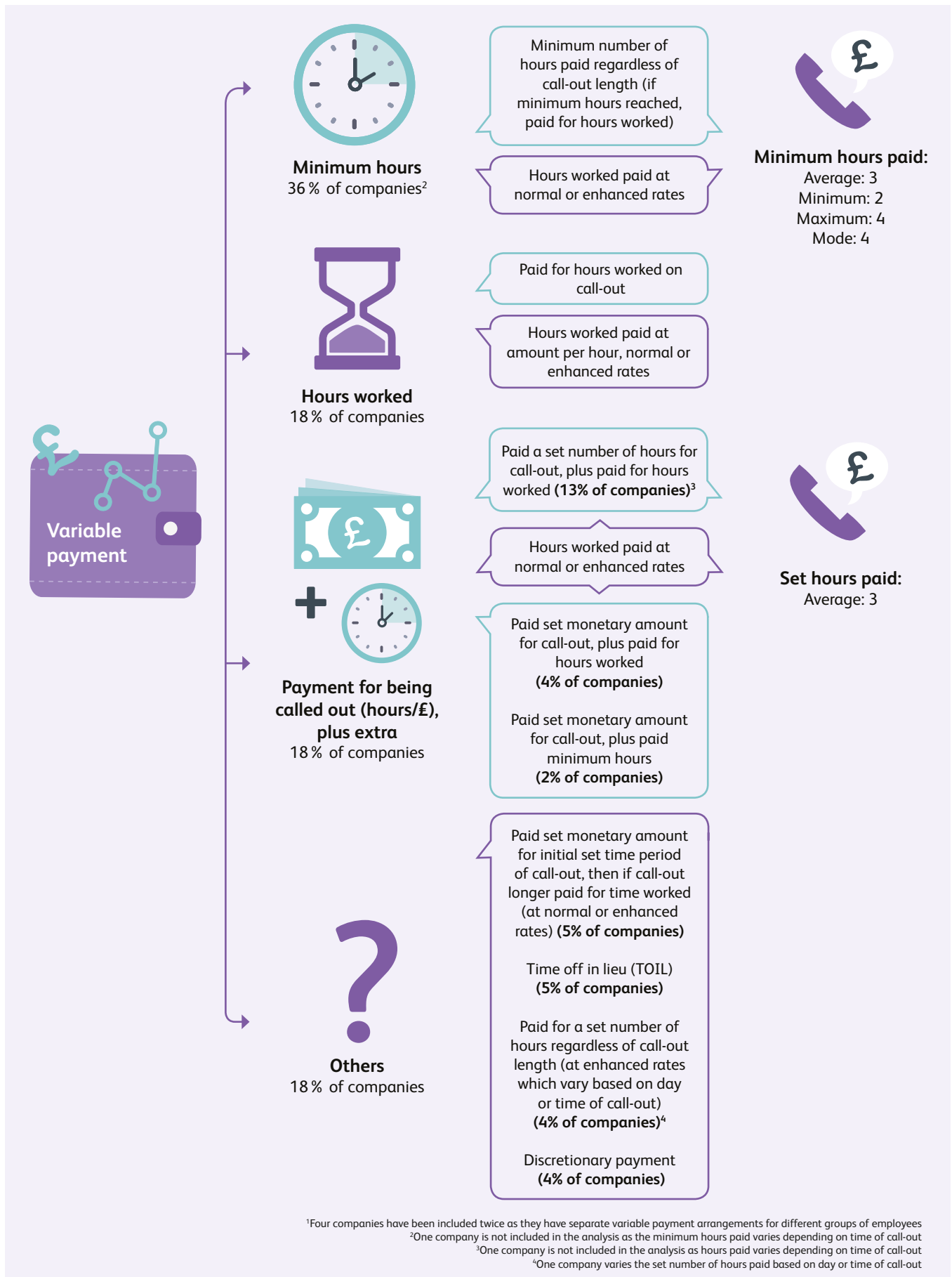
FORM OF CALL-OUT PAYMENT AND AMOUNT

Fixed payment - % of companies



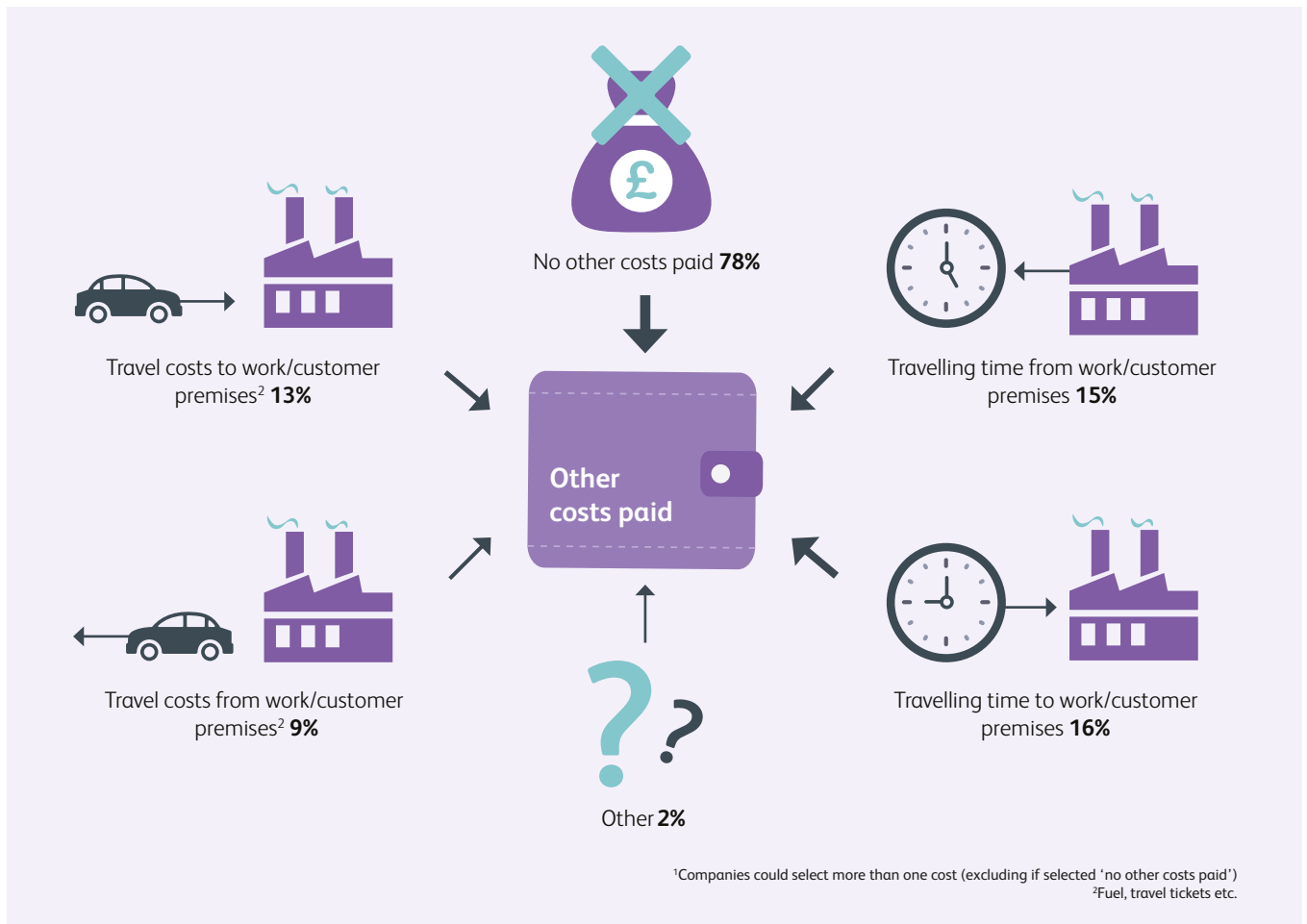
FORM OF CALL-OUT PAYMENT AND AMOUNT

Variable payment - % of companies¹



OTHER COSTS PAID FOR CALL-OUT

% of companies¹



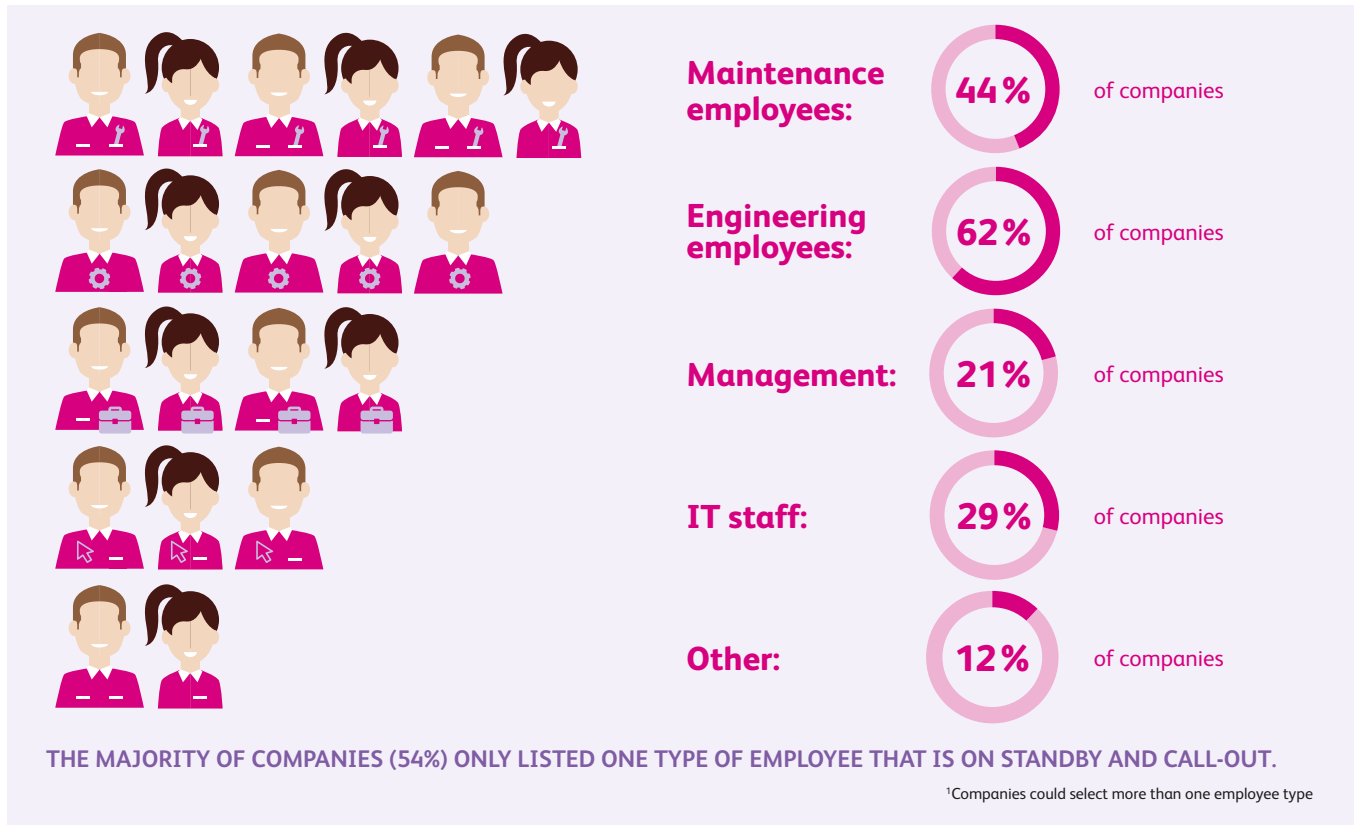
SECTION 2: COMBINATION OF STANDBY & CALL-OUT



This section examines the 52 companies that have some employees that are required to be on standby at particular times and who may also be called-out.

TYPE OF EMPLOYEES ON STANDBY & CALL-OUT

% of companies¹



REASON FOR STANDBY & CALL-OUT

% of companies¹



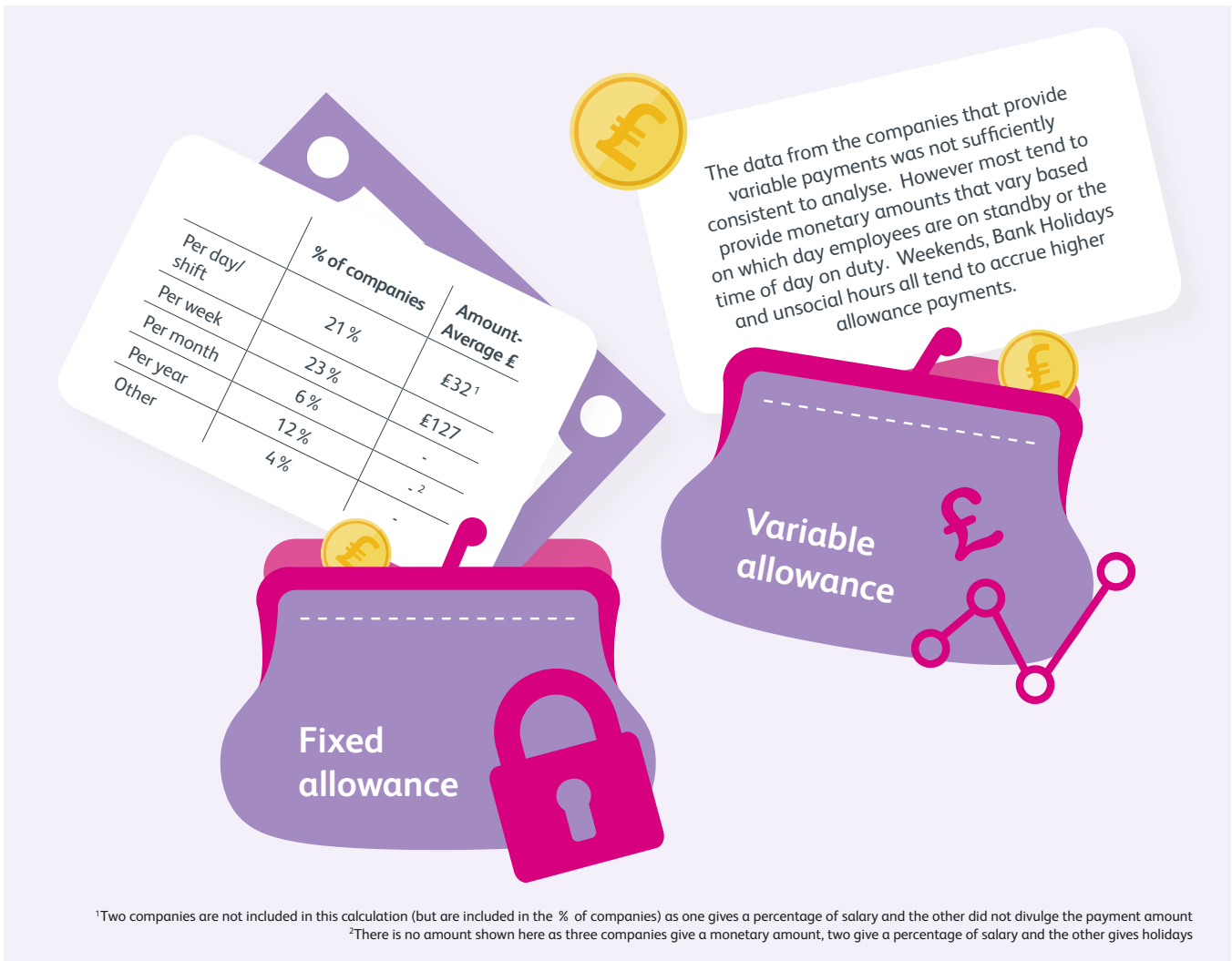
TYPE OF STANDBY ALLOWANCE

% of companies¹



FORM OF STANDBY ALLOWANCES AND AMOUNT

% of companies



RESTRICTIONS ON EMPLOYEES ON STANDBY

% of companies¹

RESTRICTIONS



Employees are not subject to any restrictions

10 % of companies



Need to be contactable by phone

90 % of companies



Must not consume alcohol

65 % of companies



Required to be within a certain distance of the office/site

38 % of companies



Other

2 % of companies



SEVEN IN TEN MANUFACTURERS IMPOSE EITHER TWO OR THREE RESTRICTIONS ON EMPLOYEES WHO ARE ON STANDBY DUTY.

¹Companies could select more than one restriction (excluding if they selected 'employees are not subject to any restrictions')

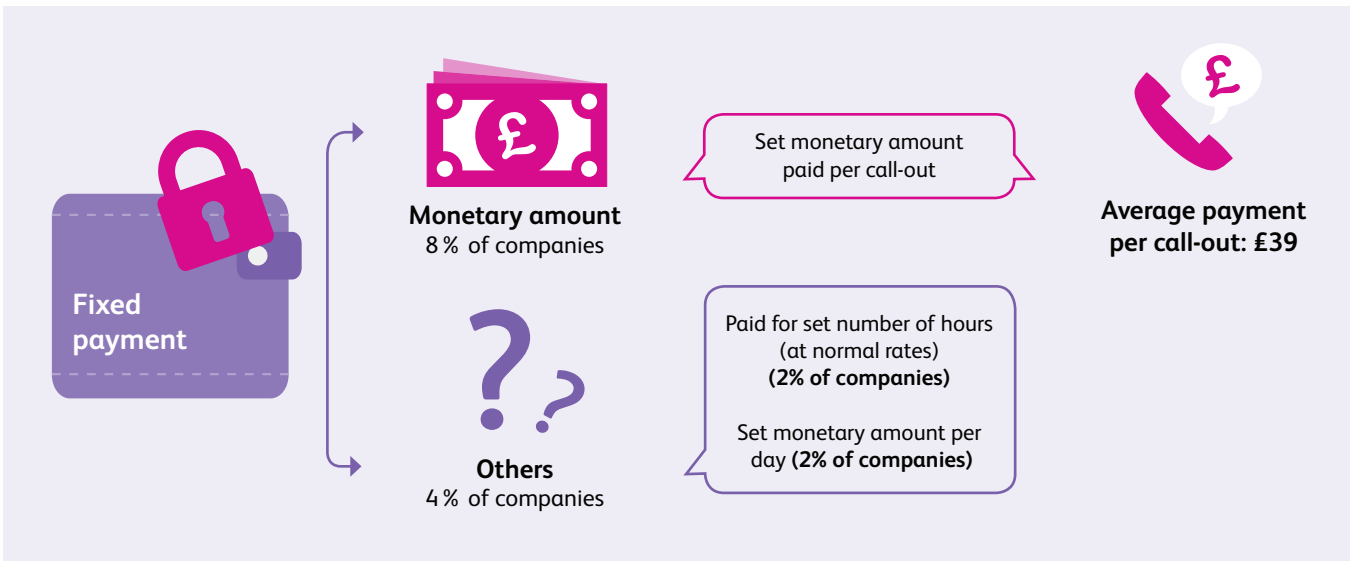
TYPE OF CALL-OUT PAYMENT

% of companies¹



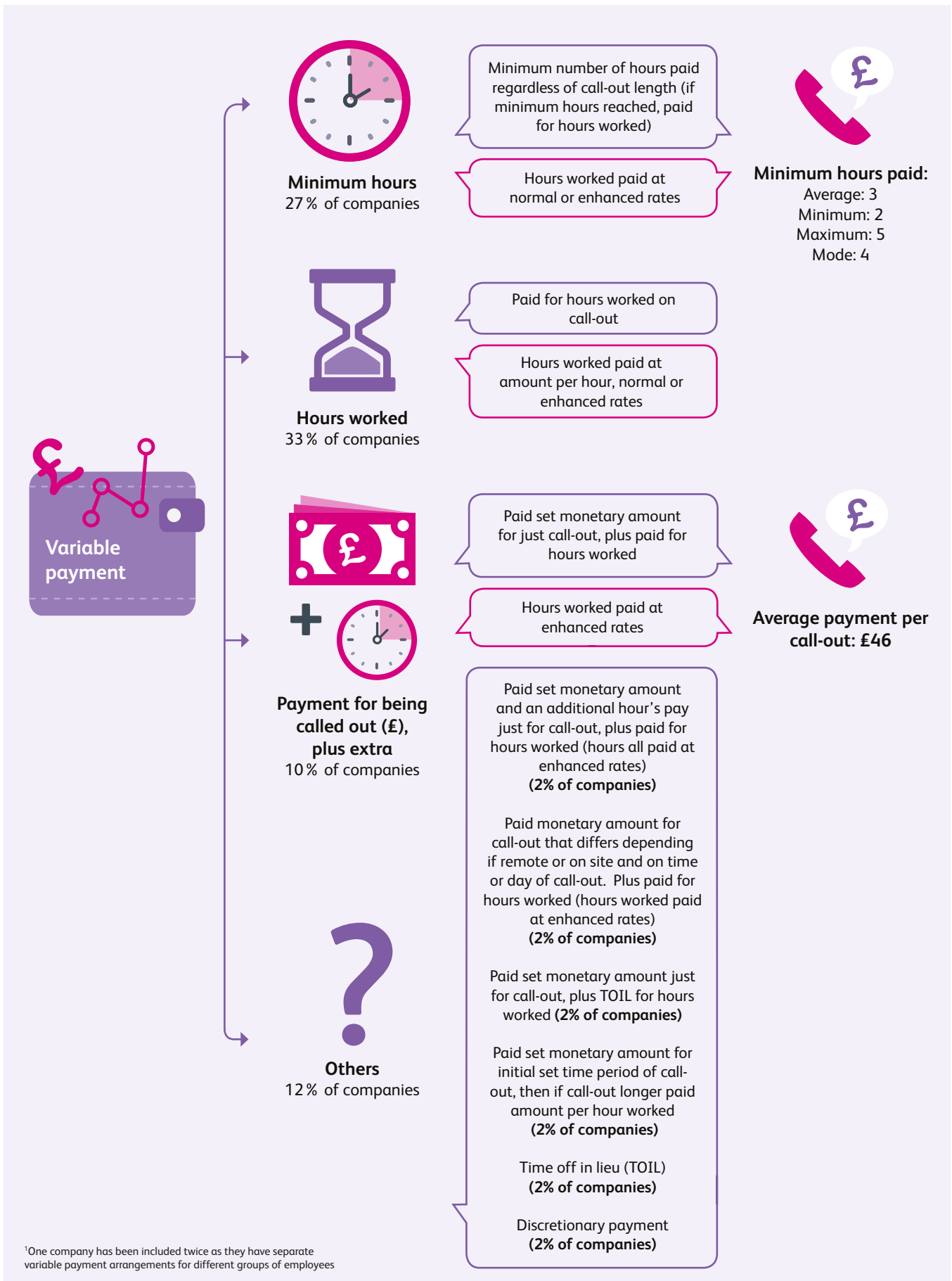
FORM OF CALL-OUT PAYMENT AND AMOUNT

Fixed payment - % of companies



CALL-OUT PAYMENT FORM AND AMOUNT

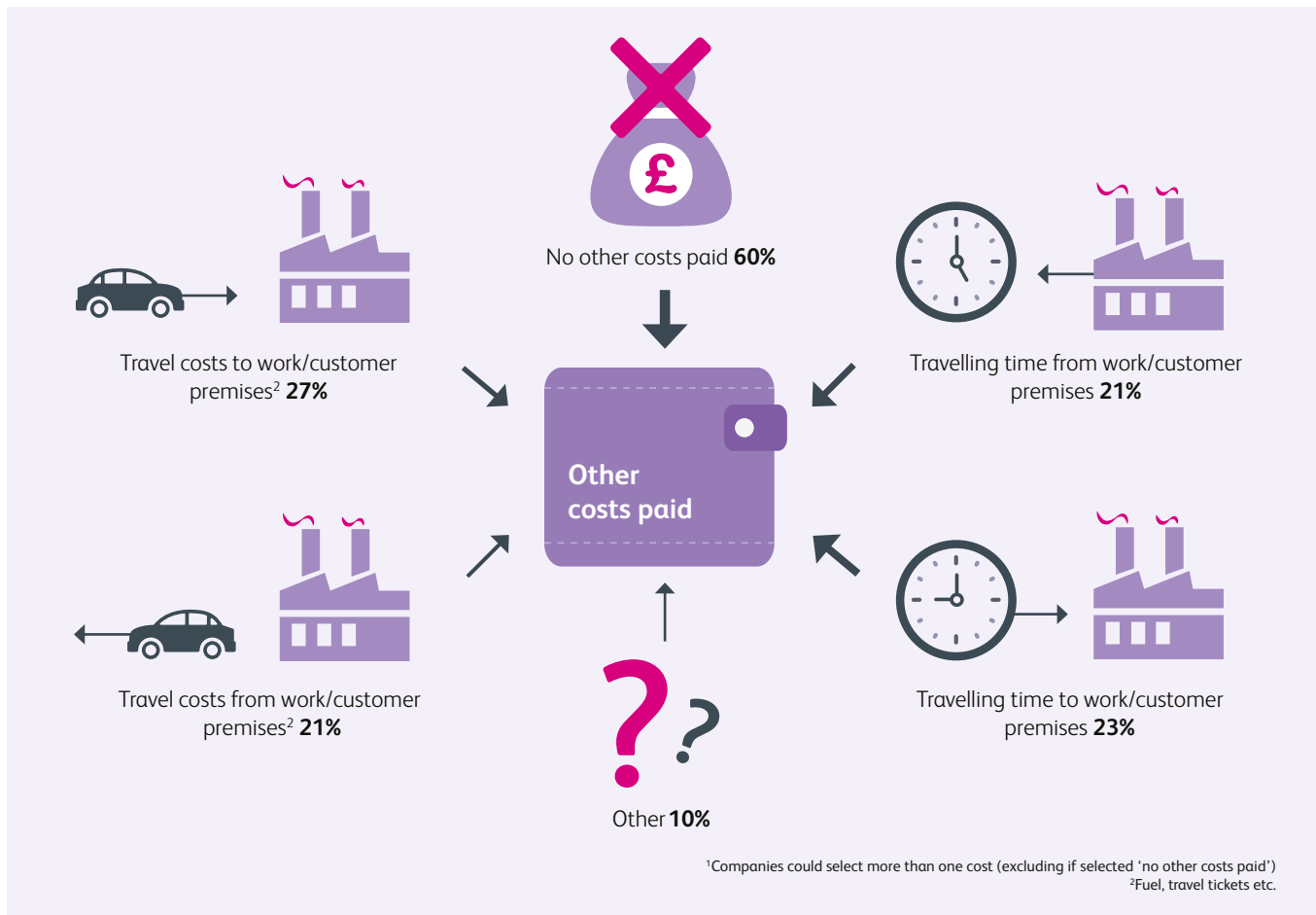
Variable payment - % of companies¹



¹One company has been included twice as they have separate variable payment arrangements for different groups of employees

OTHER COSTS PAID FOR CALL-OUT

% of companies¹



ARE EMPLOYEES CALLED-OUT WHEN NOT ON STANDBY?

% of companies



DEFINITIONS & UNDERSTANDING THE DATA



Standby: Standby duty is when an employee is on standby to be available to be called into work (onsite or to customers' premises), or to work remotely, outside of their normal working hours to respond to an emergency, breakdown or similar unexpected event. Standby allowance is an allowance paid to employees on standby, to compensate for the limits this standby status has on their personal activities.



Call-out: Call-out is when an employee is called out to attend work (onsite or to customers' premises), or to work remotely, outside of their normal working hours to respond to an emergency, breakdown or similar unexpected event. Call-out pay is a payment made to employees when they are called out in these circumstances.

Fixed allowance/payment: Where a set allowance or payment is paid per day/week/month/etc.

Variable allowance/payment: Where an allowance or payment amount varies by time of day, day of week, length of call-out etc.



Normal and enhanced pay: Where variable payments are made for hours and/or hours worked the imbursements mainly fall into two broad categories, normal rate of pay or enhanced. Enhanced is a rate above the normal amount, which includes those that pay at overtime rates. Most companies who responded to this survey pay their employees all hours at the normal rate, or all hours at one enhanced rate, or they pay at the applicable overtime rate for when worked. There are a few instances where the rates paid differ, for reasons such as, the time or day the employee is called out or length of time worked on call-out.



Calculations: The data in this benchmark is analysed by company. However there are a few instances where companies are counted more than once as they have more than one arrangement in place for different groups of employees either on standby and/or call-out.

Analysis and sample sizes: Analysis has only been undertaken where sample sizes are large enough for comparisons to be made. Where smaller sample sizes exist fewer breakdowns are shown.

Average: Is obtained by adding the values and dividing by the number of values.

Mode: Is the most frequently occurring value in the data.

ABOUT US

Make UK champions and celebrates British manufacturing and manufacturers. We are a powerful voice at local, national and international level for small and medium sized businesses and corporates in the manufacturing and engineering sectors.

We're determined to create the most supportive environment for UK manufacturing growth and success. And we present the issues that are most important to our members, working hard to ensure UK manufacturing remains in the government and media spotlight.

Together, we build a platform for the evolution of UK manufacturing.

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BENCHMARK REPORTS

The Standby & Call-Out Allowances benchmark is only one of several benchmark reports that MakeUK produces. We publish a series of reports that give pay data from shop floor to top floor, plus regular updates on regional and national pay settlements. In addition we have a series of other benchmarks on labour turnover, absence, shift pay and sick pay.

Find out more about all the services the Information & Research team offer and the reports we produce by going to: makeuk.org or by emailing: enquiries@makeuk.org

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TO FIND OUT MORE ABOUT THIS REPORT CONTACT:

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The data used in this survey has been provided by MakeUK members. Contributing to our surveys helps to accurately reflect trends and behaviours that shape the UK manufacturing sector.

If you would like to participate in future surveys, please contact us:
enquiries@makeuk.org

Background to the report

All data contained in this report is from the EEF Standby & Call-Out Survey 2017.