

Worcestershire Acute Hospitals Trust

Managing Incremental Pay Progression Policy

Department/Service	Human Resources
Accountable Director	Chief People Officer
Date Approved by JNCC	
Revision Date	
Changes since previous version	Removed reference to non AFC Staff and clarified that withholding an increment is part of performance management/ disciplinary process.
Queries about interpretation and application of policy	wah-tr.hrenquiries@nhs.net
Target Organisation	Worcestershire Acute Hospitals Trust

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As a controlled document, this document should not be saved onto local or network drives and should always be accessed from the intranet.

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What this Policy Covers

This policy is for Agenda for Changes colleagues and follows the Agenda for Change terms and conditions for all AFC pay bandings.

It is the expectation of the Trust that colleagues will progress through the pay points of their pay band on an annual basis. Please note not all pay points will result in an increase in pay. Depending on your pay band an increase in pay could take 2-5 years. Please refer to pay scales for further information.

The Agenda for Change Handbook Section 6 and Annex W states the following:

“Incremental pay progression for all pay points will be conditional upon individuals 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.”

Responsibilities

Executive Directors

The lead Executive Director for this Policy is the Chief People Officer. In addition, all Executive Directors will be responsible for ensuring that the policy is implemented and operated effectively.

Managers

Pay progression cannot be deferred unless there has been prior discussion between the individual and the person undertaking the review about the skills and knowledge the individual needs. This would be a separate discussion to the PDR (Personal Development Review) and part of a performance management/ disciplinary process.

Managers should ensure that all their staff have an annual personal development review, including mandatory objectives and full compliance of statutory and mandatory training. Managers have the responsibility for effectively and fairly implementing and operating this policy within their department.

Managers are responsible for ensuring that each colleague is aware of the implications for the personal development review process and failure to meet the required standards of performance, please refer to Personal Development Review Policy WHAT-HR-049 for further details.

Managers are responsible for keeping accurate records regarding performance and for discussing concerns with their staff at the earliest opportunity and ensuring that colleagues are informed of this policy and its operation.

Managers must ensure that they successfully complete the appropriate training for undertaking Personal Development Reviews to enable them to apply the process fairly and consistently.

Managers are responsible for taking part in the policy development and review process.

Employees

Colleagues are responsible for achieving the required standards of performance supported by their manager in line with the PDR process.

Colleagues are responsible for requesting sessional time to attend training etc. especially mandatory and statutory training updates as specified by the Trust.

Managers are responsible for ensuring that colleagues have time available during working hours to complete the required training. In exceptional circumstances where training is cancelled due to factors outside of the control of the individual the individual is required to reschedule training at the earliest convenience.

Colleagues should be aware that failure to achieve standards or maintain their mandatory training could result in increments being withheld.

Human Resources

The responsibility of the Human Resources Department is to ensure that the policy and procedure is applied, maintained, and updated accordingly in line with any organisational or legislative changes; as well as provide support for managers and colleagues in dealing with the management of staff affected by this policy.

Staff Side Representatives

Staff side representatives are a source of advice and support to managers and union members in the application of this policy. The application of this policy will be monitored in partnership with staff side colleagues.

Policy in practice

It is the expectation of the Trust that colleagues will progress through the pay points of their pay band. However, progression through all pay points will be conditional upon individuals demonstrating the required standards of performance and delivery and that they have the requisite knowledge, skills, and competence for their role. This document outlines the policy to be followed to defer pay progression where the above cannot be demonstrated.

The definition of the requisite skills, knowledge and competence are as follows:

- A **skill** can be physical, oral, analytical, or having the skill to judge situations and make decisions or plan and organise work, events, or projects.
- **Knowledge** includes theoretical and practical knowledge; professional, specialist or technical knowledge; and knowledge of the policies, practices and procedures associated with the job/task.
- **Competence** is the capability and aptitude to implement the skills and knowledge to do the tasks allocated and deliver the required outcomes.
- **Satisfactory** means an acceptable level of performance i.e. achieving all parts of the role to an adequate standard.
- **Performance** means undertaking actions to achieve a pre-determined aim or outcome.
- **Delivery** means achieving an expected and pre-determined outcome.

Local personal development and performance reviews will need to be consistent with the Trust's local objectives and the NHS Constitution.

Regular appraisal, performance and/or development reviews will continue to be the basis for determining whether an individual has met the standards required of them locally for pay progression. Those colleagues demonstrating and applying the required levels of performance and delivery consistently during the

performance review period will benefit from incremental pay progression. In assessing an individual's performance, the Trust may determine whether the objectives have been achieved.

Pay progression into the annually earned pay points, the last two pay points in pay bands 8C, 8D and 9, will be available to all members of colleagues in these bands subject to the criteria set out in Annex W.

Individuals will have the right to seek a review of any decision where the required level of performance is not considered to have been met.

All colleagues who fail to meet performance requirements will be provided with appropriate training and support to achieve the required improvements in performance. In addition, an individual's performance will be monitored throughout the year so that any under performance is brought to the attention of the individual and addressed appropriately as soon as possible. In assessing an individual's performance, managers should take note of factors that are outside of the control of the individual colleagues.

The operation of this policy will be communicated to all colleagues so that they fully understand the operation of this process and the expectations of the role.

Circumstances where pay progression may be deferred

An individual is considered not to be meeting the 'required standards' in the following circumstances:

The failure to meet either annual or organisational objectives.

The objectives will need to be assessed to ensure that they are Specific, Measurable, Achievable, Realistic and Timebound. Where individuals have been assessed as having not met their objectives by at least 75%, pay progression will be deferred until such a time that the objectives have been achieved which will be determined at an appraisal review not more than 3 months following the original assessment of the objectives. Upon achievement of the objectives, pay progression will be re-instated with the new incremental date being deferred until the day after appraisal review.

The failure to demonstrate behavior in line with Trust values

This will be assessed by reference to for example a proven incident of misconduct that relates to demonstrating behavior in line with the Trust values and defined standards of behavior i.e. formal disciplinary/conduct warnings/ capability or objective evidence of poor standards of behaviour.

Colleagues on formal disciplinary warnings (i.e. formal warnings) MAY have their pay progression deferred for the duration of the disciplinary warning. This will be considered by the panel hearing the case and be determined as an outcome of the disciplinary decision-making process. Upon expiry of the warning, pay progression will be re-instated with the incremental date deferred until after expiry of the warning.

Colleagues managed under the Trust's Performance Management Policy

Where colleagues are being managed under the Performance Management policy, pay progression will be deferred until acceptable performance has been achieved and sustained for a period of 6 months. On achievement the colleague will then continue to the next incremental point and their incremental date will be deferred to the day after the performance review.

Non-compliance with mandatory training requirements

It is a contractual requirement for all employees to undertake mandatory training necessary for their role. Failure to do this is a breach of this contract. Colleagues who have failed to comply with their mandatory training requirements will have their pay progression deferred until the day after compliance. Clearly, there

may be situations where circumstances have prevented a colleague from undertaking their training, these must be clearly documented by the Line Manager. Where the reason for non-compliance is due to managerial issues, the colleague will not be penalised.

Non-compliance with the personal development review process

It is a job requirement for every colleague to actively participate in the annual appraisal process. Failure to do so is a breach of contract and may result in deferral of pay progression until compliance is achieved. Pay progression will be automatic for those on maternity or long-term sick leave. The expectation is that the PDR is completed within 8 weeks upon the colleague's return to work. Where the reason for non-compliance to complete PDR is due to managerial issues i.e. staffing shortages or inability to release colleagues to complete agreed training, capacity issues with training courses then the colleague will not be penalised.

Process for deferring pay progression

Failure to meet set objectives following a Personal Development Review

Where pay progression is to be deferred for failure to meet the set objectives, the manager must complete a change form for signing off by Human Resources.

Once the objectives have been completed, the line manager must complete a payroll amendment form to re-instate the increment. The incremental date is deferred to the date of achievement, and it will not be backdated.

Non-compliance with appraisal or mandatory training requirements

Where pay progression is to be deferred for non-compliance with appraisal or mandatory training requirements, the manager must complete a change form for signing off by Human Resources.

Once the PDR or mandatory training requirements have been completed, the line manager must complete a change form in a timely manner to re-instate the increment. The incremental date is deferred to the date of achievement, and it will not be backdated unless in exceptional circumstances.

In addition, colleagues should be made aware that any future lapse in mandatory training requirements or the appraisal process may result in disciplinary action. A copy of the letter in Appendix A must be given to the colleague and a copy kept on their personal file.

Disciplinary or formal warnings under the Trust's performance management policy

Where pay progression is to be deferred due to a disciplinary warning or the individual has been subject to the Trust's performance management policy, the line manager will complete a change for sign off by Human Resources.

Once the colleague's warning has expired or the recommended period of deferral has ended the pay increment will be re-instated. The effective date of the re-instated increment will be the day after expiry of the warning. The incremental date is deferred to the date of achievement, and it will not be backdated.

Appeals Process

If a colleague is aggrieved with their line manager's decision to defer pay progression, they have the right to submit an appeal. This should be submitted to their line manager's manager within 15 days of the individual being advised of the decision.

The appeal will be heard by the next level of management, provided they have not been involved in the decision to defer pay together with an HR representative. The individual will be entitled to be accompanied by a work colleague or a trade union representative. The panel's decision will be provided in writing within 5 working days of the hearing. There is no further appeal after this stage.

Where the panel upholds the colleague's appeal, pay will be backdated to the date at which pay progression should have occurred.

Appeals against warnings for performance/disciplinary processes will be conducted as part of the normal appeals process within those procedures.

Implementation Plan

This policy will be available on the Trust Intranet.

A policy briefing will be developed for Divisional Management Boards, Directorate Meetings and Worcestershire weekly.

Appendix 1

Template letter 1 - Deferral of general incremental progression – AMEND AS APPROPRIATE

Dear

a) Performance

From April 2013 incremental pay progression for all pay points, within each pay band, is conditional upon individuals 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.

As discussed on (date) I confirm that you have not achieved the locally agreed performance objectives, described below, which is a requirement for general pay progression:

- **Detail here**

The impact of this) is that your next pay increment will be deferred until acceptable performance has been achieved and sustained for a period of 6 months. On achievement you will then continue to the next incremental point and your incremental date will be deferred to the day after the performance review.

Should you wish to appeal this decision you have the right to appeal. Your appeal should be submitted to ##### (line manager's manager) within 15 days of being advised of this decision.

b) **Non-compliance with PDR or mandatory training requirements.**

From April 2013 incremental pay progression for all pay points, within each pay band, is conditional upon individuals demonstrating that they have complied with the Trust Mandatory training requirements/PDR process.

As discussed on (date) I confirm that you have not met these requirements for general pay progression:

- **Detail here**

The impact of this (is that your next pay increment will be deferred until you have completed your mandatory training/engaged with the PDR process. On achievement you will then continue to the next incremental point and your incremental date will be deferred to the day after the mandatory training/PDR.

I advise that any future lapses in mandatory requirements/PDR process may result in disciplinary action.

Should you wish to appeal this decision you have the right to appeal. Your appeal should be submitted to ##### (line manager's manager) within 15 days of being advised of this decision.

c) **Disciplinary warning/formal performance management**

From April 2013 incremental pay progression can be deferred due to a disciplinary warning being issued/or subject to the Trusts performance management policy.

As discussed on (date) I confirm that you have received a Stage ## warning on ###.

- **Detail here**

The impact of this is that your next pay increment will be deferred until your warning has expired when your increment will be re-instated the day after the expiry of the warning.

Should you wish to appeal this decision you have the right to appeal. Your appeal should be submitted to ##### (line managers manager) within 15 days of being advised of this decision.

Appendix 2

Equality Impact Assessment form



Herefordshire & Worcestershire STP - Equality Impact Assessment (EIA) Form
Please read EIA guidelines when completing this form

Section 1 - Name of Organisation (please tick)

Herefordshire & Worcestershire STP		Herefordshire Council		Herefordshire CCG	
Worcestershire Acute Hospitals NHS Trust	√	Worcestershire County Council		Worcestershire CCGs	
Worcestershire Health and Care NHS Trust		Wye Valley NHS Trust		Other (please state)	

Name of Lead for Activity	Kirstyn Lovegrove
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Details of individuals completing this assessment	Name	Job title	e-mail contact
	Kirstyn Lovegrove	Head of Workforce Systems	Kirstyn.lovegrove@nhs.net
Date assessment completed	04.07.24		

Section 2

Activity being assessed (e.g. policy/procedure, document, service redesign, policy, strategy etc.)	Title: Managing Increment Pay Progression		
What is the aim, purpose and/or intended outcomes of this Activity?	For clear understanding of the policy including roles and responsibilities to support managers through the process.		
Who will be affected by the development & implementation of this activity?	<input type="checkbox"/> Service User <input type="checkbox"/> Patient <input type="checkbox"/> Carers <input type="checkbox"/> Visitors	<input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	Staff Communities Other _____
Is this:	√ Review of an existing activity		

	<input type="checkbox"/> New activity <input type="checkbox"/> Planning to withdraw or reduce a service, activity or presence?
What information and evidence have you reviewed to help inform this assessment? (Please name sources, e.g. demographic information for patients / services / staff groups affected, complaints etc.	
Summary of engagement or consultation undertaken (e.g. who and how have you engaged with, or why do you believe this is not required)	
Summary of relevant findings	

Section 3

Please consider the potential impact of this activity (during development & implementation) on each of the equality groups outlined below. **Please tick one or more impact box below for each Equality Group and explain your rationale.** Please note it is possible for the potential impact to be both positive and negative within the same equality group and this should be recorded. Remember to consider the impact on e.g. staff, public, patients, carers etc. in these equality groups.

Equality Group	Potential <u>positive</u> impact	Potential <u>neutral</u> impact	Potential <u>negative</u> impact	Please explain your reasons for any potential positive, neutral or negative impact identified
Age		√		
Disability		√		
Gender Reassignment		√		
Marriage & Civil Partnerships		√		
Pregnancy & Maternity		√		
Race including Traveling Communities		√		
Religion & Belief		√		
Sex		√		
Sexual Orientation		√		

Equality Group	Potential <u>positive</u> impact	Potential <u>neutral</u> impact	Potential <u>negative</u> impact	Please explain your reasons for any potential positive, neutral or negative impact identified
Other Vulnerable and Disadvantaged Groups (e.g. carers; care leavers; homeless; Social/Economic deprivation, travelling communities etc.)		√		
Health Inequalities (any preventable, unfair & unjust differences in health status between groups, populations or individuals that arise from the unequal distribution of social, environmental & economic conditions within societies)		√		

Section 4

What actions will you take to mitigate any potential negative impacts?	Risk identified	Actions required to reduce / eliminate negative impact	Who will lead on the action?	Timeframe
How will you monitor these actions?				
When will you review this EIA? (e.g. in a service redesign, this EIA should be revisited regularly throughout the design & implementation)				


Section 5 - Please read and agree to the following Equality Statement

1. Equality Statement

1.1. All public bodies have a statutory duty under the Equality Act 2010 to set out arrangements to assess and consult on how their policies and functions impact on the 9 protected characteristics: Age; Disability; Gender Reassignment; Marriage & Civil Partnership; Pregnancy & Maternity; Race; Religion & Belief; Sex; Sexual Orientation

1.2. Our Organisations will challenge discrimination, promote equality, respect human rights, and aims to design and implement services, policies and measures that meet the diverse needs of our service, and population, ensuring that none are placed at a disadvantage over others.

1.3. All staff are expected to deliver services and provide services and care in a manner which respects the individuality of service users, patients, carer's etc, and as such treat them and members of the workforce respectfully, paying due regard to the 9 protected characteristics.

Signature of person completing EIA	
Date signed	10/09/2024
Comments:	Clare Waterman
Signature of person the Leader Person for this activity	
Date signed	10/09/2024
Comments:	



Supporting Document 2 – Financial Impact Assessment

To be completed by the key document author and attached to key document when submitted to the appropriate committee for consideration and approval.

	Title of document:	Yes/No
1.	Does the implementation of this document require any additional Capital resources	No
2.	Does the implementation of this document require additional revenue	No
3.	Does the implementation of this document require additional manpower	No
4.	Does the implementation of this document release any manpower costs through a change in practice	No
5.	Are there additional staff training costs associated with implementing this document which cannot be delivered through current training programmes or allocated training times for staff	No
	Other comments:	

If the response to any of the above is yes, please complete a business case and which is signed by your Finance Manager and Directorate Manager for consideration by the Accountable Director before progressing to the relevant committee for approval