The procedure sets out the framework for the Pay Progression procedure for managers, staff and staff representatives as well as the scope of the procedure to whom it applies.

It confirms the Trust's commitment to implementing to Pay Progression Procedure in line with Agenda for Change Pay Progression (England) Annex 23 Guidelines, its expectations around duties and responsibilities of all parties.

The Trust monitors the implementation of and compliance with this procedure in the following ways:

This procedure will be subject to review as per the agreed review schedule of Trust HR policies and as agreed by the Trust’s Partnership Committee. Compliance with this procedure will be against the Trust's agreed minimum requirements /standards as detailed within its Auditable Standards and Monitoring Arrangements, as well as the use of internal reporting and recording within the Human Resources Department.

The Director responsible for monitoring and reviewing this procedure is
Executive Director of People & Culture
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### APPENDICES

- **APPENDIX 1**  PAY PROGRESSION REVIEW FORM  
- **APPENDIX 2**  PAY PROGRESSION DECISION FORM Bands 8C, 8D & 9
PAY PROGRESSION PROCEDURE

1.0 INTRODUCTION

1.1 This procedure should be read in conjunction with the Trust’s Appraisal and Supervision Policy and Procedure HRPG48A

1.2 The purpose of this Pay Progression Procedure is to comply with the changes to the changes in 2013 to the NHS Terms and Conditions of Service Handbook (Annex 23), agreed by the NHS Staff Council, progression through all incremental pay points in all pay bands is not automatic and is conditional on individuals demonstrating that they meet locally agreed (with recognised trade unions) performance requirements.

1.3 The aim of this procedure is to ensure that all Trust staff are subject to the same nationally-outlined criteria requirements for pay progression for purposes of parity.

By establishing this link between pay and performance, the importance of good appraisals, line management and staff development will be strengthened allowing greater staff engagement and a tighter focus on the training and skills employees need to deliver high quality patient care.

1.4 The object of this procedure document is to provide employees with the information, instruction, training and supervision necessary for pay progression.

1.5 The Trust aims to comply with the Framework Agreement on the Reform of Agenda for Change (The NHS Staff Council, 2018) which stipulates that staff are required to meet certain criteria in order for their ‘pay-step’ point (previously referred to as increments) to be approved. This framework is applicable to all new staff and those newly promoted from 01 April 2019.

2.0 DUTIES

2.1 Executive Director of People & Culture

The Executive Director of People & Culture is responsible for ensuring that the Procedure is communicated to all staff via Trust communication processes

2.2 Executive Directors/Service and Operational Directors

Trust Directors/Service Operational Directors are responsible for ensuring that the procedure is distributed to all staff.

It is the Directors’ corporate responsibility to ensure that staff are provided with welfare facilities and to safeguard the health and safety of staff.
2.3 Managers

Managers are responsible for ensuring all staff are aware and have read and understood the procedure and they themselves apply it where appropriate.

It is managers’ responsibility to ensure that staff are aware of welfare facilities and safeguard the health and safety of those staff and make the necessary referrals to Occupational Health as appropriate and take due regard of the advice provided.

Managers must ensure that no staff are discriminated or disadvantaged as a result of a ‘protected characteristic’ when applying this procedure.

2.4 Staff

Staff are expected to ensure that they have read and understood this procedure, engage with it when appropriate and play an active role in maintaining and managing their health and wellbeing.

2.5 Human Resources (HR)

The HR Service will provide advice and support to managers in the management of staff health and wellbeing, with due regard to the employment legislation framework.

3.0 DEFINITIONS

3.1 For the purposes of applying the provisions contained in this document a glossary of terms that are used within the procedure are as follows:

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>AfC</td>
<td>Agenda for Change</td>
</tr>
<tr>
<td>Pay Increment</td>
<td>Annually earned pay points on the anniversary of the date the employee commenced employment in their current band, being phased out to be replaced by pay-step points by 2021 in accordance with the new pay progression framework</td>
</tr>
<tr>
<td>Pay-step point</td>
<td>As per new pay progression framework, the pay-step date is the anniversary of the date the individual commenced employment in their current band. Under the new framework, pay-step points may not be made annually and will be applicable to new staff and newly promoted staff after 01 April 2019</td>
</tr>
<tr>
<td>ESR</td>
<td>Electronic Staff Record</td>
</tr>
<tr>
<td>Talent Pool</td>
<td>A description of a staff member’s ‘talent’ as indicated by their potential/readiness for role progression and their performance level</td>
</tr>
<tr>
<td>360 Degree Feedback</td>
<td>The process by which a staff member seeks developmental feedback about their behaviours from a group of their colleagues/peers</td>
</tr>
</tbody>
</table>
4.0 PRINCIPLES

4.1 The Trust will adhere to the appropriate legislation and other frameworks such as Agenda for Change, local agreements and Advisory, Conciliation and Arbitration Service (ACAS) code of practice.

4.2 The Trust seeks to promote fair, reasonable and consistent employment practices referring to relevant policies such as the capability policy and procedure.

4.3 All employees have a responsibility to comply with the provisions set out in this procedure.

5.0 PAY PROGRESSION CRITERIA

5.1 ‘Capability processes’ (policy and procedure HR27B) are defined in the Trust’s Capability Policy and procedure, which covers processes for dealing with lack of competence, including professional and clinical competence and clear failure by an employee to achieve a satisfactory standard of work through lack of knowledge, ability or consistently poor performance. ‘Process’ means that there has been an outcome placing the employee in a formal stage of the process. Investigations, informal stages and processes for dealing with absence due to ill health are all excluded from this pay progression standard.

5.2 ‘Disciplinary sanction’ (policy and procedure HR27A) refers to sanctions in relation to conduct only, and excludes warnings applied in relation to absence due to ill health. It refers to formal disciplinary sanctions such as formal warnings. It does not include investigations, informal warnings, counselling or other informal activities that may come within a disciplinary policy. If a disciplinary sanction in place at the time of the increment/pay-step date is subsequently repealed, for example as a result of a successful appeal, the increment/pay-step will be backdated to the increment/pay-step date if all other standards have been met.

5.3 Re-earnable pay process (Pay Bands 8C, 8D and 9 only)

In the year after an employee has reached the top of bands 8c, 8d or 9, 5 per cent or 10 percent of basic salary will become re-earnable. Where the standards in point 10.2.1 are met, salary is retained at the top of the band. If standards are not met salary may be reduced by 5 per cent or 10 per cent from the increment/pay-step date. The employee will be able to restore their salary to the top of the band at the end of the following year by meeting the required standards. The employee has the right to contest a decision to reduce their pay (refer to section 10).

5.4 The principles and standards for pay progression and then re-earnable pay for staff in bands 8c, 8d and 9 are the same as the principles and standards for all other staff. Once the employee has reached the top of their band, the expectation is that they will meet the required standards and will re-earn the relevant element of pay annually. The first point at which the re-earnable
element becomes relevant is 12 months after employees have passed through their increment/pay-step point to reach the top of the band.

5.5 Staff on the top two points of these bands on 31 March 2013 have reserved rights to the relevant point. This reserved right will be retained on a marked time basis. At the end of 2020/21, 5 per cent of pay will become annually earned and then, when annual increases to the top of the band add a further 5 per cent, annually earned pay will apply to 10 per cent of basic pay.

5.6 A Re-earnable Pay Decision Form (Appendix 2) must be completed during a meeting with the staff member to discuss their pay progression. This must be signed by the line manager, a senior manager and the staff member, and stored in the staff member’s personnel file. Where a staff member has not met the requirements outlined the line manager must submit a Change Form to Workforce (email contact details) detailing the reduction in pay.

6.0 PAY PROGRESSION DECISION PROCESS

6.1 Line managers will receive monthly reports from the Workforce Information Team detailing their staff’s increment or pay-step dates, highlighting in particular those approaching within the next three months.

6.2 It is expected that staff will achieve the required standards at the point of their next increment/pay-step date. It is also expected that staff and their line manager should be aware of any problems in reaching the required standards before the increment/pay-step date. This will allow time for issues to be raised and possible solutions found to enable pay progression on time.

6.3 The pay progression decision process is as follows:

- Responsibility for confirming pay progression decisions sits within senior management teams
- Line managers will receive notification before an individual’s next increment/pay-step date and initiate a pay progression review meeting to discuss whether the requirements for progression have been met. This meeting will draw on the most recent appraisal outcome and consider the standards
- The line manager will hold a pay progression review meeting with the staff member, which can be held up to six weeks in advance of the increment/pay-step date. The Pay Progression Review Form (Appendix 1) must be completed and signed by the staff member, line manager and approved by a senior manager. This form must be kept in the staff member’s local personnel file. The line manager must then record the decision on ESR. (Refer to the ESR Pay Progression Help Guide for more information).
- Where either the line manager or senior manager are unavailable in this time period due to planned or unplanned leave, arrangements must be made via the Workforce Information Team for an alternative designated manager to be given ESR access rights. Where this is a foreseen circumstance, management teams must plan for this in advance.
6.4 Increment/pay-step points will be closed on the payroll system. Once the pay progression meeting has been completed the line manager must record the decision outcome on ESR to open the increment/pay-step point.

6.5 In order for staff to receive their pay progression in the month it is due, the line manager must record the pay progression decision in ESR by the payroll cut-off date of that month, which is usually the 5th working day and is published on the homepage of the Intranet. Where the pay progression is recorded in ESR after the payroll cut-off point, the staff member receives the increment/pay-step in the next payroll period with back-pay to their increment/pay-step date.

6.6 Although staff must have successfully completed their last appraisal to move to their next increment/pay-step point, the date the appraisal takes place does not have to be linked to their increment/pay-step date. If the last appraisal outcome was not satisfactory but remedial actions have been successfully completed by the time of the increment/pay-step date, the staff member will be able to progress without delay if they meet the other standards.

6.7 In situations where standards have not been met, and there are no sufficient mitigating factors, it is expected that the staff member’s increment/pay-step will be delayed, subject to arrangements outlined below:

i. The line manager must use the pay progression review meeting to discuss the standards that have not been met and review previous discussions about these, consider any mitigating factors, and record their decision using the Pay Progression Review Form (Appendix 1). The staff member and a senior manager must also sign this form.

ii. The line manager should advise the member of staff of their right to contest any decision where the required level of performance is deemed not to have been met in line with the local policy. If this is upheld, the increment/pay-step should be applied backdated to the increment/pay-step date.

iii. The line manager should also discuss and agree a plan with the staff member for any remedial action needed to ensure that the required standards for pay progression are met, including a timescale, and how any training and support needs will be met.

iv. The staff member must take all necessary steps to meet the requirements as soon as possible and the line manager must provide the necessary support.

v. A further pay progression review meeting should be arranged as soon as the staff member is expected to become compliant against the criteria to review progress and, where satisfactory, initiate the opening of the increment/pay-step on ESR. The effective date for progressing to the next increment/pay-step should be the earliest date that the criteria has shown to have been met. The increment/pay-step date for future years will remain unchanged.
vi. Where an increment/pay-step is delayed due to a live disciplinary sanction, or a formal capability process, the line manager should initiate a pay progression review meeting before the expiry of the sanction or capability plan. This should be used to confirm that all other requirements have been met and to ensure that the staff member progresses to the next increment/pay-step, effective the day after the sanction expires. The increment/pay-step date will remain unchanged.

vii. A disciplinary sanction cannot be applied retrospectively to delay pay progression if it comes into effect after the increment/pay-step date.

viii. The line manager must use the pay progression review meeting to discuss the standards that have not been met and review previous discussions about these.

ix. The staff member is expected to become compliant against the criteria to review progress and, where satisfactory, initiate the opening of the increment/pay-step on ESR. The effective date for progressing to the next increment/pay-step should be the earliest date that the criteria has shown to have been met. The increment/pay-step date for future years will remain unchanged.

x. Where an increment/pay-step is delayed due to a live disciplinary sanction, or a formal capability process, the line manager should initiate a pay progression review meeting before the expiry of the sanction or capability plan. This should be used to confirm that all other requirements have been met and to ensure that the staff member progresses to the next increment/pay-step, effective the day after the sanction expires. The increment/pay-step date will remain unchanged.

xi. A disciplinary sanction cannot be applied retrospectively to delay pay progression if it comes into effect after the increment/pay-step date.

6.8 If, following a decision to delay pay progression, the staff member becomes compliant against the criteria (for example by becoming compliant against core training, having an in-date appraisal, or meeting performance expectations), the manager must submit a new pay progression decision via ESR. In this instance, the staff member’s increment/pay-step point would be paid from the point at which they became compliant, without any back-pay. Their increment date remains the same.

6.9 Aligning appraisal meetings with pay progression confirmation

By April 2020, appraisal dates will be aligned with increment/pay-step points to streamline processes. In order to achieve this, line managers must follow the below steps:

i. During 2019-20, where an appraisal is due within the six weeks prior to the increment or pay-step point, both meetings will occur at the same time. The appraisal should be held as close to the increment or pay-step point as possible. This will remain the case going forward, so that both appraisal and pay progression meetings are held together.
ii. During 2019-20, where an appraisal is not due within the six weeks prior to the increment or pay-step point, the appraisal meeting will happen by the due date as per the current schedule. A separate pay progression review meeting will be held within the six weeks prior to the increment/pay-step point. At this point, the line manager will also re-submit the most recent appraisal confirmation form via ESR to re-confirm the last appraisal’s outcomes, which will re-set the next appraisal due date. In 2020-21, the appraisal will be due at the same time as the increment/ pay-step point.

6.9.1 Absent from work when increment/pay-step is due

If a staff member is absent from work for reasons such as sickness or parental leave when an increment/pay-step is due, the principle of equal and fair treatment should be followed so that no detriment is suffered as a result.

6.9.2 In the case of planned long-term paid absence such as maternity, adoption and shared parental leave the pay progression review meeting can be conducted early if this is reasonable and practical, allowing the increment/pay-step to be applied on the due date in their absence. Service is considered to be continuous, therefore employees taking this type of leave which coincides with an increment or pay-step date should not be penalised. Should a member of staff wish to update their mandatory training during their leave, they have the option to use Keep In Touch (KIT) days. An appraisal must still be held in retrospect as soon as they return to work (no longer than four weeks).

6.9.3 If an individual is on long-term paid absence such as maternity, adoption and shared parental leave and a pay progression review meeting cannot be conducted prior to the increment/pay-step date; the increment/pay-step should be automatically applied in the individual’s absence.

6.9.4 If there was a live disciplinary sanction in place at the point the individual went on leave, the increment/pay-step point should be applied in their absence if appropriate, effective the day after the sanction expires.

6.9.5 If there was an active formal capability process underway at the point the individual went on leave, the increment/pay-step point can be delayed. The improvement process should be resumed immediately upon their return. On satisfactory completion, the period of their absence should be set aside and the increment/pay-step point backdated to an agreed date as if they had completed the improvement process without being absent.

6.9.6 Suspension from work on full pay is a neutral act. In order to ensure this is the case, employers should ensure that the increment/pay-step point is applied from the due date where an individual is suspended on that date, provided they were meeting the standards required above at the point of suspension.
6.9.7 Employees on secondment at another NHS organisation will undertake the pay progression procedure of the employing organisation. This may involve the substantive manager working in conjunction with the line manager of the partner organisation to undertake a review of performance over the previous 12 months.

6.9.8 In line with the Trust’s arrangements for career breaks, the increment/pay-step of all employees on the scheme will be frozen until they return to work. On their return, the normal procedures will apply, but with performance potentially being assessed over a shorter period.

7.0 EXTENUATING CIRCUMSTANCES

7.1 Where an employee has been temporarily redeployed into a different role due to an industrial injury, it is expected that the employee will still receive their pay progression as it would not be possible to appraise them against their substantive post.

7.2 Where factors beyond the individual’s control, such as organisational or operational issues, have prevented compliance with any of the criteria, these should not prevent the employee from receiving pay progression. Managers should ensure that they take full account of such factors and staff should bring these to the attention of their line manager as soon as possible (not waiting until the pay progression review) so that these can be addressed and remedied. Agreement of such circumstances as an extenuating circumstance must be via a senior manager, and can only be agreed where a remedial plan is in place to achieve compliance.

8.0 APPRAISAL AND PAY PROGRESSION APPEAL PROCESS

8.1 Individuals may seek a review of the outcome of their appraisal meeting if they are not satisfied that it is an accurate reflection of performance, or contest a decision not to approve pay progression if they consider they have demonstrated that they have met the qualifying criteria. Any individual wishing to seek a review should submit this in writing, together with the evidence they provided, to their manager’s manager within five working days of receiving their notification of the outcome of their appraisal and/or pay progression decision. Upon receipt, the senior manager will review this and feed back in writing to the individual. The manager may seek advice from their Human Resources Business Partner. It is expected that the majority of reviews will be resolved this way.

8.2 If, after the management review, the individual believes the process has been unfair, they can request a formal appeal of the decision. This must be in writing within five working days of the review to the line manager(s), including their grounds for appeal. A Panel will be convened with an independent manager and a representative from Human Resources. The decision of the Appeal Panel will be final. Employees have to right to representation from a work colleagues or trade union representative.
9.0 MONITORING PAY PROGRESSION DECISIONS

9.1 Data on pay progression and re-earnable pay outcomes will be collected, audited, published and monitored locally in partnership with trade unions, including by protected characteristics and contract status, and in line with the NHS Staff Council guidance.

9.2 The Trust will collect and submit the required data necessary to support national monitoring of the pay progression system by and on behalf of the NHS Staff Council.

9.3 Human Resources will be responsible for auditing pay progression decisions against the approval criteria, and reporting any discrepancies to senior management teams for action.

10.0 MONITORING OF IMPLEMENTATION AND COMPLIANCE

10.1 The table below outlines the Trust’s monitoring arrangements for this document. The Trust reserves the right to commission additional work or change the monitoring arrangements to meet organisational needs.

<table>
<thead>
<tr>
<th>Aspect of compliance or effectiveness being monitored</th>
<th>Method of monitoring</th>
<th>Individual responsible for the monitoring</th>
<th>Monitoring Frequency</th>
<th>Group or committee who receive the findings or report</th>
<th>Group or committee or individual responsible for completing any actions</th>
</tr>
</thead>
</table>
| Appraisal compliance                                 | % staff within an appraisal within the last 12 months | Workforce Information Team & Head of Staff Engagement | Monthly | SMT Boards Workforce Committee People Board | SMT’s are responsible for acting upon the monitoring findings.
| Pay progression decisions                            | Reports identifying outcome of pay progression decisions, against the set of criteria. | Workforce Information Team & Senior Management Team | Monthly | SMT Board | SMT Board |
| Training will be monitored in accordance with the Statutory and Mandatory Training Policy | |

END