



## Pay Protection Policy

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## **1. Statement of Aims and Objectives**

- 1.1. An integral feature of any successful organisation is its ability to identify the need for change and to manage that change. Taking into account organisational and service needs as well as affordability and the aspirations and well-being of its staff.
- 1.2. The Trust recognises that, in meeting the changing needs of the service, there is a balance between protecting individuals and protecting the long-term job security of staff, as a whole. The Trust believes that it is good management practice to introduce arrangements to safeguard the position of individuals adversely affected by organisational change.
- 1.3. This policy applies to any employee who, as a consequence of organisational change, is required by management to move to a new post, and as a result is downgraded or suffers a reduction in basic hours worked within the standard working week.

## **2. Principles**

- 2.1. In redeployment situations, where the hours of work differ between the new and the old, post protection will be on the basis of the hourly rate for the old post while working to the hours required for the new post. This will be based on total protectable earnings in the former post for short term protection and basic salary for long term protection.
- 2.2. Individuals who as a result of organisational change require protection of earnings will not have payments added for annual pay uplifts or increments they would have attracted in their former post. They will however be protected, in accordance with this policy, as of the date the downgrading/reduction in contractual hours took effect.
- 2.3. Individuals on protected earnings will mark time for the relevant period based upon length of NHS reckonable service. This means that in the protected earnings period pay awards or incremental progression will not apply.
- 2.4. Where assimilated to a lower banded post but on an equivalent salary short term protection may apply, however, long term protection will not apply.
- 2.5. Protection will not apply following periods of secondment or acting up.
- 2.6. Incremental dates for the new post are set as the anniversary of the date of downgrading.

## **3. Scope**

- 3.1. This Pay Protection Policy is applicable to all employees of the Trust (except Managers on the Very Senior Manager pay framework) unless

legacy pay protection arrangements are already in place for an individual, in which case, these will take precedence.

## 4. Definitions

- 4.1. **Organisational change** - Any structural or managerial change in the organisation of service provision within South East Coast Ambulance Service NHS Foundation Trust (the Trust).
- 4.2. **Long Term Protection** - An employee to whom these arrangements apply will be entitled to receive protection of basic pay, plus any long-term Recruitment and Retention premia on a mark time basis (i.e. without benefit of any subsequent improvements or increments applying to the post) and reverting to the new job entitlement on expiry of protection.
- 4.3. **Short Term Protection** - An employee to whom these arrangements apply, will be entitled to receive protection of any allowances in accordance with Section 6 below where as a result of organisational change their earnings are reduced.
- 4.4. **Downgrading** - When a post irrespective of its title, carries an hourly rate lower than that for the previous post or a salary band lower than the previous post.
- 4.5. **Basic salary or wage.**
- 4.5.1. 'Basic salary' comprises annual salary or wage for basic hours worked within the standard working week as reckoned on the day immediately preceding the first day of employment in the new post in which protection will operate.
- 4.5.2. Excluded are any payments for acting up or other payments made for a temporary period.
- 4.6. **Total Protectable Earnings**
- 4.6.1. '**Total Protectable Earnings**' are calculated by an average of the last thirteen weeks prior to the effective date of the change in post. This will be comprised of 'basic salary or wage' as defined in paragraph 4.5 plus the cash value for:
- Unsocial hours enhancements
  - On Call Allowances
  - Locally agreed Recruitment and Retention premia
  - Earnings in the new post means the sum of the basic salary or wage in the new post and of any remuneration in respect of Unsocial Hours Enhancements, On Call Allowances and locally agreed Recruitment and Retention premia.

**4.7. Reckonable service**

- 4.7.1. Reckonable service means continuous full-time or part-time employment with present or any previous NHS employer where there has been a break of service of 12 months or less than 12 months.
- 4.7.2. Employment that has been taken into account for the purposes of a previous redundancy or loss of office payment by an NHS employer, will not count as reckonable service.
- 4.7.3. In calculating NHS reckonable service, the Trust has discretion to take into account any period or periods of employment with employers outside the NHS, where these are judged to be relevant to NHS employment.

**5. Period of Protection**

- 5.1. The following arrangements apply for short-term and long term pay protection based on NHS reckonable service.

5.1.1. Short-term Protection

- 5.2. **On Call Allowances** Bands 4 and below:

Less than one year's service	No protection
1 plus years' service	3 months' protection
Bands 5 and above	No protection
Unsocial Hours Enhancements	To be agreed on an individual basis
Short-term Recruitment and Retention Premia	To be agreed on an individual basis
High Cost Area Payments	(See Section 5.10)

**5.3. Long-term Protection**

- 5.4. The table below sets out the period of long-term pay protection based on NHS reckonable service:

<b>Reckonable Service</b>	<b>Protection Period</b>
2 years	6 months
5 years	1 year
5+ years	2 years

**5.5. Conditions of Pay Protection**

- 5.5.1. Protection is conditional upon the individual undertaking any other additional duties which may be reasonably required of them, and which can be facilitated within the current role. These would include, for instance, duties or responsibilities which might be expected of an individual holding a post which attracts a salary at the protected salary level.

- 5.5.2. The provision of long-term protection is conditional upon the employee agreeing to move to an equivalent post, should one become available during the period of protection. In determining whether or not the equivalent post constitutes suitable alternative employment, account will be taken of the geographical location of the post and whether this is deemed to be a reasonable option in the circumstances.
- 5.5.3. Short term protection is conditional upon the employee undertaking any additional duties up to the equivalent level of pay for these allowances that previously applied. If participation in duties attracting additional earnings is declined, then overall short term protection will reduce by the value of the potential additional earnings that would have applied.
- 5.5.4. In situations where short term and long term protection arrangements are applicable, the periods of protection will run concurrently.

5.6. **End of Protection**

- 5.6.1. Protection will be on a mark time basis for the protection period and no pay awards or increments will apply. At the end of the protection period pay and other earnings revert to that of the new post.
- 5.6.2. If during any pay period when protection is in place, basic pay and earnings in the new post exceed protectable earnings, protection will be extinguished and basic pay and earnings for the new post will be paid.
- 5.6.3. Protection shall continue until:
- 5.6.4. The protection period expires
- 5.6.5. Basic pay and earnings in the new post permanently exceed that of the old post; or
- 5.6.6. The individual moves on their own application to a new post.
- 5.6.7. If an individual on protected salary secures a post at the same pay band of their former post, then they will return to the same pay point and maintain the same increment date as they had prior to their protection.

5.7. **Factors Affecting Continuation of Protection**

- 5.7.1. The protection arrangements shall cease to apply if:
- The employee is appointed to a post which carries a rate of pay equal to or higher than the protected rate of pay.
  - The employee unreasonably refuses to apply for or accept a post with a higher rate of pay.
  - The employee moves on his/her own application to a post with a lower rate of pay.

- The employee leaves the employ of the Trust.
- The rate of pay of the new post equals or exceeds that of the former post.

#### **5.8. Voluntary Reductions in Earnings**

- 5.8.1. Protection of earnings only applies in cases where the individual experiences an involuntary reduction in earnings. That is, one that is required of them as a result of organisational change. Protection does not apply where staff take a cut in earnings because this suits their personal circumstances.

#### **5.9. Other Reductions in Earnings**

- 5.9.1. Protection of earnings does not apply to downgrading resulting from the application of the Capability/Disciplinary Policies.

#### **5.10. Preservation of Pension Scheme**

- 5.10.1. Members of the NHS Pension Scheme can choose to preserve their benefits earned on the higher pay if they suffer a reduction in pay through no fault of their own. The NHS Pension Scheme requires at least two years in the Scheme to qualify.
- 5.10.2. Members of the scheme who wish to preserve benefits at the higher rate should write to the Pensions Officer at Equiniti-ICS Limited, 205 Airport Road West, Belfast BT3 9ED, within one month of the reduction asking for benefits to be preserved. Or for more details staff can visit [www.nhspensions.gov.uk](http://www.nhspensions.gov.uk)

#### **5.11. Subsequent Changes to the Post**

- 5.11.1. Each subsequent change to the post due to an organisational change covered by this agreement shall attract protection in its own right. Periods of protection will run concurrently.

#### **5.12. Protection Arising from Increased Travel to Work**

- 5.12.1. An employee to whom this agreement applies, and who moves to a new base as a result of the organisational change is entitled to a maximum of four years excess daily travel expenses, that is, payment of the additional mileage at public transport rate in accordance with section 17 National Terms and Conditions of Service Handbook.
- 5.12.2. Alternatively, where an employee transfers from a post in a geographical location which previously attracted a High Cost Area payment to a geographical location that no longer attracts such a payment due to organisational change, they can opt to receive either 6 months' protection of the High Cost Area payment or the 4 years' protection of excess daily travel expenses, whichever, is the most beneficial.

## 6. Appeals

- 6.1. Appeals arising out of the application of this policy shall be dealt with under the Trust's Grievance Policy and Procedure.

## 7. Responsibilities

- 7.1. Lead responsibility for implementation of this policy and for dealing with the change rests with the individual's line manager. This must be exercised in liaison with the HR Department, the member of staff and their trade union representative.
- 7.2. The Trust will ensure that this policy is communicated to all staff.
- 7.3. The **Director of HR** will be accountable for the effective implementation and monitoring of this policy.
- 7.4. The **Head of HR Business Partners & Employee Relations** will be responsible for the technical application of this policy to individuals' pay and conditions of service where they are adversely affected by organisational change.
- 7.5. **All managers** have the responsibility for ensuring that they comply with this policy.

## 8. Monitoring compliance

- 8.1. Human Resources is responsible for monitoring compliance with this policy and procedure. The monitoring of this policy includes an annual audit. Where non-compliance is identified an action plan will be drawn up and monitored.

## 9. Audit and Review (evaluating effectiveness)

- 9.1. All policies and procedures have their effectiveness audited by the responsible Management Group at regular intervals, and initially six months after a new policy and procedure is approved and disseminated.
- 9.2. Effectiveness will be reviewed using the tools set out in the Trust's Policy and Procedure for the Development and Management of Trust Policies and Procedures (also known as the Policy on Policies).
- 9.3. This document will be reviewed in its entirety every three years or sooner if new legislation, codes of practice or national standards are introduced, or if feedback from employees indicates that the policy is not working effectively.
- 9.4. All changes made to this policy and procedure will go through the governance route for development and approval as set out in the Policy on Policies.

## **10. References**

- NHS Terms and Conditions Handbook
- NHS Pensions

## **11. Financial Checkpoint**

- 11.1. To ensure that any financial implications of changes in policy or procedure are considered in advance of document approval, document authors are required to seek approval from the Finance Team before submitting their document for final approval.
- 11.2. This document has been confirmed by Finance to have no unbudgeted financial implications.

## **12. Equality Analysis**

- 12.1. The Trust believes in fairness and equality, and values diversity in its role as both a provider of services and as an employer. The Trust aims to provide accessible services that respect the needs of each individual and exclude no-one. It is committed to comply with the Human Rights Act and to meeting the Equality Act 2010, which identifies the following nine protected characteristics: Age, Disability, Race, Religion and Belief, Gender Reassignment, Sexual Orientation, Sex, Marriage and Civil Partnership and Pregnancy and Maternity.
- 12.2. Compliance with the Public Sector Equality Duty: If a contractor carries out functions of a public nature then for the duration of the contract, the contractor or supplier would itself be considered a public authority and have the duty to comply with the equalities duties when carrying out those functions.