

HUMAN RESOURCES POLICY

INCREMENTAL PAY PROGRESSION FRAMEWORK

Policy Number:	HR37
Version Number:	3.0
Issued Date:	May 2019
Review Date:	May 2022 – Rolled over to July 2022

Sponsoring Director:	Michelle McGuigan
Prepared By:	Katie Thorniley
Consultation Process:	CCG Partnership Forum
Formally Approved:	1 May 2019

Policy Adopted From:	HR37 Incremental Pay Progression Policy
Approval Given By:	Quality & Safety Committee 5 November 2019

Document History		
Version	Date	Significant Changes
1	December 2013	
2	July 2016	None
3	May 2019	Amendments following NHS Terms and Conditions Pay Reform

Equality Impact Assessment	
Date	Issues
5 February 2018	None
11 September 2019	Policy to be available in alternative formats.

Policy Validity Statement
<p>This policy is due for review on the latest date shown above. After this date, policy and process documents may become invalid. Policy users should ensure they are consulting the currently valid version of the documentation.</p>

Contents	Page
1. Introduction	3
2. Policy Statement	3
3. Roles and Responsibilities	3
4. Principles	5
5. Procedure	5
6. Appeal Process	8
7. Equality Statement	8
8. Monitoring and Review	9
9. Associated Documentation	9
Appendix 1 Appeals hearing procedure	11
Appendix 2 Equality Impact Assessment	12

1. INTRODUCTION

- 1.1 Following the pay reform ratified in June 2018 by the NHS Staff Council, NHS Terms and Conditions of Service have been amended to reflect the revised pay progression framework.
- 1.2 As a result a new system of pay progression will come into effect from 1 April 2019. For existing staff employed on or before 31 March 2019 current arrangements will continue until 1 April 2021. For staff employed or promoted on or after 1 April 2019 the new system of pay progression will apply immediately.
- 1.3 Full details can be found in Annex 23 of the Terms and Conditions of Service.
- 1.4 CCGs should apply this nationally agreed incremental pay progression policy consistently.

2. POLICY STATEMENT

2.1 The pay framework seeks to:

- Create a simple process for assessing the standards for progression through the pay band, where a manager/employee submission process needs to be followed for pay-step points to be achieved.
- Help drive consistency across the NHS whilst allowing local flexibility to develop assessments against individual and/or organisational objectives, including values and behaviours.
- Allow faster progression to the top of each pay band through fewer pay-step points.
- Provide meaningful pay increases at each pay-step point
- Encourage staff to take responsibility for showing that they meet the defined standards.
- Ensure line managers make available to their staff the appropriate training, support and development opportunities.
- Encourage organisations to assess staff against local values and behaviours, agreed in partnership with staff side and informed by the NHS Constitution.
- Ensure pay-step points are achieved only where managers are satisfied that their staff have met the required standards.

3. ROLES AND RESPONSIBILITIES

3.1 Organisational Responsibilities

- Operate the agreed pay structure fairly.
- Commit to staff development.
- Enable staff to work safely and effectively.
- Value the appraisal process and understand the importance of the line manager/staff relationship to staff development and their positive impacts on recruitment and retention, staff morale and performance, and patient satisfaction and safety.
- Operate an agreed appraisal policy with equality monitored processes

and consistent outcomes across the organisation.

- Ensure that the pay-step submission process does not have the effect of discriminating directly or indirectly against any member of staff.
- Work with NHSI to report on the initial and ongoing implementation of the pay structure.
- Support line managers in delivering appraisals through training and resources, including, but not limited to, equalities training.
- Enable line managers and staff to participate in the appraisal process, including, but not limited to, facilitating adequate time to prepare and have meaningful discussions.
- Ensure staff records are kept accurately so that pay-step dates are shared in advance and line managers alerted to the need for discussion.
- Ensure sufficient statutory/mandatory training is available and accessible to all staff.
- Financially plan and budget on the basis that all staff are expected to achieve their pay- step points.
- Develop and maintain relevant policies and procedures in partnership with local staff side, including a right of appeal and effective equalities monitoring.
- Have a comprehensive training and development policy covering all staff.

3.2 Line Manager Responsibilities

- Carry out their role as outlined in the local annual appraisal process.
- Undertake annual appraisals for all members of their team and ensure they are fully completed.
- Ensure that all employees have access to, and undertake statutory/mandatory and any essential skills training.
- Hold regular appraisal discussions with staff on the basis of 'no surprises', so that if an individual may not be on track to reach their pay-step point any areas for development or improvement are identified and remedial action taken at the earliest opportunity.
- Conduct an objective review of the individual's work against the required standards as part of the annual appraisal process. This should include an assessment of the employee's achievement of any personal and or organisational objectives, including values and behaviours.
- Demonstrate they have encouraged and supported the employee to achieve the standards required during each local appraisal process.
- Ensure that staff understand what evidence they will need and its relevance to achieving the required standards.
- Review submitted evidence to demonstrate that they have met the required standards.
- Undertake a meeting with the employee to review standards and follow the pay-step submission process.

3.3 Employee Responsibilities

- Actively participate in the annual appraisal process, and agree with their line manager their personal and/or corporate objectives.

- Complete the local appraisal process each year, regardless of whether or not their next pay-step date is that year.
- Make their line manager aware of any issues that may be preventing them from achieving their objectives.
- Tell their line manager about anything that is preventing them from undertaking relevant training.
- Show through relevant evidence, where it is available, that they have met the required standards and achievement of objectives in line with the local appraisal process.
- Work with their line manager to ensure that all relevant statutory, mandatory and essential skills training is up to date.
- Undertake a review of their standards together with their line manager, completing local documentation as part of the pay-step submission process.

4. PRINCIPLES

4.1 Application

This policy and procedure applies to all staff in CCGs employed under Agenda for Change Terms and Conditions of Employment and must be applied fairly and consistently in accordance with the CCG's commitment to equality and diversity.

4.2 Progression through pay steps

Staff will progress to the next pay-step point in their pay band where the following can be demonstrated:

- The appraisal process has been completed with outcomes in line with the organisation's standards and no formal capability process is in place.
- There is no formal disciplinary action live on the staff member's record.
- Statutory and/or mandatory training has been completed.
- For line managers only - must have completed appraisals for all their staff.
- Any local standards, as agreed through local partnership working.

4.3 Approval Process (Pay Step Review Meeting)

4.3.1 When an individual is approaching a pay step point, a pay step review meeting should be arranged to discuss whether the above criteria has been met. This meeting will be between the employee and their line manager.

4.3.2 The pay step review meeting is not part of the organisation's appraisal process. The appraisal is a requirement in its own right and should continue on the agreed scheduled regardless of whether a pay step is due in the succeeding 12 months.

5. PROCEDURE

5.1 Local CCG Partnerships Forums will need to agree a procedure to assure incremental pay progression is being applied consistently, transparently and

fairly and in line with equal opportunities principles

5.1 Pay Progression all Pay Bands

- 5.1.1 Incremental pay progression, within each pay band, will be conditional upon individuals demonstrating that they have met the criteria detailed in section 4.2 to progress to their next pay step point.
- 5.1.2 The individual will have the right to contest any decision to withhold an increment on the due date.

5.2 Pay Bands 8C, 8D and 9 Only

- 5.2.1 Incremental pay progression to the first pay step in the band will be conditional upon the individual meeting the criteria laid out in section 4.2 of this document.
- 5.2.2 When staff employed on a band 8c, 8d or 9 reach the top of their pay band, 5 or 10 percent of their salary will be re-earnable on an annual basis. The first point at which the re-earnable element becomes relevant is 12 months after the individual has reached the top of their pay band.
- 5.2.3 The criteria that will be considered for the re-earnable element of pay will be the same as that considered at a pay step review meeting, as detailed in section 4.2.
- 5.2.4 The individual will have the right to contest the decision to reduce their pay.
- 5.2.5 For staff employed on the top two points of a band 8c, 8d and 9 on 31 March 2013 have reserved rights, which will be retained on a marked time basis. For these staff on 1 April 2021, 5 per cent of their pay will become annually re-earned. When the annual increases to the top of the band add a further 5 per cent, the annually re-earned element of pay will increase to 10 per cent.
- 5.2.6 The last pay point in pay bands 8c, 8d and 9 (the annually earned points) awarded will not be subject to pay protection.
- 5.2.7 Where an employee is down banded from a band 8c, 8d or 9 post and pay protection applies they shall receive the annually earned incremental point until the completion of the year they were receiving the entitlement. At the normal review date the protection no longer applies.

For example: Employee A is receiving an annually earned pay point from 1st June to 31st May. From 1st January employee A accepts a post at a lower band. The higher band post annually earned point payment continues to be paid until 31st May. From 1st June the pay protection relating to the annually earned point ceases.

5.3 Transition

- 5.3.1 Transitional arrangements are in place to ensure a smooth and safe transition

for all staff to the new pay structure. A three year pay deal has been agreed for existing staff (those employed on 31 March 2019 or earlier). The new arrangements for pay progression will apply to existing staff after 1 April 2021.

- 5.3.2 For staff who are appointed or promoted on or after 1 April 2019, the new arrangements for pay progression will apply upon appointment. When these individuals reach their first pay step increment date, they will have a pay step review meeting with their line manager to discuss the achievement of the pay step.

5.4 Deferral of Incremental Pay Progression all Pay Bands

- 5.4.1 The pay step review meeting will determine whether there is a need to defer an individual's incremental pay progression. Where one of the required criteria has not been met, this will be discussed in the pay step review meeting. The incremental pay progression will be deferred until all criteria have been met. A further pay step review meeting should be held to confirm the pay step progression, when all criteria has been fulfilled. The pay increase should be applied from the date of successful achievement of all criteria.
- 5.4.2 The decision to defer pay progression should be communicated to the employee both verbally and in writing by the line manager. The line manager will need to provide information to support their decision.
- 5.4.3 The employee's incremental date will remain unchanged. Future appraisal and pay progression reviews will revert to the normal process/policy.
- 5.4.4 In cases where there is deferral of pay progression it is advised that the manager discuss the case with their line manager and a member of Human Resources.
- 5.4.5 The individual will have the right to contest the decision to delay a pay step.

5.5 Periods of Absence and Pay Progression

- 5.5.1 Where an employee is on maternity/paternity/adoption/shared parental or long term ill health leave, the employee will still receive their incremental pay progression on the due date unless any of the criteria required to progress has not been met prior to their departure.
- 5.5.2 Where periods of leave are predictable, the line manager should endeavour to hold the pay step review meeting before the employee departs for leave, however where a meeting has not been held, the pay progression should not be withheld solely because a meeting has not taken place.
- 5.5.3 Where the criteria have not been met before the employees departure, due to a current live warning and all other criteria has been met, the pay increase should be awarded from the day proceeding the warning expiring.
- 5.5.4 Where statutory and mandatory training has expired during the period of absence, this should not prevent an increment being given. The training should then be updated upon the employee's return.

5.5.5 Where the criteria has not been met before the employees departure, due to an ongoing capability procedure, the issues should be addressed upon the employees return and when a satisfactory improvement has been achieved, and other criterions met, the pay increase should be awarded from the improvement, discounting the period of absence.

5.5.6 Managers should obtain expert advice from HR on the potential risks associated with withholding increments in these circumstances and any decision should be subject to regular review.

5.6 Staff on Secondment

5.6.1 Employees on secondment to the same or higher band will be treated as having completed the years' of experience at their substantive band, whilst on secondment.

5.6.2 If the employee was due a pay progression step in their substantive band, on returning from secondment their line manager will hold a pay step review meeting to confirm any incremental pay increase.

5.7 Mitigating Circumstances

5.7.1 Where any of the criteria has not been met prior to an incremental pay step date due to circumstances beyond the employee's control; the employee will advance through the incremental pay progression and receive the pay increase.

5.7.2 A pay step review meeting should still be held, where possible to discuss and record the circumstances and decision.

5.7.3 Managers should obtain expert advice from HR on the potential risks associated with withholding increments in these circumstances and any decision should be subject to regular review.

5.8 Suspension

5.8.1 Where an employee is suspended from work on full pay and a pay step point is due, provided the individual was meeting the required standards detailed in 4.2 prior to the suspension, the pay step point should be applied on the date it is due.

6. APPEAL PROCESS

6.1 An employee wishing to appeal the decision to withhold a pay progression should follow the process as outlined.

6.2 Appeals, outlining the grounds on which the appeal is being made, must be lodged in writing to their line manager's line manager within 5 working days of the receipt of the written notice of the decision to withhold a pay progression step. In exceptional circumstances this period may be extended.

- 6.3 Appeals will be heard within 5 weeks of receipt of the letter requesting the appeal but either party may, with the consent of the other and in exceptional circumstances, be entitled to extend this period.
- 6.4 The Appeals Hearing Procedure (Appendix 1) should be followed.
- 6.5 Appeals will normally be heard by a more senior manager to the line manager of the appellant unless directed otherwise by the Accountable Officer. All appeals will include a representative of the Human Resources Department wherever possible.
- 6.6 The employee will have the right to be accompanied at the Appeal Hearing by either a staff side representative or workplace colleague.
- 6.7 Both parties must provide to the Appeal Hearing Panel, a full written statement of case including the grounds upon which the appeal is presented/resisted, with copies of any documents the party concerned intends to use in evidence, and, the identities of any witnesses the party concerned intends to call, at least 2 working days prior to the Appeal Hearing.
- 6.8 The decision of the panel will be communicated to both parties verbally, following the adjournment wherever possible, and in any case will be confirmed later in writing (again to either party), no later than 5 working days after the Appeal Hearing.
- 6.9 The decision of the appeal panel is final and there is no further internal appeal.

7. EQUALITY STATEMENT

- 7.1 In applying this policy, the Organisation will have due regard for the need to eliminate unlawful discrimination, promote equality of opportunity, and provide for good relations between people of diverse groups, in particular on the grounds of the following characteristics protected by the Equality Act (2010); age, disability, gender, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, and sexual orientation, in addition to offending background, trade union membership, or any other personal characteristic.

8. MONITORING AND REVIEW

- 8.1 Local CCG Partnership Forums should monitor compliance with this policy and procedure and any instances where the policy or correct procedure has not been followed will be raised with the relevant Manager.
- 8.2 The policy and procedure will be reviewed periodically by Human Resources in conjunction with operational managers and Trade Union representatives. Where review is necessary due to legislative change, this will happen immediately.
- 8.3 The application of this policy should be monitored and reviewed annually to ensure there is no disproportionate adverse impact on particular groups of staff as

defined in the public sector equality duty and set out above.

9. ASSOCIATED DOCUMENTATION

The following documentation is linked to this policy:

- NHS Terms and Conditions of Service Handbook
- HR18 Appraisal Policy
- HR07 Disciplinary Policy
- HR16 Managing Work Performance
- HR32 Temporary Promotion
- HR11 Grievance Policy

Appendix 1 – APPEALS HEARING PROCEDURE

Appeals will normally be heard by a more senior manager to the person taking the first pay review decision. All appeals will include a representative of the Human Resources service, in an advisory capacity, wherever possible.

An employee may choose to appeal if, for example:

- They think the decision to withhold a pay step was incorrect on the grounds on procedure or application/ judgment of the criteria detailed in section 4.2 of this policy.

Should either party require an adjournment, this request should be made to the Appeal Hearing Panel, with an indication of the length of time required.

The procedure for an Appeal Hearing is as follows:

1. The appellant will present their case first, detailing the grounds for their appeal.
2. The management side will then be able to ask any questions about the case the appellant has presented.
3. The management side will then be asked to present their case, explaining the reasons the decision was taken.
4. The appellant may then wish to ask management side any questions about the case.
5. The appeal panel members will also have the opportunity to ask any questions.
6. Both parties will have the chance to sum up their case.
7. There will then be an adjournment while the appeal panel consider the information they have heard and reach their decision.
8. The decision of the panel will be communicated to both parties verbally, following the adjournment wherever possible, and in any case will be confirmed later in writing (again to either party), no later than 5 working days after the Appeal Hearing.

Appendix 2 – Equality Impact Assessment

<p>What impact will the new policy/system/process have on the following:</p>
<p>Age - Consider and detail age related evidence. This can include safeguarding, consent and welfare issues</p> <p>Appropriate methods of communication of the Policy have also been carefully considered to ensure they reach all ages of the workforce. Email and the internet can be accessed by all users in the workplace.</p>
<p>Disability - Consider and detail disability related evidence. This can include attitudinal, physical and social barriers as well as mental health/ learning disabilities</p> <p>The disability status of the workforce across the region is largely unknown therefore relevant tools could be made available to staff that potentially do have a disability that the organisations are unaware of. The policy should be able to be communicated in alternative methods as required for those with a disability and/or visual impairment such as braille, large font, interpreters etc.</p>
<p>Gender reassignment (including transgender) - Consider and detail evidence on transgenderpeople. This can include issues such as privacy of data and harassment.</p> <p>The policy does not include content or vocabulary that could cause offense or discriminate against any staff members who have undergone or are undergoing gender reassignment or that identify as transgender.</p>
<p>Marriage and civil partnership - Consider and detail evidence on marriage and civil partnership. This can include working arrangements, part-time working, and caring responsibilities.</p> <p>The content of this policy does not include content or vocabulary that discriminates against staff that may be married or in a civil partnership.</p>
<p>Pregnancy and Maternity - Consider and detail evidence on pregnancy and maternity. This can include working arrangements, part-time working, and caring responsibilities.</p> <p>The policy does not discriminate against staff that are currently pregnant or on maternity leave and can be accessed while on maternity leave or any other leave of absence via the organisation's website.</p>
<p>Race - Consider and detail race related evidence. This can include information on difference ethnic groups, Roma gypsies, Irish travellers, nationalities, cultures, and language barriers.</p> <p>The policy does not include vocabulary or content that discriminates against staff on the grounds of race.</p>
<p>Religion or belief - Religion is defined as a particular system of faith and worship but belief includes religious and philosophical beliefs including lack of belief (e.g. Atheism). Generally, a belief should affect your life choices or the way you live for it to be included in the definition.</p> <p>The policy does not discriminate against staff that hold any particular religion or belief.</p>

Sex/Gender - Consider and detail evidence on men and women. This could include access to services and employment.

The Policy does not discriminate between staff that are men or women.

Sexual orientation - Consider and detail evidence on heterosexual people as well as lesbian, gay and bisexual people. This could include access to services and employment, attitudinal and social barriers.

The content of this policy and vocabulary used does not discriminate against staff based on their sexual orientation.

Carers - Consider and detail evidence on part-time working, shift-patterns, and general caring responsibilities.

The content of this policy and vocabulary used does not discriminate against staff who have carer responsibilities.

Other Identified Groups and Health Inequalities - Consider and detail evidence on groups experiencing disadvantage and barriers to access and outcomes. This can include different socio-economic groups, geographical area inequality, income, resident status (migrants, asylum seekers). What is the potential impact of your work on health inequalities?

Other groups have been considered however as the policy is for staff there are no additional impacts on health inequalities.

Action Plan

Ref no.	Potential Challenge/ Negative Impact	Protected Group Impacted (Age, Race)	Action(s) required	Expected Outcome	Owner	Timescale/ Completion date
1	Staff unable to access policy due to particular characteristic	Age, disability	Have a process in place for alternative formats provided if required. As part of reasonable adjustments on appointment or during employment any policy should be adapted by the CCG	All staff can access and use the policy. NECS HR or Equality Team can be contacted for any requests.	Jenna McGuinness, HR Manager	On receipt of individual request