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RESEARCH NOTE 8  
**ANNUAL NON-JOB REPORT 2006**

By Peter Cuthbertson, Research Fellow, The TaxPayers' Alliance

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## Executive Summary and Media Quotes

The two key findings of the *Annual Non-Job Report 2006* are:

- The total salary bill for the jobs advertised in *Guardian Society* in 2006 was an incredible **£767,343,282** (excluding pensions and perks). This is marginally less than the £787,319,556 total for 2005, but it shows that the Government is still failing to tackle bureaucracy and waste.
- The average starting salary for a full time position advertised in *Guardian Society* is **£11,405 more** per annum than the mean private sector wage in 2006 (£36,894 and £25,489 respectively).

Peter Cuthbertson, author of the *Annual Non-Job Report* series and Research Fellow of The TaxPayers' Alliance said:

"When families and pensioners are facing the double burden of rising taxes and higher utility bills, it is disgraceful to burden taxpayers further by creating thousands of non-jobs."

Andrew Allum, Chairman of The TaxPayers' Alliance said:

"Politicians have completely forgotten that public sector workers rely on ordinary taxpayers to fund their generous salaries, pensions and shorter working hours. The vast number of non-jobs means that tax bills will have to rise, increasing the risk of the economy stalling and leaving everyone worse off."

## Annual Non-Job Report 2006

The *Annual Non-Job Report 2006* was written to assess the cost to taxpayers of a growing public sector wage bill being further bloated by positions of no apparent value. Building on last year's *Annual Non-Job Report 2005* and our recent *Public Sector Rich List*,<sup>1</sup> we undertook the task of calculating the total cost to taxpayers of all the jobs advertised in *The Guardian* newspaper's *Society* supplement in 2006 (see **Methology**, page 7).

### Guardian Society

Weighing more than most broadsheet newspapers, the enormous two-part *Society* supplement is included every Wednesday in *The Guardian*, advertising public sector positions all over the United Kingdom. For those who know it, 'Guardian Society' is a shorthand for a combination of top salaries, minimal working hours, extravagant perks and pensions – and utterly pointless positions.

This reputation is richly deserved. Only in *Guardian Society* is one likely to see bodies such as the Milk Development Council, the Luton Youth Offending Service, Southall Black Sisters (who "require an Asian woman") and the Cabinet Office Social Exclusion Task Force (with 14 positions up for grabs) all recruiting within pages of one another.

*Guardian Society* above all is where to look if you ever wanted to have such a job title as:

- Floating Support Services Deputy Manager
- Programme Manager for National Supporting People Value Improvement Programme
- Equality and Diversity Service Equalities Project Officer
- Head of Achievement and Inclusion
- Play Development Officer
- Welfare Rights Outreach Adviser
- Stop Smoking Community Worker
- Culture Officer
- Head of Regulation
- Project Officer: Overcrowding Project
- Strategic Leader, Partnerships & Participation
- Bike It Officer
- Civil Resilience Manager
- Cardboard Citizens Managing Director
- Creative Community Engagement Officer
- Jewelry Project Administrator
- Land Registry Head of Diversity
- Community Development Worker for Breastfeeding
- Senior Social Worker Within The Assertive Outreach Team

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<sup>1</sup> See <http://www.taxpayersalliance.com/PublicSectorRichList.pdf>

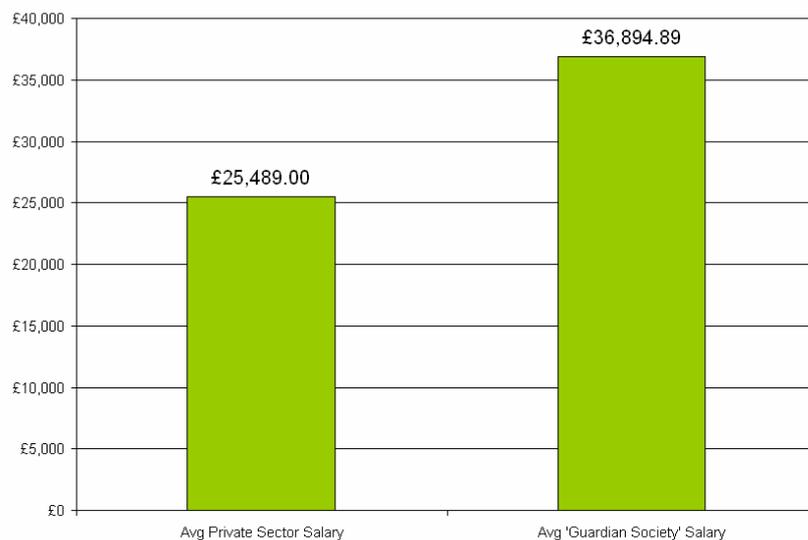
## Salaries

But the amusement that people really have these job titles does not come cheap. Paying starting salaries as high as £180,000 per annum, every non-job is funded by money taken from the taxpayer, and deprives important areas of the public sector of scarce resources. Every salary paid for a non-job is a salary that cannot be paid to a teacher, a police officer or a nurse.

Are all of these positions useless? Not quite. References to teaching and nursing do actually occur (admittedly a grand total of once each in four weeks). But one rule of thumb you can count on for *Guardian Society* is this: the further the job title is from any identifiably useful work, the better it pays.

Who could say precisely what a Group Manager of Assessment and Care Management does? No matter – the starting salary is £42,024. Can Hampshire cope without an Assistant Director for Well-Being and Community Services? To ensure we never have to find out, the job is advertised for £85,000. A Head of Healthier Communities makes his local community £71,576 worse off each year. Even a *Deputy* Manager of a Youth Offending Team can count on a pleasing £39,132. One wonders what his boss makes.

In total, the average starting salary for a full time position advertised in *Guardian Society* is £36,894 – **£11,405 more** per annum than the mean private sector wage in 2006.<sup>2</sup> Put another way, anyone who moves from the average job in the private sector, which ultimately funds all these positions, to the average job in *Guardian Society*, will immediately be paid 45% more.



<sup>2</sup> Annual Survey of Hours and Earnings (ASHE) - 2006 Results, Public private sector, Table 13.7a: [http://www.statistics.gov.uk/downloads/theme\\_labour/ASHE\\_2006/tab13\\_7a.xls](http://www.statistics.gov.uk/downloads/theme_labour/ASHE_2006/tab13_7a.xls)

## Perks

As staggering as these figures may be, they are only part of the cost to hard-working taxpayers. Perks and bonuses occur as frequently as huge salaries:

Excellent benefits • car package • + quality accommodation • plus £4,500 payable upon completion of 9 months • plus performance related pay of up to 15% per year • + bonus & benefits • plus market and performance supplement up to £10,000 • plus generous relocation package • All posts attract £1,200 per year Retention Allowance • pay award pending • Healthcare scheme • plus £2,649 market adjustment • car allowance • plus annual performance bonus • Plus Zone 1&2 Travel Card worth £800 • free swimming facilities • Interest free season ticket loan • subsidized gym membership • car/cash option • A £2,000 'Golden Hello' extra payment to your salary in the first month

## Pensions

The handshakes are as golden as the hellos. Rare and unfortunate is anyone who gets a job advertised in *Guardian Society* without a prosperous retirement to look forward to at the end of their career:

Final Salary Pension • 8% pension contribution • generous pension • +10% pension • non-contributory pension • stakeholder pension scheme • excellent final salary pension scheme • Plus 10% NC pension

## Working Hours

Finally, all of these salaries, perks and pensions are certainly not compensation for long working hours without holiday. The £37,000, the travel cards, the gym memberships, the retention allowances and golden hellos are paired time and again short working hours compared to the private sector:

37 hpw • Hours per week: 35 • 28 days' annual leave • Opportunity for a four day week • 30 days annual leave and flexible working practices • 25 days annual leave per year (rising to 30 days after five years service) plus 10.5 public and privilege holiday

## Causes and Consequences

It is two and a half years since Gordon Brown promised large reductions in non-essential, bureaucratic state positions, yet these positions continue to be advertised. It is true that many of the positions are for local councils, quangos and in a few cases charities that receive taxpayer funding, rather than central government – but it is central government that dictates to these bodies that they must recruit for so many of these non-jobs in the first place. The buck stops at Downing Street.

One of the shortcomings of the current debate on taxation is the doubly flawed assumption of a trade-off between desirable public spending and lower taxes. This assumption ignores the greater revenue-generating potential of a dynamic, low-tax economy – but it also ignores the fact that government spending can be harmful quite apart from its immediate cost to taxpayers. That is, some government activity would be damaging even if it came free.

Spending on non-jobs certainly qualifies. Few seriously deny that the shortcomings of the French economy can be largely traced to its job-destroying tax and regulatory burden. But it is also worth pondering how much this stagnation can be attributed to the widely-acknowledged ambition of the country's brightest students to become civil servants rather than entrepreneurs. If Britain is just culturally more enterprising than France, Gordon Brown has done much in the last ten years to create an incentive structure to reverse this. How committed must an entrepreneur be to stay in a competitive private sector position, earning as much in three years as he could earn in two years in a thirty-five hour week non-job? By tempting workers away from useful employment, non-jobs do more harm than can be estimated merely by adding up the wage costs.

## The Cost

The value of most of the perks above cannot be included in any assessment of the cost of non-jobs to the taxpayer. Nor can it include the cost of all the generous pensions, without knowing how long everyone who takes the positions will live.

So the total cost of the salaries being offered is an *under*-estimate of the cost to taxpayers. Nonetheless, this figure adds up to an incredible **£767,343,282** for 2006. This is marginally less than the £787,319,556 total for 2005, but it is still more than three-quarters of a billion pounds a year.

Taxpayers deserve better value for money.

## Methodology

The total annual cost was calculated according to the method used in Jonathan Woolham's 2003 report *Costing Jobs*, written for the Adam Smith Institute.<sup>3</sup>

The number of jobs carried in four weeks of *Guardian Society*, and their salaries, were added up and divided by four to reach an average weekly figure. This figure is then multiplied by fifty-two to reach an annual cost.

The weeks sampled were the first four of November 2006.

### **Week One: 1 November 2006**

Total number of jobs:	431
Total salary bill:	£16,476,091.05

### **Week Two: 8 November 2006**

Total number of jobs:	368
Total salary bill:	£14,698,593.66

### **Week Three: 15 November 2006**

Total number of jobs:	412
Total salary bill:	£14,994,918.42

### **Week Four: 22 November 2006**

Total number of jobs:	351
Total salary bill:	£12,856,803.19

### **Annual Total: 2006**

Number of jobs:	20,306
Total salary bill:	£767,343,282

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<sup>3</sup> Available at <http://www.adamsmith.org/policy/publications/pdf-files/costing-jobs.pdf>

## Top Ten Non-Jobs

All of the positions below were advertised in *Guardian Society* in the first four weeks of November.

- 1 Assistant Director, Well-Being and Community Services  
Employer: Hampshire County Council  
Salary: Up to £85,000
- 2 Programme Manager for National Supporting People Value Improvement Programme  
Employer: Department of Communities and Local Government  
Salary: £39,728 – £53,144
- 3 Group Manager, Assessment and Care Management  
Employer: Scottish Borders Council  
Salary: Up to £42,024
- 4 Strategic Director, Children and Young People  
Employer: Halton Borough Council  
Salary: £100,000
- 5 Civil Resilience Manager  
Employer: Stockport Metropolitan Borough Council  
Salary: £39,132
- 6 Diversity Programme Manager: Children's Services  
Employer: London Borough of Redbridge  
Salary: £39,126
- 7 Strategic Leader, Partnerships and Participation  
Employer: Leeds City Council  
Salary: £60,000
- 8 Cardboard Citizens Managing Director  
Employer: Arts Council  
Salary: £45,000
- 9 Detached Mobile Youth Provision & Rapid Response Manager  
Employer: Islington Council  
Salary: £35,592 - £40,578
- 10 Diversity and Inclusion Manager  
Employer: Qualifications and Curriculum Authority  
Salary: £38,000