



Dudley
Clinical Commissioning Group

PAY PROTECTION POLICY

UNIQUE REFERENCE NUMBER:	RC/XX/041/V2
DOCUMENT STATUS:	Approved by Committee 7 June 2017
DATE ISSUED:	June 2017
DATE TO BE REVIEWED:	June 2020

AMENDMENT HISTORY

VERSION	DATE	AMENDMENT HISTORY
D1	Jan 14	Addition of branding and formatting changes in line with Policy for Development of Policies.
V1	Feb 14	Approved by Rem Comm.
RC/XX041/V1	Dec 14	Unique reference number added prior to publication
RC/XX041/V2	May 17	Three yearly review

REVIEWERS

This document has been reviewed by:

NAME	DATE	TITLE/RESPONSIBILITY	VERSION
Steph Cartwright	28 January 2014	HR Lead	D1
Julia Dixon	28 January 2014	Staff Side Lead	D1
Alice McGee	1 June 2017	Head of HR and OD	V2
Staff Forum	5 June 2017		V2

APPROVALS

This document has been approved by:

VERSION	NAME	DATE
V1	Remuneration Committee	28 February 2017
V2	Remuneration & HR Committee	7 June 2017

N.B: the version of this policy posted on the intranet must be a PDF copy of the approved version.

DOCUMENT STATUS

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RELATED DOCUMENTS

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1.0 Policy Overview

1.1 Purpose

The CCG is committed to having arrangements for supporting and safeguarding the pay and conditions of service of employees whose hours of work or income may be adversely affected by organisational change.

1.2 Who this Policy Applies to

The policy applies to all staff that are employees of the organisation in a permanent post. Fixed term contracts may attract some pay protection based on the period of the fixed term contract.

1.3 Key Principles

The aim of the policy is to provide the details of pay protection following management of change. This policy should be read in conjunction with the CCG Management of Change policy. The policy should be applied using the following supporting principles:

- Employers and employees should act consistently.
- The policy defines the principles which will apply to staff whose pay and conditions of service are affected by change, including where such staff accept a move to a lower graded post as a result of organisational change, whereby redundancy is the only other option.
- These arrangements also do not apply to staff who move posts out of choice i.e. staff who choose to move to a lower graded post or choose to reduce their hours etc.
- Changes brought about as a result of the capability procedure within a particular job, or as a result of the sickness absence policy, disciplinary action, or because of personal or other circumstances are not covered by these arrangements.

1.4 Legal Considerations

Agenda for Change Terms and Conditions of Service Handbook

2.0 Definitions

Organisational Change: any structural or managerial change in the CCG

Basic salary: monthly sum due in respect of basic hours worked by the individual within the standard working week.

Total Pay: basic salary plus leads/allowances that form part of the contractual terms and conditions.

Protected Pay: the difference between total pay in the former post and total pay in the new post

Mark Time: an employee will remain on their current salary, and will not receive any incremental or annual cost of living rise for the duration of the period of protection or until such a time as the total level of pay in the new post exceeds the value of the protected pay, or until such a time as the employee changes jobs voluntarily (whichever is the sooner) at which point the new salary and terms will apply.

Reckonable service: is total NHS service (aggregated if discontinuous in line with the provision of the NHS Terms and Conditions of Service handbook) but excluding service that has already been the subject of a redundancy payment or where superannuation benefit has been taken. It is the responsibility of the employee to provide evidence of previous NHS service.

Continuous service: employment with an NHS employer without a break in service of three months or less. (see NHS Terms and Conditions of Service Handbook).

Downgrading: occurs when the new post, irrespective of its title carries a salary scale lower than that applying to the post previously held.

A more senior post: is a post which carries a salary banding higher than that applying to the new post or any subsequent post to which an employee may be moved.

3.0 Payments Eligible for Protection

3.1 The following payments should be included in the calculation of the basic salary only if they are a regular requirement of the job:

- Overtime
- Shift allowance
- Night allowance
- Unsocial hours allowance
- On call allowance

4.0 Protection of Basic Annual Pay

4.1 Long term protection will be payable on redeployment as a result of a change in duties necessitating downgrading, or where an employee is offered a lower graded post considered to be a suitable alternative to their current post.

4.2 The following table details the length of protection based on length of NHS service.

Length of NHS Continuous Service	Period of Protection
Under 1 year service	1 month
1 – 2 years service	6 months protection
2 - 3 years service	1 years protection
3 – 4 years service	18 months protection
4+ years service	2 years protection

5.0 Protection of Additional Earnings

- 5.1 This protection will be payable where an individual will receive a reduced level of regular enhanced payments/allowances or additional earnings as a result of some form of organisational change.
- 5.2 Short term protection will be based on the period of time that the member of staff has received the higher level of earnings/enhanced payments.

Period in which member of staff has received the higher level of earnings/enhanced payments	Protected Period
4-12 months	2 months
1-2 years	4 months
2-3 years	6 months
3-4 years	8 months
4-5 years	10 months
5+ years	12 months

- 5.3 When calculating eligible protected earnings the calculation will be based on basic salary plus the monthly average of the additional earnings. The calculation will be based on an average taken of the 12 weeks worked prior to the date that the organisational change took effect.
- 5.4 Where an individual's earnings in the new post are higher or equal to his/her protected earnings, the higher earnings will be paid.
- 5.5 At the end of the protection period the earnings of the new post will apply.
- 5.6 Short term protection of earnings is conditional on the employee undertaking any overtime, shift work or additional duties which may be required up to the level at which earnings in the new post equal the protected earnings.

6.0 Conditions of Pay Protection

- 6.1 The employee is entitled to protection of total salary, as detailed above, until;
- The period specified expires, or
 - The employee is appointed to a post in which the annual basic salary is equal to or higher than the protected basic salary, or
 - The employee moves to another post of their choosing, this includes if the total salary is equal to that of the existing post, or

- The employee leaves the CCG or retires, or
 - The total salary of the post is equal to or exceeds the protected salary
- 6.2 Following the expiry of any protection period, the employee will receive the salary appropriate to the banding of the new post and incremental progression they would have received, where appropriate. The incremental date may be changed depending on the individual circumstances.
- 6.3 Pay in the new post will be offset against the protectable total pay. If for any particular pay period the earnings in the new post exceed the protectable total pay, protection of pay is extinguished and earnings in the new post are paid in full for that particular pay period.
- 6.4 Any additional earnings derived from work in the new post will be remunerated at the rate appropriate to the new post.
- 6.5 Where there is a reduction in hours in the new post, the employee may be asked to work additional available hours in the new role. Payment for such additional hours worked will be offset against the protected pay.
- 6.6 Protection of total pay is conditional on the employee undertaking any overtime, shift work or other additional duties which may be required up to the level at which earnings in the new post equal the protected earnings.
- 6.7 It is a shared responsibility of both the employee to apply for any suitable posts that arise mirroring more closely the terms and conditions of his/her previous post, and that of the manager to bring any suitable posts to the attention of the employee. Consideration of suitability will be based on the requirements of the person specification. Reasonable assistance will be given by the CCG to provide re-training where new skills are required. Failure on the part of the employee to apply for any alternative posts commensurate with the previous post may bring the protection arrangements to an end.
- 6.8 Any subsequent changes in post due to organisational change shall attract protection in its own right.
- 6.9 Protection arrangements will cease if the employee is required to move to a new post which is of a lower grade as a consequence of disciplinary action or is downgraded within the CCG's Capability and Performance Policy.
- 6.10 Long term protection of basic salary is transferable between NHS organisations and again entitlement will remain until one of the above criteria has been met.
- 6.11 Basic pay will be protected for the periods identified above. Total pay will be protected for the periods of time identified under the short term arrangements.

7.0 Protection of other Terms and Conditions

- 7.1 Employees required to move to a new post are entitled to have their contractual period of notice that the CCG is required to give them protected indefinitely. The period of notice may not be less than that provided for under statutory provisions.
- 7.2 Employees required to move to a new post will acquire the new hours appropriate to the new post.

- 7.3 Employees who are required to change their base as a consequence of organisational change may be reimbursed excess daily travelling expenses for a maximum period of 2 years from the date of the transfer depending on their length of service. The reimbursement of expenses will only be paid where there is an additional 8 miles to the individuals return trip i.e. 4 miles extra miles to the new base. The travel expenses will be paid at the reserve rate as detailed in Agenda for Change Terms and Conditions of Service (section 17) which is currently 33p per mile.
- 7.4 Where there is a compulsory change of base, either permanent or temporary, resulting in extra public transport costs for the employee, these extra costs will be reimbursed, subject to a maximum period of two years from the date of transfer

Length of NHS Continuous Service	Period of Protection
Under 1 year service	1 month protection
1 – 3 years service	6 months protection
3 - 4 years service	1 years protection
4 – 5 years service	18 months protection
5+ years service	2 years protection

8.0 Preservation of Pension Benefits

- 8.1 Members of staff who belong to the NHS Pension Scheme whose pay is reduced when the protection arrangements cease can choose to preserve their benefits earned on the higher pay if they suffer a reduction in pay through no fault of their own and have a least two years qualifying service.
- 8.2 Staff considering this option must obtain advice from the Pensions Officer in the Payroll Department.

9.0 Other Provisions

- 9.1 Whilst this document deals with the protection of pay and conditions of service, the CCG recognises the importance of supporting and encouraging any member of staff who has been downgraded through no fault of their own. Support may take the form of the development of a personal development plan agreed between the individual and their line manager, designed to assist them to gain a post rewarded at a similar level to that enjoyed prior to the downgrading.
- 9.2 Staff with existing individual protection arrangements may, upon moving to a new role to which this policy will apply, either choose to continue the existing protection, or accept this protection arrangement. When the relevant agreement expires, the individual will move to the normal contractual terms and conditions.

10.0 Right of Appeal

- 10.1 Any grievance arising out of the operation of these arrangements may be raised under the CCG's Grievance Procedure.

11.0 Equality Statement

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