DAYWORK AND PRIME COST
BUILDING INDUSTRY

(applicable from 24th June 2024)

The following calculation has been prepared by Scottish Building Federation as an example of the standard hourly base rate (as defined in Section 3 of the RICS Definition) for typical Craft Operatives and General Operatives in Scotland as from **Monday 24th June 2024**. This example is based on rates and allowances promulgated periodically by the CIJC Working Rule Agreement but does not purport to give a definitive interpretation of the definition (see Note 10 below).

		CRAFT OPERATIVE			GENERAL OPERATIVE		
		Rate £ ph	Rate £ pw	Rate £ pa	Rate £ ph	Rate £ pw	Rate £ pa
Basic hourly rate of pay		£ 15.34			£ 11.95		
Guaranteed minimum weekly earnings: 52 weeks (39 hours per week x basic hourly rate of pay)			£ 598.26	£ 31,109.52		£ 466.05	£ 24,234.60
Employer's National Insurance Contributions paid at 13.8% above the secondary earnings threshold of £175 per week				£ 3,037.31			£ 2,088.57
Employer's Contribution to:							
CITB annual levy (see Note 6)				£ 108.88			£ 84.82
Apprenticeship Levy (see Note 7)				£ 155.55			£ 121.17
Welfare Benefit :	Employer Pension Contribution (see Note 8)		£ 14.35	£ 746.09		£ 10.38	£ 539.84
	Accident and Death Benefit		£ 1.49	£ 77.48		£ 1.49	£ 77.48
Annual Labour Cost				£ 35,234.83			£ 27,146.49
Hourly Base Rate			£ 35,234.83 / 1795	**£19.63**		£ 27,146.49 / 1795	**£15.12**

Notes:

1 An appropriate adjustment to the basic hourly rate of pay indicate above should be made to the calculation for those Operatives earning in accordance with the intermediate 'Skilled Operative' rates of pay as promulgated by the CIJC Working Rule Agreement (WR.1). As of Monday 24th June 2024 the Skilled Operative rates of pay are as follows;

Skilled Operative Rate 4 = £12.44 per hour
Skilled Operative Rate 3 = £13.16 per hour
Skilled Operative Rate 2 = £14.07 per hour
Skilled Operative Rate 1 = £14.60 per hour

2 Standard working hours per annum calculated as:

	52 weeks @ 39 hours				2028
Less:	22 days annual holiday				
	18 days	@	8 hours	144	
	4 days	@	7 hours	28	
	8 days public holiday				
	5 days	@	8 hours	40	
	3 days	@	7 hours	21	
				233	-233
					1795 **hours**

3 The number of hours worked in the year shown in the calculation are those applicable to Scotland.

4 The concession permitting the exception of both National Insurance (NI) deductions and contributions from holiday pay expired on Tuesday 30 October 2012. Consequently, for the purpose of the above calculations there is no longer any benefit to be derived from distinguishing between NI contributions for hours worked and holiday. Employers NI has therefore been calculated over a 52 week period.

5 The calculation shows the rate of the Employer's National Insurance contribution to be 13.8% for both a Craft Operative and for a General Operative on earnings above the secondary earnings threshold of £175.00 per week.

6 The CITB levy payable by employers is 0.35% of payroll in respect of all employees employed by them in the industry in the relevant preceding financial year.

7 The Apprenticeship Levy payable by employers is 0.5% of payroll in respect of all employees employed by them in the industry in the current financial year, 6 April 2024 to 5 April 2025.

8 Due to the increase in hourly rates for Craft Operatives and Labourers employers should make a 3% automatic enrolment pension contribution on qualifying earnings in excess of the Lower Limit of Qualifying Earnings of £120 per week in accordance with statutory requirements.

9 It should be noted that all labour costs incurred by the contractor in their capacity as an employer, other than those contained in the hourly base rate, are to be taken into account under Section 6 ('Incidental costs, Overheads and Profit').

10 The above example does not include for all likely costs, for instance it does not include costs for workers travel or accommodation; it is for the convenience of users only and does not form part of the Definitions; all basic costs are subject to re-examination according to the time when and in the area where the daywork is executed.

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Further information appertaining to Daywork and Prime Costs can be obtained from the Scottish Building Federation's Employment Affairs Department on 0131 556 8866.

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