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**Cover Sheet**

**Trust Board: Wednesday 09 March 2022**

**TB2022.023**

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**Title: Pay on Appointment and Pay Progression Policy**

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**Status: For Decision**

**History: People and Communications Committee 14 February 2022  
TME 24 February 2022 TME2022.054**

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**Board Lead: Chief People Officer**

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**Confidential: No**

**Key Purpose: Policy**

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## **Executive Summary**

1. The NHS Terms and Conditions of Service (Agenda for Change) sets out principles that need to be adhered to when determining pay on appointment, including promotion, and specific provisions for pay progression that were agreed as part of the 2018 pay deal.
2. The Pay on Appointment and Pay Progression Policy (amalgamating the expired Pay on Appointment and Pay Progression Guidelines and expired Linking Pay Progression and Performance Policy) implements these principles and provisions.
3. The Pay on Appointment and Pay Progression Policy was presented at the People and Communications Committee held on Monday 14 February 2022 (agenda item 4) and at Trust Management Executive on Thursday 24 February 2022. Trust Management Executive agreed that the policy should progress to Trust Board.

## **Recommendations**

4. The Trust Board is asked to approve that the current Pay on Appointment and Pay Progression Guidelines and the Linking Pay Progression and Performance Policy are withdrawn and the Pay on Appointment and Pay Progression Policy is approved to replace them.

## Pay on Appointment and Pay Progression Policy

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### 1. Purpose

- 1.1. The NHS Terms and Conditions of Service (Agenda for Change) sets out principles that need to be adhered to when determining pay on appointment, including promotion, and specific provisions for pay progression that were agreed as part of the 2018 pay deal.
- 1.2. The Pay on Appointment and Pay Progression Policy (amalgamating the expired Pay on Appointment and Pay Progression Guidelines and expired Linking Pay Progression and Performance Policy) implements these principles and provisions.

### 2. Pay on Appointment and Pay Progression Policy

- 2.1. The Pay on Appointment and Pay Progression Policy (provided in full at **Appendix One**) applies to all non-medical staff with the exception of very senior managers and combines the Trust's current Pay on Appointment and Pay Progression Guidelines and the Linking Pay Progression and Performance Policy.
- 2.2. The Policy implements changes to the NHS Terms and Conditions of Service that were agreed as part of the 2018 pay deal, which were due to be implemented from 1 April 2021, but the Trust delayed for 12 months due to the impact of the COVID-19 pandemic.
- 2.3. Key changes include:
  - 2.3.1. The move from annual automatic increments to pay bands with either two or three pay points where pay progression is dependent on a member of staff achieving the required years of experience and meeting set pay progression standards:
    - 2.3.1.1. an appraisal completed within the last 12 months;
    - 2.3.1.2. up to date core skills learning;
    - 2.3.1.3. no formal capability process in place or live formal disciplinary warning; and
    - 2.3.1.4. for line managers – that appraisals have been completed for all their staff as required;
  - 2.3.2. A pay step submission process that includes the requirement for the manager and member of staff to meet to review whether the pay progression standards have been met;

- 2.3.3. The ability to take mitigating factors into consideration when determining if a member of staff has met the pay progression standards; and
  - 2.3.4. That allowing staff to progress more quickly through the pay band would undermine the principles of the pay system and consequently the Trust is not able to authorise progression to the next pay step until the minimum length of service on a pay step has been met. Trust's will be monitored on this by NHSE/I.
- 2.4. To ensure transparency and consistency the Policy sets out how the starting salary for new members of staff or newly promoted staff will be determined.
- 2.5. The Policy also sets out a robust process for agreeing higher starting salaries, to be used in exceptional circumstances where the Trust wishes to recognise knowledge, skills and experience gained outside the NHS.

### **3. Conclusions**

- 3.1. The Policy implements the NHS Terms and Conditions of Service in respect of the principles that need to be adhered to when determining pay on appointment, including promotion, and the specific provisions for pay progression that were agreed as part of the 2018 pay deal.
- 3.2. The Policy was consulted on between 24 November and 24 December 2021, during which staff side colleagues, divisional management teams and HR colleagues had the opportunity to provide comments and feedback on the draft policy. A copy of the draft policy was also available on the Trust intranet for any other interested parties to comment on.

### **4. Recommendations**

- 4.1. The Trust Board is asked to approve the recommendation that the current Pay on Appointment and Pay Progression Guidelines and the Linking Pay Progression and Performance Policy are withdrawn and the Pay on Appointment and Pay Progression Policy is approved to replace them.

## Appendix One - Pay on Appointment and Pay Progression Policy

<b>Category:</b>	Policy
<b>Summary:</b>	This policy implements the NHS Terms and Conditions of Service with regard to pay on appointment and pay progression for non-medical staff and provides guidance on the process to be followed for agreeing a higher starting salary for non-medical staff on appointment to the Trust.
<b>Equality Impact Assessment undertaken:</b>	May 2021
<b>Valid From:</b>	
<b>Date of Next Review:</b>	3 years Until such time as the review is completed and the successor document approved by the relevant committee this policy will remain valid.
<b>Approval Date/Via:</b>	Trust Board
<b>Distribution:</b>	Via Human Resources Department Human Resources intranet
<b>Related Documents:</b>	
<b>Author(s):</b>	HR Manager – Policies and Procedures
<b>Further Information:</b>	Appeals Procedure Core Skills Policy Maternity, Paternity, Adoption and Shared Parental Leave Procedure NHS Terms and Conditions of Service Sickness Absence Management Procedure Values Based Appraisal Policy for Non-Medical Staff
<b>This Document replaces:</b>	Pay on appointment and pay progression guidelines v4.2 and Linking Pay Progression and Performance Policy v2.0

**Lead Director:** Chief People Officer

**Issue Date:**

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## Introduction

1. This policy covers the pay on appointment and pay progression for all non-medical staff within the remit of the NHS Pay Review Body who are staff employed under the NHS Terms and Conditions of Service (commonly referred to as Agenda for Change).
2. Pay points were previously defined as increments but are now expressed in terms of years of experience (measured in years from anniversary of appointment in that pay band) required to attain a level of pay.

## Policy Statement

3. It is the policy of the Trust that a fair and transparent process is followed to determine pay on appointment for:
  - 3.1. staff moving from an Agenda for Change banded post, either within the Trust or the wider NHS, to another Agenda for Change banded post within the Trust (whether this is on the same pay band, a higher pay band or a lower pay band);
  - 3.2. staff joining the Trust with no previous NHS experience; and
  - 3.3. staff returning to the NHS after a break in NHS employment.
4. It is the policy of the Trust that pay progression for all points, within each pay band, is conditional upon staff demonstrating that they have the requisite knowledge and skills/competencies for their role and that they have demonstrated the required level of performance and delivery during the review period.

## Scope

5. This policy applies to all employees of the Trust (excluding apprentices) that are employed under the NHS Terms and Conditions of Service; this includes Retention of Employment (RoE) staff. It does not apply to medical and dental staff, very senior managers, honorary and observer contract holders, contractors, workers hired on a self-employed basis, or temporary staff engaged via the Bank.
6. Employees appointed to recognised apprentice roles will be paid a set basic salary as determined by the Trust.

## Aim

7. The purpose of this policy is to ensure all decisions regarding pay on appointment and pay progression are made consistently, fairly and transparently and that all employees are aware of and understand the criteria that will be taken into account when determining pay on appointment and pay progression.

## Definitions

8. The terms in use in this document are defined as follows:
  - 8.1. **Agenda for Change (AfC)** is the name often used to refer to the NHS Terms and Conditions of Service. A copy of the current [NHS Terms and Conditions of Service Handbook](#) is available from NHS Employers.
  - 8.2. The **pay band** describes the minimum length of service required on a pay step point before a member of staff is eligible to move to the next pay step. The pay band for a job is determined through the NHS Job Evaluation Process. Further information about pay bands is available in Annex 2 of the [NHS Terms and Conditions of Service Handbook](#) or from the relevant divisional HR team.
  - 8.3. The **pay step date** is the anniversary of the date the member of staff commenced employment in their current band.

- 8.4. A **pay step point** is a pay value within a pay band expressed in terms of years of experience (measured in years from the anniversary of appointment in that pay band) required to attain a level of pay. Pay bands may have either a two point structure (indicating there is an entry point and a top point) or three point structure (indicating there is an entry, mid and top point), and progression to the next pay step point is dependent on a member of staff achieving the required years of experience and meeting specific criteria (refer to Pay Progression Standards below in paragraphs 46 to 50).
- 8.5. **Pay step submission process** is the process that must be followed for an employee to progress to the next pay step and will only take place after two, three or five years depending on the pay band. Appraisals will continue to take place annually.
- 8.6. **Years of experience** (as opposed to the previously used pay point numbers) are the number of years of experience required to attain a certain pay step point within a pay band.
- 8.7. **Recruitment and Retention Premium (RRP)** - is a supplementary payment in addition to the pay received for pay band position and any payments received for unsocial hours or on-call cover. It is payable to an individual post or specific group of posts where market pressures would otherwise prevent the Trust from being able to recruit staff to and/or retain staff in sufficient numbers for the post(s) concerned. RRP applies to posts and not to individuals; where an employee moves to a different post that does not attract RRP, either within the Trust or elsewhere in the NHS, their entitlement to any previous RRP will cease. Please refer to the Standard Operating Procedure for Recruitment and Retention Premium for further information about the process to be followed.

## Responsibilities

9. The **Chief People Officer** (or their nominated deputy) is responsible for approving all exceptions to pay outside of nationally agreed terms and conditions.
10. **All Managers** are responsible for ensuring:
  - 10.1. salaries agreed on appointment or change of pay band are in line with the NHS Terms and Conditions of Service and this Policy;
  - 10.2. no offer of pay outside the NHS Terms and Conditions of Service or this Policy must be made until agreement is secured to deviate from these. This includes any request to pay a higher starting salary;
  - 10.3. appraisals for their team members are carried out at least annually and a suitable record is kept;
  - 10.4. where members of their team have a different appraiser (please refer to the Trust's Values Based Appraisal Policy for Non-Medical Staff for further information) that the appraiser undertakes the appraisal at least annually and that a suitable record has been kept; and
  - 10.5. pay step review meetings are held in advance of the pay affecting grade step being due and that the Pay Step Review Submission Form is completed to record the outcome of the pay step review meeting and forwarded to the HR Records Team by the required deadline.
11. The **HR Records Team** are responsible for:
  - 11.1. processing all payroll related paperwork in accordance with the authorisation requirements set out in this policy and the Trust's Standing Financial Instructions;

- 11.2. processing all completed Pay Step Review Submission Forms and uploading the completed form to the employee's electronic personal record, returning the form to the manager if it is not fully completed or has been incorrectly completed;
  - 11.3. ensuring any 'Employee Change' forms submitted following a formal re-banding process comply with this policy and the Job Evaluation Procedure; and
  - 11.4. escalating any instances of non-compliance with this policy to the relevant Divisional Head of Workforce (cc'ing the Chief People Officer and Assistant Director of Workforce – Pay, Policy and Reward for their information).
12. The **Recruitment Team** are responsible for:
- 12.1. monitoring salaries on appointment to ensure the correct process has been followed and where appropriate, approval has been received to offer a higher starting salary before making any offer to a candidate;
  - 12.2. monitoring salaries agreed on promotion to ensure compliance with this Policy and the principles of the NHS Terms and Conditions of Service;
  - 12.3. ensuring no offer of pay outside the NHS Terms and Conditions of Service or this Policy is made until the correct approval has been received. This includes offering a higher starting salary;
  - 12.4. ensuring all payroll related paperwork submitted by the Recruitment Team to the HR Records Team complies with relevant Trust policies and procedures; and
  - 12.5. running the 'Inter Authority Transfer (IAT)' process on ESR for any member of staff joining the Trust from another NHS employer.
13. **Divisional Heads of Workforce** are responsible for:
- 13.1. providing advice and guidance on determining pay on appointment and pay progression in accordance with this Policy;
  - 13.2. ensuring managers/department heads are aware of their responsibilities regarding pay on appointment and pay progression; and
  - 13.3. addressing instances of non-compliance with this Policy with the relevant manager.

## **Pay Structure**

14. The pay band describes the minimum length of service on a pay step point required before a member of staff is eligible to progress to the next pay step point. It is considered that allowing a member of staff to progress more quickly through the pay band would undermine the principles of the pay system. Consequently, the Trust is unable to authorise progression to the next pay step point until the minimum length of service on a pay step point has been met.
15. Pay progression for all pay step points, within each pay band, will be conditional upon the employee demonstrating that they have the requisite knowledge and skills/competencies for their role and that they have demonstrated the required level of performance and delivery during the review period. Where a member of staff meets these criteria but has a formal warning under the Trust's Managing Work Performance Procedure or Disciplinary Procedure progression to the next pay step point will be effective the day after the sanction expires or the formal capability process has been successfully completed, subject to meeting the other pay progression criteria.

## **Pay on Appointment**

### **Employees with no previous NHS service**

16. It is expected that staff new to the NHS will ordinarily be appointed to the bottom of the relevant pay band, with their pay step date set as the date they commenced employment in their current band.
17. However, in exceptional circumstances, where there is sound evidence to support a business case, it may be possible to offer a salary above the bottom of the relevant pay band. Please refer to the 'Process for agreeing a higher starting salary' below.

### **Pay on promotion (new role at a higher pay band)**

18. Basic pay on promotion will be set at the minimum pay-step point of the new pay band.
19. On promotion the new starting salary (made up of basic pay and any unsocial hours payments and/or long-term recruitment and retention premium (RRP)) should result in an increase in salary. If it does not, subject to paragraph 20, the manager must discuss with the relevant Divisional Head of Workforce how the previous salary will be maintained until the combination of basic pay, any unsocial hours payment and/or RRP in the new band does produce a higher salary. Any high cost area supplement received in the previous role will not be taken into consideration when calculating salary.
20. In the case of unsocial hours payments the provisions in paragraph 19 will only apply if the unsocial hours working pattern in the new role remains substantially the same as the previous role. Where this is not the case, the previous unsocial hours payments will not be taken into consideration when determining the new starting salary.
21. The earnings calculations in paragraph 19 will be based on normal contractual hours excluding additional hours and will use unsocial hours payments averaged over the previous three months at work.
22. The pay step date will become the anniversary of the date they commenced in that new band. The exception to this is professional roles covered by Annex 20 of NHS Terms and Conditions of Service Handbook.
23. Appointment to a different role on the same pay band is not promotion. Therefore employees will remain on the same pay step point and retain their existing pay step date when appointed to a different role on the same pay band, regardless of whether the employee has moved internally within the Trust or been appointed from another NHS trust.

### **Temporary movement into a higher band**

24. Where a member of staff moves to a job with a higher pay band on a temporary basis, for example to cover long term sick leave, maternity leave etc., pay should be set at the minimum pay step point of the temporary higher band. If this would result in no increase (by reference to the earnings from their substantive post) then pay will be determined as per the Pay on Promotion section above.
25. Temporary movement into a new pay band should not normally last more than six months or less than one month, except in instances of maternity leave or long-term sick leave, where a longer period may be known at the outset.
26. On temporary movement into a higher pay band the pay step date will reset to the date the member of staff starts in the new pay band. Any time spent in the higher pay band will be credited towards the employee's substantive post's pay step date, for the purpose of progression, upon their return to their substantive post at the lower band.
27. Where a member of staff is subsequently permanently appointed to the higher banded role they were undertaking on a temporary basis their pay step date will remain the date

they started in the new pay band (i.e. the date they temporarily moved into the higher pay band).

### **Job re-banding**

28. Where a post is re-banded to a higher band because of a formal job evaluation process the pay step point will become the minimum for the new pay band and the pay step date will become the anniversary of the agreed date that the new job description is deemed to have taken effect.

### **Existing NHS employees moving to a new post on the same pay band**

29. Where an existing NHS employee moves to a new post on the same pay band they will retain their current pay step point and pay step date. Any high cost area supplement received in the previous role will not be taken into consideration when calculating salary.
30. To ensure a new employee is placed on the correct pay step point and pay step date evidence of the previous pay step point and date will be required. Where possible this information will be obtained electronically by the Human Resources Department via the 'Inter Authority Transfer' process available on the Electronic Staff Record (ESR) system; however, where this is not possible the member of staff will be asked to provide a copy of a recent payslip (dated within the last three months) from their previous NHS employer. If the new employee is unable to provide a payslip dated within the last three months, they should discuss this with the Assistant Director of Workforce – Pay, Policy and Reward.
31. Initially staff will be paid on the minimum of the band until confirmation of the previous pay step point and date has been received by the Trust.

### **Existing NHS employee moving to a new post on a lower pay band**

32. Where an existing NHS employee is appointed to a post in a lower pay band their pay step point will be calculated as follows:
  - 32.1. Where the member of staff has not recently worked at the lower pay band, the member of staff will usually enter the pay band at the point they would have reached if all their NHS service in higher pay band(s) had been worked in the lower band.
  - 32.2. Where the member of staff has previous recent experience in the lower pay band role they will enter the pay band at the point they would have reached if all their complete years of NHS service in both the lower banded and higher banded role had been combined. For example, if a member of staff was promoted from a band 5 post where they had three years' experience to a band 6 role where they gained one year's experience and then moved back to a band 5 role they will move to the point that recognises four-five years' of experience.
  - 32.3. The pay step date will become the date they commenced employment in the current band, except in cases where the employee has moved to a lower banded post as part of a formal organisational change process where the pay step date will remain unchanged.
  - 32.4. Any high cost area supplement received in the previous role will not be taken into consideration when calculating salary.
33. To ensure the employee is placed on the correct pay step point evidence of their NHS service in the higher pay band(s) must be provided by the employee to the Recruitment Team.

### **Employees returning to the NHS (break in service less than 12 months)**

34. Where a member of staff returns to the NHS after a break in service of 12 months or less and they are returning to a role on the same pay band they will enter the pay band at the

same pay step point that they were on when they left and their pay step date will be adjusted by the length of their break in service.

35. To ensure the member of staff is placed on the correct pay step point and date they will need to provide a copy of their last payslip to the Recruitment Team.
36. Where the member of staff is unable to provide a copy of their last payslip they will be responsible for contacting their previous employer to request written confirmation of the pay step point and pay step date they were on at the time they left their employment.
37. Initially staff will be paid at the minimum of the pay band until confirmation of the previous pay step point and date has been received by the Trust.
38. Where a member of staff returns to the NHS after a break in service of 12 months or less to a lower banded role the provisions in the section entitled 'Existing NHS employee moving to a new post on a lower pay band' will apply.

### **Employees returning to the NHS (break in service greater than 12 months)**

39. Where a member of staff returns to the NHS after a break in service of 12 months or more they will ordinarily be appointed on the bottom of the relevant pay band and their pay step date will be the date they commenced employment in their current band.
40. However, in exceptional circumstances, where there is sound evidence to support a business case, it may be possible to offer a salary above the bottom of the relevant pay band. Please refer to the 'Process for agreeing a higher starting salary' below.

### **Process for agreeing a higher starting salary**

41. No offer of a higher starting salary can be made to the candidate unless:
  - 41.1. support has been obtained from the relevant Divisional Director (or equivalent for corporate divisions) and Divisional Head of Workforce; and
  - 41.2. once the correct local support to offer a higher starting salary has been obtained, final agreement to offer a higher starting salary is received from the Chief People Officer (or their nominated deputy).
42. In order to make a request the appointing manager should complete and submit a 'Higher Starting Salary Request' form. Please refer to the policy toolkit for further information about the process that must be followed.
43. When requesting approval to offer a salary above the bottom point of the relevant pay band the following should be considered and documented on the relevant form:
  - 43.1. whether the proposed salary is commensurate with the qualifications and breadth/depth of experience of the applicant i.e., they have all the relevant knowledge and experience to perform the role at the highest level;
  - 43.2. that, if offered, the salary would not cause problems of relativity with existing staff, (i.e., the new employee would not be in receipt of a higher salary than existing staff with the same level of experience, knowledge and skills);
  - 43.3. that, if offered, the salary would not be greater than the salary the member of staff would have been on if all their experience had been gained in the NHS; and
  - 43.4. the manager has taken into consideration the principles of the Equality Act 2010 and the Equal Pay Act 1970. For further guidance on the Equality Act and the Equal Pay Act please contact the relevant Divisional Head of Workforce.
  - 43.5. It is very important that higher starting pay is only used to recognise knowledge, skills and experience and is not used as a tool to overcome difficulties in the labour market. Where a recruitment process has produced no suitable applicants and it has been determined that the role is difficult to recruit to due to labour market

conditions, consideration should be given to whether an application to award Recruitment and Retention Premium (RRP) should be made. The Standard Operating Procedure for Recruitment and Retention Premium (RRP) outlines the process to follow in these instances.

44. Where staff are recruited from overseas, the Recruitment Team will provide specific advice to managers to determine the most appropriate starting salary.

## **Pay Progression**

45. The revised process in this policy applies to any member of staff with a pay step date on or after 01 April 2022. For these staff a completed 'Pay Step Submission Review Form' must be submitted in line with the appropriate [payroll cut-off date](#) to enable the member of staff to progress to their next pay step point.

## **Pay progression standards**

46. A member of staff will progress to the next pay step on their pay step date where the following can be demonstrated:
  - 46.1. the appraisal process has been successfully completed within the last 12 months and outcomes are in line with the Trust's standards;
  - 46.2. there is no formal capability process in place;
  - 46.3. there is no formal disciplinary sanction live on the employee's record; and
  - 46.4. all core skills learning (previously referred to as statutory and mandatory training) has been completed and is up to date.
  - 46.5. For line managers only – appraisals have been completed for all their staff as required.
47. For the purposes of determining if the pay progression standards have been met any formal warnings issued under the Sickness Absence Management Procedure should be excluded.
48. A formal capability process means that there has been an outcome placing the employee in a formal stage of the Trust's Managing Work Performance Procedure. A disciplinary sanction refers to a formal warning issued under the Trust's Disciplinary Procedure. Investigations, informal stages, records of discussion, informal performance improvement plans and processes for dealing with absence due to ill health will be excluded.
49. If a disciplinary sanction or formal capability process is in place at the time of the pay step date but is subsequently repealed, the pay step will be backdated to the pay step date if all other standards have been met.
50. Where factors beyond the member of staff's control, such as organisational or operational issues, have prevented compliance with any of the pay progression standards detailed in paragraph 46 these should not prevent the employee from progressing. 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 step review) so that these can be addressed and remedied.

## **Pay step submission process**

51. Managers will receive regular reports detailing the pay affecting grade step dates for staff within their teams.
52. The pay step submission process is as follows:
  - 52.1. Line managers must initiate a meeting with the employee before their next pay affecting pay step date to review whether the requirements for progression have been met.

- 52.2. This meeting will draw on the most recent appraisal outcome and consider the standards detailed in paragraph 46. It is not necessary to schedule appraisals to coincide with pay step dates.
- 52.3. At the review meeting the Pay Step Submission Review Form (available in the policy toolkit) must be completed.
- 52.4. There are two possible outcomes from the review meeting: (1) the standards have been met; or (2) the standards have not been met.
53. If the standards detailed in paragraph 46 have been met the member of staff will progress to their next pay step on their pay step date. To enable the Payroll Department to action this move the completed Pay Step Submission Review Form must be submitted in the month preceding the member of staff's pay step date.
54. There may be occasions where the standards have not been met, but there are significant mitigating factors. In these circumstances the manager must consider whether the mitigating factors justify delaying a pay step or not. Advice should be sought from the appropriate Divisional Head of Workforce as necessary.
55. If the standards detailed in paragraph 46 have not been met and there are no mitigating factors, please refer to the 'Decision to delay a pay step' section for further information on the process to follow.
56. Although staff must have successfully completed their appraisal within the last 12 months to move to their next pay step point, the date the appraisal takes place does not need to be linked to their pay step date.

### **Decision to delay a pay step**

57. It is expected that staff will achieve the required standards at the point of their pay step date. It is also expected that staff and their line manager should have regular discussions about any problems in reaching the required standards before the pay step date to allow for possible solutions to be found to enable pay step progression.
58. In situations where the standards have not been met as per paragraph 46, and there are no mitigating factors sufficient to justify this, it is expected that an individual's pay step will be delayed, subject to the arrangements outlined in this section.
59. At the pay step review meeting the manager should discuss the standards that have not been met and review previous discussions about these, consider any mitigating factors, record their decision on the Pay Step Submission Review Form and submit the completed Pay Step Submission Form to the HR Records Team to record on the member of staff's electronic personal file.
60. Where the manager has made the decision to delay the pay step the member of staff has the right to appeal this decision using the Trust's Appeals Procedure. If this is upheld, the pay step should be applied backdated to the pay step date.
61. Where a pay step has been delayed the manager should discuss and agree a plan with the member of staff for any remedial action needed to ensure the required standard for pay progression is met, including a timescale and how any training and support needs will be met. Please refer to the Toolkit for the Deferred Pay Step Development Plan. Where a pay step has been delayed due to the member of staff having a live formal warning this should be reflected in the plan.
62. The member of staff must take all necessary steps to meet the requirements as soon as possible and the manager must provide the necessary support.
63. A further pay step review meeting should be arranged at an agreed date to review progress and, where satisfactory, initiate progression to the next pay step by forwarding a copy of the completed Deferred Pay Step Development Plan to the HR Records Team.

The effective date for progressing to the next pay step should be the earliest date that the relevant requirements are shown to have been met, for example when the development plan has been achieved or when a formal warning has expired. The pay step date for future years will remain unchanged.

64. Where a pay step is delayed due to a live disciplinary sanction, or a formal capability process, the line manager should initiate a pay step review meeting before the expiry of the sanction or formal 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 pay step, effective the day after the sanction expires. Future pay step dates will remain unchanged.
65. A disciplinary sanction cannot be applied retrospectively to delay a pay step if it comes into effect after the pay step date.

### **Absence from work when pay step is due**

66. If a member of staff is absent from work for reasons such as sickness or maternity/adoption/shared parental leave when a pay step is due, the principle of equal and fair treatment should be followed so that no detriment is suffered as a result.
67. In the case of planned long-term paid absence such as maternity, adoption or shared parental leave the pay step review can be conducted early if this is reasonable and practical, allowing the pay step to be applied on the member of staff's pay step date in their absence.
68. If a member of staff is on long-term paid absence such as maternity, adoption or shared parental leave and a pay step review cannot be conducted prior to the pay step date; the pay step point should normally be applied in their absence, in line with the principles of equal and fair treatment (please refer to paragraphs 69 and 70 for exclusions to this).
69. If there was a live disciplinary sanction in place at the point the member of staff went on leave, the pay step point should be applied in their absence if appropriate, effective the day after the sanction expires.
70. If there was an active formal capability process underway at the point the member of staff went on leave, the pay step point will 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 pay step point backdated to an agreed date as if they had completed the improvement process without being absent. Managers must take care to avoid any discrimination or detriment on the grounds of maternity, sex or disability that could arise in relation to staff on maternity/adoption/shared parental leave or sick leave.
71. If a member of staff is suspended from work the Trust will ensure that the pay step is applied from the pay step review date if a member of staff is suspended on that date, provided they were meeting the standards in paragraph 46 at the time of suspension.

## Training

72. There is no mandatory training associated with this guidance. Ad hoc training sessions based on an individual's training needs will be defined within their annual appraisal or job plan.

## Monitoring Compliance

73. Data on pay step and re-earnable pay outcomes must be collected, audited, published and monitored locally in partnership with staff side, including by protected characteristics and contract status.
74. The Trust must also collect and submit the data necessary to support national monitoring of the pay progression system by and on behalf of the Staff Council.

Aspect of compliance or effectiveness being monitored	Monitoring method	Responsibility for monitoring (job title)	Frequency of monitoring	Group or Committee that will review the findings and monitor completion of any resulting action plan
Pay step and re-earnable pay outcomes (including deferral) by protected characteristics and contract status	Audit of pay progression data from ESR	Assistant Director of Workforce – Pay, Policy & Reward	Annual	People and Comms Committee, Trust Alliance Committee and Equality, Diversity and Inclusion Steering Group
Number of Higher starting Salary Requests submitted, agreed and declined by protected characteristics and contract status	Audit higher starting salary requests received via the Clinical/Non-Clinical Pay Panel	Head of Resourcing	Annual	People and Comms Committee and Equality, Diversity and Inclusion Steering Group
Number of pay steps authorised when Trust standards have not been met but mitigating factors were taken into consideration	Audit of completed Pay Step Review Submission Forms	Assistant Director of Workforce – Pay, Policy & Reward	Annual	People and Comms Committee, Trust Alliance Committee and Equality, Diversity and Inclusion Steering Group
Number of appeals against decision to delay pay step	Audit of Trust's Employee Relations Tracker	Head of Employee Relations	Annual	People and Comms Committee and Equality, Diversity and Inclusion Steering Group

75. The Trust may undertake monitoring of this guidance as response to identification of any gaps or as a result of the identification of risks arising from the guidelines prompted by incident review, external reviews, or other sources of information and advice. This monitoring could include:

- 75.1. commissioned audits and reviews;
- 75.2. detailed data analysis; and/or
- 75.3. other focused studies.

## Review

76. This policy will be reviewed in three years, as set out in the Developing and Managing Policies and Procedural Documents Policy. It may need revising before this date, particularly if national guidance or local arrangements change.
77. Until such time as the review is completed and the successor document approved by the relevant committee this policy will remain valid.

## References

78. References in this document include:
- 78.1. [NHS Terms and Conditions of Service Handbook](#)
  - 78.2. [NHS Employers Pay Deal Questions and Answers](#)
  - 78.3. [NHS Employers Pay Progression Scenarios](#)
  - 78.4. [NHS Job Evaluation Handbook](#)

## Equality Impact Assessment

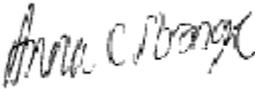
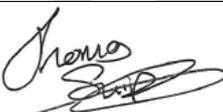
79. As part of its development, this guidance and its impact on equality has been reviewed. The purpose of the assessment is to minimise and if possible remove any disproportionate impact on the grounds of race, gender, disability, age, sexual orientation or religious belief. No detriment was identified. The assessment form can be found at **Appendix 1**.

## Document History

Date of revision	Version number	Reason for review or update
August 2013	1.0	First version of guidelines
January 2014	2.0	Revisions made following feedback from Non-Medical CIP Task & Finish Group.
May 2014	3.0	Revisions made following changes to approval of exceptional salary requests
July 2014	4.0	Revision made to include guidance on the application of a spot salary.
February 2015	4.2	Revision made to remove reference to IDSPay.co.uk due to very low take up of this benchmarking
January 2017	4.3	Revision to tighten controls and add new junior doctor contract
January 2020	4.5	Updated to reflect changes to NHS Terms and Conditions of Service, removed reference to medical and dental staff, incorporated Linking Pay Progression and Performance Policy into this policy.
November 2021	4.9	Included process for pay progression and undertook full review of policy wording in line with terms and conditions of service.
January 2022	4.12	Updated following feedback received during consultation on the draft Policy.

## Appendix 1 - Equality Impact Assessment

### 1. Information about the policy, service or function

What is being assessed	Existing Policy / Procedure
Job title of staff member completing assessment	HR Manager – Policies and Procedures
Name of policy / service / function:	Pay on Appointment and Pay Progression Policy
Details about the policy / service / function	This policy implements the NHS Terms and Conditions of Service with regard to pay on appointment and pay progression for non-medical staff and provides guidance on the process to be followed for agreeing a higher starting salary for non-medical staff on appointment to the Trust.
Is this document compliant with the <a href="#">Web Content Accessibility Guidelines</a> ?	Yes
Review Date	3 years
Date assessment completed	May 2021
Signature of staff member completing assessment	
Signature of staff member approving assessment	

### 2. Screening Stage

Who benefits from this policy, service or function? Who is the target audience?

- Staff

Does the policy, service or function involve direct engagement with the target audience?

Yes - continue with full equality impact assessment

### 3. Research Stage

**Notes:**

- If there is a neutral impact for a particular group or characteristic, mention this in the 'Reasoning' column and refer to evidence where applicable.
- Where there may be more than one impact for a characteristic (e.g. both positive and negative impact), identify this in the relevant columns and explain why in the 'Reasoning' column.
- The Characteristics include a wide range of groupings and the breakdown within characteristics is not exhaustive, but is used to give an indication of groups that should be considered. Where applicable please detail in the 'Reasoning' column where specific groups within categories are affected, for example, under Race the impact may only be upon certain ethnic groups.

### Impact Assessment

Characteristic	Positive Impact	Negative Impact	Neutral Impact	Not enough information	Reasoning
<b>Sex and Gender Re-assignment</b> – men (including trans men), women (including trans women) and non-binary people.			X		Agenda for change has been assessed as being equal pay compliant when implemented correctly. Pay step review outcomes will be monitored by protected characteristic and the data shared with the relevant committee(s). A more robust process for agreeing higher starting salaries has been developed and requires managers to take into consideration the principles of equal pay and the Equality Act when requesting a higher starting salary. All requests for a higher starting salary will require approval by the same Executive Officer and/or panel to ensure greater consistency of decision making.
<b>Race</b> - Asian or Asian British; Black or Black British; Mixed Race; White British; White Other; and Other			X		A new process for agreeing higher starting salary has been developed as part of this policy and when submitting a request for approval to offer a higher starting salary to new recruits. When submitting a request for approval to pay a higher starting salary the manager needs to demonstrate they have taken into consideration the principles of equal pay and the Equalities Act. All requests

Characteristic	Positive Impact	Negative Impact	Neutral Impact	Not enough information	Reasoning
					<p>for a higher starting salary will require approval by the same Executive Officer and/or panel to ensure greater consistency of decision making</p> <p>Pay step review outcomes will monitored by protected characteristic and the data shared with the relevant committee(s).</p>
<b>Disability</b> - disabled people and carers			X		The policy sets out the steps to be followed if the member of staff is absent from work on a long term basis when a pay step is due to ensure the member of staff suffers no detriment as a result of their absence. Pay step review outcomes will monitored by protected characteristic and the data shared with the relevant committee(s).
<b>Age</b>		X	X		There is the potential for negative impact to younger applicants when taking into account other relevant knowledge, skills and experience in determining the pay on appointment for applicants with no previous NHS experience or a break in NHS service. However, this is justifiable as the same principles would apply to all applicants with no NHS experience, regardless of age.
<b>Sexual Orientation</b>			X		Pay step review outcomes will monitored by protected characteristic and the data shared with the relevant committee(s).
<b>Religion or Belief</b>			X		Pay step review outcomes will monitored by protected characteristic and the data shared with the relevant committee(s).
<b>Pregnancy and Maternity</b>			X		The policy sets out the steps to be followed if a member of staff is on maternity leave (or adoption

Characteristic	Positive Impact	Negative Impact	Neutral Impact	Not enough information	Reasoning
					or shared parental leave) at the time a pay step is due to ensure the member of staff suffers no detriment as a result of their absence.
<b>Marriage or Civil Partnership</b>			X		Pay step review outcomes will monitored by protected characteristic and the data shared with the relevant committee(s).
<b>Other Groups / Characteristics</b> - for example, homeless people, sex workers, rural isolation.					

DRAFT

## Sources of information

NHS Terms and Conditions of Service.  
NHS Employers Pay Deal FAQs document.  
Workforce Race Equality Standard Report 2018

## Consultation with protected groups

Group	Summary of consultation
BAME staff	BAME staff gave feedback on the pay on appointment and pay progression process as part of the Workforce Race Equality standard 2018. There were concerns that the existing policy was not applied consistently and the lack of transparency led to perceptions that BAME staff were being unfairly impacted through application of the procedure. This feedback has been reflected within the new procedure and process for agreeing higher starting salaries.

## Consultation with others

All staff will have opportunity to feedback as part of the 30 day consultation period under the Developing and Managing Policies and Procedural Documents Policy. The draft policy will be circulated to the relevant Staff Networks by the Equality, Diversity and Inclusion Manager.

## 4. Summary stage

### Outcome Measures

Through implementation of this policy it is anticipated the following will be achieved:

- Transparent pay on appointment and pay progression process,
- Process applied consistently across the Trust to all non-medical staff; and
- Pay on appointment and pay progression process is aligned with nationally agreed NHS Terms and Conditions of Service.

For staff who are absent at the time of their grade step point guidance is included on pay progression.

If at the time the grade step is due the employee does not meet the local criteria for pay progression as they do not have a current appraisal and/or up-to-date statutory and mandatory training employees are able to provide mitigation which may still allow for pay progression.

The policy also allows for the right of appeal against a decision to defer pay progression which will allow the decision to be reviewed by an independent third party.

### Positive Impact

Through the requirement for all higher starting salaries to be approved by the same Executive Officer and/or panel it is expected there will be greater transparency, consistency of approach and reduce the potential for unconscious bias.

Pay progression will only occur when the member of staff has reached a pay step date and can demonstrate they are up to date with their core skills learning (previously referred to as statutory and mandatory training), have a current appraisal and have no formal warnings under the Disciplinary or Managing Work Performance Procedures. This will ensure there is greater consistency and fairness in how staff progress through the pay scale as there will be no opportunity to miss out grade step points.

### **Unjustifiable Adverse Effects**

There is potential that unconscious bias may factor into a decision regarding salary on appointment when taking into account non-NHS experience; however the introduction of a consistent route for decision making will help to mitigate the potential inconsistency between multiple decision makers.

### **Justifiable Adverse Effects**

There is the potential for leapfrogging of existing staff when agreeing a higher starting salary for a candidate new to the NHS, however any agreement to pay above the first pay step point must be supported by the candidate having demonstrable, relevant, transferable knowledge, skills and experience and any higher starting salary agreed cannot be greater than the salary the candidate would have been on if they had gained all their relevant experience in the NHS.

There is potential for an adverse impact on the basis of age, particularly, younger applicants when taking into account other relevant knowledge, skills and experience in determining the pay on appointment for applicants with no previous NHS experience or a break in NHS service. However, this is justifiable as the same principles would apply to all applicants with no NHS experience, regardless of age.

### **Equality Impact Assessment Action Plan**

Complete this action plan template with actions identified during the Research and Summary Stages

<b>Identified risk</b>	<b>Recommended actions</b>	<b>Lead</b>	<b>Resource implications</b>	<b>Review date</b>	<b>Completion date</b>