

REVISED WINTER SALARY SURVEY
2009

Overview

This survey has been compiled through information gathered by our directors, consultants and research team. The survey will give you an overview of the general rates of pay across all sectors and all tax disciplines. Salaries are broken down to cover size of employer, job type, and location and do not include bonuses, car allowances or other benefits.

All information provided was sourced in strict confidence from our clients and has been verified with candidates and vacancies actively worked by Pro-Tax.

If you are interested in further information or would like bespoke salary information then please email info@pro-tax.co.uk and one of our directors will arrange a meeting with you to discuss this in person.

In updating this survey, we didn't expect the basic salaries to change much from their position last year and this is the case. However, in any downturn in the market, staff costs are early casualties and as part of this survey we are keen to reflect how and where such cuts affect employees working in tax teams. It should be pointed out that what follows relates only to taxation professionals and not the wider workforce.

Compilation

We spoke with the majority of the FTSE 100 and 250 organisations and their foreign equivalents operating in the UK and the Big 4, medium sized and large independent practices. Given that in the last 3-4 years we have seen salaries spiral upwards there is an almost universal freeze on increases, where there have been increases these rarely exceed 3%. Infrequent exceptions to this include much larger increases in line with outstanding performance or to bring an employee in line with the market rate. There is an almost universal block on movements in salaries for senior management.

With respect to other measures taken to reduce costs, these varied from minimal to extreme, including controls put in place along the lines of: head count freezes, shorter working weeks and in a few cases the increased use of temporary staff in place of permanent hires. In practice, some of the measures put in place to combat reductions in staff numbers proved ineffective due to the severity of the economic downturn and the loss of high revenue project orientated work. This in turn has led to further redundancies in some cases.

In most organisations, controls have been imposed across the board, which in some cases are seen as a little unfair as some parts of some businesses have over performed during the year whilst others have underperformed. One client did mention that not too many people "are comfortable with the concept of corporate responsibility".

Findings

Our intention was not to report on this on a case by case basis but give an overview and in most cases some of following measures have been imposed either on or within tax teams:

- Pay freeze applied for the next year 2009/10
- Bonus freezes/reduced bonuses for the same period
- In some cases blocks or reductions in bonuses for 2008/2009 even where objectives have been met or exceeded
- Cessation of pension contributions and sickness insurance premiums.
- Targeted total labour cost reductions, including a block on the use of temporary staff.
- A complete headcount/recruitment freeze for 2009
- Voluntary redundancies
- Freezes on promotion, usually for management grade employees
- Shorter working weeks
- Career sabbaticals
- Clampdown on consultancy spend
- Ban on all non-essential travel, entertaining and business conventions
- Deferment of annual conferences
- Increased use of video conferencing / phone call conferencing to limit travel expenditure
- A proactive approach in the management of training budgets

Generally there is an effort being made to look at smarter ways of using staff resources elsewhere in the business. This takes the form of permanent transfers or carrying out short term secondments which are zero-cost to business unit and can also free up staff to undertake necessary projects. Whilst redundancies have been made in some cases, it appears that almost always overwhelming efforts are made to look after employees by a coordinated approach to utilization.

In a few cases with larger organizations we came across job-swap and secondments with HMRC taking place as a way to get some “new blood” in and develop careers.

If you have any comments or would like to discuss the survey in more detail or if you would like to take advantage of our free bespoke salary survey, please contact:



Pat Keogh – Practice, 020 3008 4487 or pat.keogh@pro-tax.co.uk



Jim Halstead – Commerce, 020 3008 4486 or jim.halstead@pro-tax.co.uk

Commerce, Industry & Banking

	London	Home Counties	Midlands	North East	North West
Tax Assistant	£29 - £38,000	£26 - £33,000	£24 - £30,000	£22 - £24,000	£21 - £25,000
Tax Accountant	£48 - £62,000	£43 - £58,000	£37 - £49,000	£32 - £44,000	£30 - £42,000
Tax Manager	£68 - £80,000	£58 - £75,000	£49 - £65,000	£42 - £60,000	£42 - £61,000
Group Tax Manager	£80 - £120,000	£75 - £95,000	£65 - £80,000	£62 - £78,000	£58 - £80,000
Head of Tax	£120 - £140,000	£110,000+	£98,000+	£85,000+	£85,000+

The above figures include all disciplines within tax and are base salaries and do not include benefits and bonus. Benefits in the main apply to Manager grade and above.

Big 4 Public Practice - Corporate Tax

	London	Home Counties	Midlands	North East	North West
Tax Assistant	£28 - £36,000	£25 - £35,000	£22 - £32,000	£20 - £26,000	£20 - £28,000
Tax Consultant	£38 - £53,000	£35 - £44,000	£33 - £43,000	£29 - £38,000	£28 - £38,000
Tax Manager	£62 - £80,000	£58 - £70,000	£47 - £55,000	£50 - £62,000	£50 - £61,000
Tax Senior Manager	£70 - £120,000	£60 - £100,000	£55 - £75,000	£55 - £68,000	£56 - £80,000
Tax Director	£100 - £220,000	£100,000+	£90,000+	£80,000+	£85,000+
Tax Partner	£300,000+	£250,000+	£200,000+	£180,000+	£200,000+

The above are base salaries and do not include benefits or bonus and cover all corporate taxes to include transfer pricing, investigations, VAT and Private Equity. Significant benefits such as car (circa £5,000) typically start at Manager grade and above, together with PHI and "bonus" where applicable.

Big 4 Public Practice - Personal Tax

	London	Home Counties	Midlands	North East	North West
Tax Assistant	£23 - £32,000	£21 - £30,000	£19 - £25,000	£17 - £24,000	£18 - £25,000
Tax Consultant	£34 - £50,000	£30 - £45,000	£26 - £36,000	£25 - £34,000	£25 - £37,000
Tax Manager	£54 - £68,000	£52 - £63,000	£43 - £55,000	£49 - £58,000	£48 - £58,000
Tax Senior Manager	£65 - £120,000	£60 - £100,000	£55 - £70,000	£55 - £68,000	£54 - £65,000
Tax Director	£100 - £150,000	£80,000+	£70,000+	£65,000+	£70,000+
Tax Partner	£300,000+	£250,000+	£180,000+	£175,000+	£175,000+

The above are base salaries and do not include benefits or bonus and cover all personal taxes to include income tax, Capital Taxes. Trusts and wealth planning. Significant benefits such as car (circa £5,000) typically start at Manager grade and above, together with PHI.

Mid Tier Public Practice - Corporate Tax

	London	Home Counties	Midlands	North East	North West
Tax Assistant	£24 - £38,000	£22 - £28,000	£18 - £25,000	£17 - £23,000	£17 - £23,000
Tax Consultant	£36 - £48,000	£32 - £42,000	£27 - £38,000	£25 - £34,000	£25 - £34,000
Tax Manager	£52 - £68,000	£50 - £60,000	£48 - £58,000	£46 - £55,000	£46 - £54,000
Tax Senior Manager	£65 - £85,000	£60 - £80,000	£58 - £75,000	£55 - £75,000	£52 - £75,000
Tax Director	£95,000+	£85,000+	£75,000+	£70,000+	£75,000+
Tax Partner	£140,000+	£110,000+	£100,000+	£90,000+	£100,000+

Mid Tier Public Practice - Personal Tax

	London	Home Counties	Midlands	North East	North West
Tax Assistant	£21 - £30,000	£18 - £24,000	£17 - £23,000	£16 - £22,000	£17 - £23,000
Tax Consultant	£30 - £40,000	£26 - £36,000	£23 - £28,000	£21 - £26,000	£23 - £28,000
Tax Manager	£48 - £58,000	£46 - £55,000	£44 - £52,000	£42 - £50,000	£40 - £50,000
Tax Senior Manager	£60 - £75,000	£55 - £70,000	£52 - £68,000	£50 - £65,000	£52 - £68,000
Tax Director	£75,000+	£70,000+	£68,000+	£65,000+	£68,000+
Tax Partner	£110,000	£90,000+	£80,000+	£80,000+	£80,000+