Birmingham and Solihull Mental Health NHS Foundation Trust

Pay Progression Policy

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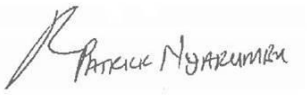
Version no and Date	2	January 2025
Ratifying Committee	Transforming Our Culture and Staff Experience Committee	
Date Ratified	January 2025	
Anticipated Review Date:	January 2028	
Executive Director	Executive Director of Strategy, People and Partnerships	
Policy Lead	Assistant People Partner	
Exec Sign off Signature (electronic)		
Disclosable under Freedom of Information Act 2000	Yes	

POLICY CONTEXT

In accordance with Agenda for Change (AfC) terms and conditions, this policy sets out the basis upon which an individual's performance drives pay progression. It is expected that employees who can demonstrate the required level of performance and conduct, who have met their objectives and are compliant as regards their statutory and mandatory training will progress through the pay points in their salary band.

POLICY REQUIREMENT (see Section 2)

This policy sets out the framework and approach to align satisfactory performance to pay progression and applies to all employees at Birmingham and Solihull Mental Health NHS Foundation Trust (the Trust) covered by Agenda for Change Terms and Conditions.

Medical and Dental and Very Senior Managers not covered by Agenda for Change, have separate pay progression procedures. Secondees from other organisations will be subject to the policy of their employing organisation. Staff who have TUPE into the trust will also be subject to the terms and conditions they transferred on.

Any amendments to the NHS terms and conditions of service handbook will supersede this policy as new pay arrangements are agreed. This policy will be updated to reflect any changes.

Change Record

Date	Version	Author (Name & Role)	Reasons for review / Changes incorporated	Ratifying Committee
Jan 2025	2	Assistant People Partner	Three yearly review	TCSE

Contents

1. Introduction

1.1. Rationale

Following the changes that came into effect on 1 April 2013 to the National Agenda for Change Terms and Conditions (Pay Circular (AfC) 2/2013), pay progression through all incremental pay points is conditional upon individuals demonstrating that they have the requisite competencies for their role and that they have demonstrated the required level of performance and delivery during the review period.

The 2018 framework agreement on the reform of Agenda for Change (AfC) subsequently introduced provisions to move to a new pay system with faster progression to the top of pay bands through fewer pay step points underpinned by mandatory local appraisal policies and procedures.

These provisions came into effect for new starters or existing employees promoted to a new role on or after 1 April 2019. Pay progression is no longer automatic on an annual basis under the new system. Transitional pay progression procedures apply to all other staff until 31 March 2021, after which time they will also be subject to the provisions of the 2018 framework agreement.

In effect, this is a way of fostering individual motivation by rewarding effort, achievement and good performance with financial reward. Consequently, expectations around standards and performance, and how these will be measured, should be made clear.

1.2. Scope

This policy sets out the framework and approach to align satisfactory performance to pay progression and applies to all employees at Birmingham and Solihull Mental Health NHS Foundation Trust (the Trust) covered by Agenda for Change Terms and Conditions.

Medical and Dental and Very Senior Managers not covered by Agenda for Change, have separate pay progression procedures. Secondees from other organisations will be subject to the policy of their employing organisation. Staff who have TUPE into the trust will also be subject to the terms and conditions they transferred on.

Any amendments to the NHS terms and conditions of service handbook will supersede this policy as new pay arrangements are agreed. This policy will be updated to reflect any changes.

1.3. Principles

We want to ensure the process outlined in this policy is closely aligned and representative of our Trust Values:

Our values are supported by our Behaviour Guide which will explain what our values look like in practice. They give us a shared language to bridge the wide variety of roles in our Trust and help ensure we are all working together to provide the best care and support to our service users and each other.

2. The Policy

Pay progression for all pay points, within each Agenda for Change pay band, will not now be via automatic increments; and be 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 (Agenda for Change Terms and Conditions section 1.8). Further information on performance criteria and standards is outlined in section 3.5 of this policy.

The Trust will work with its partner Trade Unions to determine a fair and consistent approach to applying the Pay Progression Policy and will give due consideration to an employee's individual performance circumstances when considering a request for pay progression.

2.1. Pay Step Point

A pay step point is set in relation to the employees' start date in the pay band. Staff new to the NHS will usually be appointed to the bottom of the pay band.

For promotions staffs' pay step date (previously referred to as incremental date) will be the anniversary of the date commenced in the new band. There are some professional roles who will retain their original pay step date and advice from the HR Department should be sort in respect of which roles this applies to (AfC Annex 20).

For re-banding to a higher band, as a result of job evaluation, the pay step date will become the anniversary of the agreed date the new job description was deemed to have taken effect.

For staff who move to a role with a lower band their pay step date will remain.

For staff on secondment there needs to be clear responsibility defined for appraisal and pay progression review to ensure staff are able to access it without any detriment.

Staff who are initially seconded into a higher-banded role and who are subsequently appointed into that role on a substantive basis without returning to their lower-banded role for any period of time, will have their pay step date adjusted to reflect the date on which their period of secondment commenced.

2.2. Pay Step Review

Pay step reviews should take place 2, 3 or 5 years depending on the pay band.

Staff in bands 2,3,4, 8 and 9 will have one pay step date as under the new structure these bands have an entry level pay point and a top point. Staff in bands 5, 6 and 7 will have two pay step dates as these bands have an entry point, an intermediate point and a top point (Appendix 5).

For bands 8C, 8D and 9 - In the year after an employee has reached the top of band, 5% or 10% of basic salary will become re-earnable annually. If a member of staff on these bands fails to meet the required level of performance, they will have one annually earned pay point withdrawn and therefore could see their pay reduced by 5-10% for the year. The last two pay points in pay bands 8C, 8D and 9 (the annually earned points) will not be subject to pay protection.

3 The Procedure

3.1. Making a Request for Pay Progression

Pay step progression is a joint responsibility of the member of staff and the line manager. The member of staffs' pay step date should be discussed during 1:1/ regular management support meetings throughout the year so that both the member of staff and the line manager know and agree when they need to schedule the pay step review meeting. The pay step submission process is as follows:

Step 1: ESR Pay Step Notification

i. The line manager will receive an ESR notification that their member of staffs' pay step date is imminent.

ii. Managers will receive a monthly ESR notification detailing the pay step dates of their direct reports which are due within the next 90 days. The member of staff will also receive an ESR notification, via ESR Self Service,4 months and 1 month prior to a pay step date where it is affecting pay. Pay step dates can be found on the employee's My ESR Dashboard, which also includes when a pay step is due, last appraisal date, next appraisal date and appraisal or review type.

iii. The line manager needs to initiate the process 2 months prior to the month that their pay step date is due by advising the member of staff that their pay step review is due and that they will be arranging a pay step review meeting (Appendix 2). This timescale is to ensure that the line manager has the opportunity to review the employee against the pay progression standards and that ESR can be updated, by the line manager, to reflect the pay progression meeting outcome, in a timely manner.

Step 2: Arranging Pay Step Review

i. The line manager notifies the member of staff the arrangements for their pay step review meeting, to review if the requirements for progression have been

met. It is recommended the manager references the Pay Progression Policy and shares the Pay Step Submission Review Form (Appendix 2) with the member of staff in the notification, so they are clear on the points to be discussed at the meeting and.

ii. It is the line manager's responsibility to arrange a pay step review meeting with the employee in a timely manner to discuss whether the standards have been met. This should be based on the employee's most recent appraisal, within the previous 12-month period, and any relevant progress since then.

iii. Where an employee has not received notification of their pay step review meeting 2 months prior to their start date they must raise this with their line manager.

Step 3: Pay Step Review Meeting

i. The Line Manager undertakes the pay step review meeting with the member of staff and completes the Pay Step Submission Review Form ***(Appendix 2).*** This form can be completed on paper however will need to be transferred into ESR.

ii. This meeting will draw on the most recent appraisal outcome and consider the standards referenced in section 5.1. It is not necessary to schedule appraisals to coincide with pay step dates.

Step 4: Pay Step Review Outcome

i. The Line Manager needs to confirm the outcome of the pay step review with the member of staff:

   a. If pay progression standards have been met, the line manager must update ESR to open the pay step point (further guidance is in Appendix 4).

   b. If pay progression standards have not been met the line manager should:

      - Seek advice from Human Resources
      - Agree an action plan with the member of staff for any remedial action including timescales (incorporated as part of existing RMS and performance action plans)
      - Advise them of their right to appeal.
      - Update ESR to state no pay progression

ii. The manager must summarise and record the outcome of this discussion on the Pay Step Progression in ESR (Appendix 4), provide appropriate feedback and confirm their decision to the member of staff. Failure to do so will prevent the pay award being made. It is imperative that the line manager updates ESR, at the beginning of the month prior to the date the pay progression is due to ensure the timescale is met to achieve the increase for the specified date.

iii. If the member of staff has failed to meet the pay progression standards as a consequence of constraints beyond their control, this must be evidenced in the Pay Step Submission Review Form (Appendix 2). The line manager will consider this when deciding about pay progression and if supported pay progression would be approved.

iv. If the employee has not actively participated in an appraisal, has failed to meet the agreed objectives, or is not compliant with statutory and mandatory training applicable to their role pay step progression will not be approved.

Step 5: Review of Action Plan

i. Where the pay progression standards have not been met the line manager should undertake a review of the action plan with the member of staff in line with timescales agreed in the action plan.

ii. Where the pay progression standards are then met the line manager should follow the process as outlined in step 4 above. The line manager does not have to wait a further 12 months.

iii. Where the pay progression standards continue not to be met, the pay progression will be deferred 12 months. Depending on the standard that has not been met by the employee will depend on whether any action will need to be taken, for example supporting attendance at mandatory training, performance action plan or awaiting expiry of a disciplinary sanction.

3.2. Performance Criteria

Pay Progression Standards

Pay progression for all pay points, within each pay band, will be 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 (AfC T&C section 1.8).

Pay progression is subject to an employee demonstrating as part of their annual appraisal:

- standards/performance against performance criteria.
- performance on current agreed objectives and level against these objectives, including a satisfactory level of attendance.
- technical competency/ability to perform competently in day-to-day duties/job description.
- ability to perform and demonstrate behaviour in accordance with the Trust values and behaviours e.g. Behaviours Guide (evidence can include colleague feedback).

As set out in Agenda for Change terms and conditions, pay progression is dependent upon a number of standards. Staff will progress to the next pay step point on their pay step date where the following standards can be demonstrated:

i. Attended an annual performance appraisal and have evidence of an agreed Personal Development Plan (PDP) and set of objectives including a plan to keep their mandatory training up to date within the last 12 months.

ii. Achieved 100% completion of statutory and mandatory training as shown in the Trust's fundamental training compliance and monitoring system (Traffic Lights), subject to opportunity being provided by the Trust to complete training.

iii. There is no formal capability process in place.

iv. There is no formal disciplinary sanction live on the staff member's record.

There is an additional performance criterion for line managers which is as follows:

i. Line managers will also need to evidence that 100% of staff reporting to them have received an annual value-based appraisal, or that proactive steps are in place for an appraisal to held – dependent upon progress through the year and appraisal cycle. Where this cannot be demonstrated evidence will be required to demonstrate that non-compliance was beyond their control and the issue has been escalated to their senior manager. This will be a standing objective for all managers and will be reviewed at the manager's own performance appraisal meeting.

The principles and standards for pay progression and then re-earnable pay for staff in bands 8c, 8d and 9 are the same as the principles and standards for all other staff (Agenda for Change Handbook Annex 23).

Capability

The capability process is defined within the Trust's Appraisal and Development Policy and clearly sets out the process for supporting staff with achieving the required performance and competence to carry out their role.

For the pay progression standard, *'no formal capability process in place'* refers to process this means that there has been an outcome placing the employee in a formal stage of the process. Investigations, informal stages and processes for dealing with absence due to ill health are all excluded from this pay progression standard.

It is expected that prior to considering deferring pay progression on performance grounds, that the line manager has had a prior documented discussion with the employee, regarding not meeting the required level of performance. The prior discussion would need to identify areas for improvement and any reasonable developmental support the employee may require and for them then to be enabled to be given a reasonable opportunity to demonstrate the required improvement before the decision on pay progression is taken.

Where a manager has not worked with the staff member to agree a development plan and provided the appropriate training, development and support including financial support (were appropriate) or given appropriate time to fulfil training and/or development needs related to their member of staffs' role, they cannot defer pay progression.

Withdrawal of pay progression does not exclude normal capability procedures being followed and appropriate action taken, when appropriate.

Conduct

The disciplinary process is defined within the Trust's Disciplinary Policy and clearly sets out the process for managing staff conduct concerns.

For the pay progression standard, *'no formal disciplinary sanction live on the staff member's record',* this refers to sanctions in relation to conduct only, and excludes warnings applied in relation to absence due to ill health. It refers to formal disciplinary sanctions such as formal warnings. It does not include investigations, informal warnings, counselling or other informal activities that are applied in line with the Trust's Disciplinary policy.

If a disciplinary sanction in place at the time of the pay step date is subsequently repealed, for example as a result of a successful appeal, the pay step will be backdated to the pay step date if all other standards have been met.

Withdrawal of pay progression does not exclude normal conduct procedures being followed and appropriate action taken, when appropriate.

Suspension from work on full pay is a neutral act and in order to ensure this is the case, Managers need to ensure that the pay step point is applied from the pay step review date where an individual is suspended on that date, provided they were meeting the standards at the point of suspension.

3.3. Extenuating Circumstances

Where there are factors beyond the member of staffs' control, such as organisational or operational issues, which have prevented them being able to comply with the pay progression standards outlined in section 5.1 of this policy, these should not prevent the member of staff from progressing through the pay step.

Managers should ensure that they take full account of such factors and members of staff have a responsibility to bring these to the attention of their line manager as soon as possible and not waiting until the pay step review) so that these can be addressed and remedied. (AfC Handbook Annex 23)

3.4. Maternity, Adoption and Shared Parental Leave

During maternity, adoption and shared parental leave, service is considered to be continuous, therefore staff taking maternity, adoption and shared parental leave which coincides with a pay step date should not be penalised.

As this leave is planned long-term paid absence the pay step review could be conducted early, if this is reasonable and practical, allowing the pay step to be applied on the member of staffs' pay step date in their absence. If however a pay-step review meeting has taken place prior to the start of their leave, which confirmed that they had not met the pay progression standards their pay step can be deferred.

If a member of staff is on maternity, adoption and shared parental leave and not had a pay step review before the start of their leave they will progress through their pay step on the date the pay step is due, and the line manager will need to ensure this is actioned on ESR.

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

If a member of staff has a live disciplinary sanction in place at the point they went on leave, the pay step point should be applied in their absence if appropriate, effective the day after the sanction expires.

Should a member of staff wish to update their mandatory training during their maternity or adoption leave, they have the option to use Keep in Touch (KIT) days for this purpose. Further information is available on KIT days in the Trust's Family Leave Policy.

An appraisal must still be held in retrospect with the member of staff as soon as they return to work (no longer than 1 month).

3.5. Paternity Leave

Where a member of staff decides to take paternity leave, they will be expected to still meet the pay progression standards, due to the timescale of the leave being one week or two consecutive weeks' leave.

3.6. Long Term Sickness

In line with the Managing Attendance Policy, where a period of long-term sickness (4 weeks +) stretches across a pay step and/or prevents the member of staff from demonstrating that they have achieved the desired level of performance required for pay progression, the member of staffs' pay progression will be 'frozen' at the pay point they have achieved at their last day, prior to starting their sickness period.

Upon return to work, an appraisal must be held in retrospect (no longer than 1 month) so that pay progression is activated and backdated in line with the performance criteria.

If the employee is on a phased return to work, an urgent supportive interview must be conducted, in light of Occupational Health advice, as to the timescale for undertaking the appraisal.

When that appraisal is conducted, the support and development the member of staff requires should be identified, to assist them in achieving the desired level of performance at the next appraisal and a short-term action plan should be agreed.

If there was an active formal capability process underway at the point the member of staff went on leave, the pay step point can be delayed. The improvement process should be resumed immediately upon their return, taking into consideration phased returns & reasonable adjustments advised by Occupational health. 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 will need to take particular care to avoid any discrimination or detriment on the grounds of maternity, sex or disability that could arise in relation to staff on sick leave.

3.7. Special Leave

As this period of leave is relatively short, an appraisal must still be held in retrospect as soon as they return to work (no longer than 1 month). Pay progression will be "frozen" until they have received an appraisal so that pay progression is activated and backdated in line with the performance criteria.

3.8. Sabbaticals / Employment Breaks

Sabbaticals / employment breaks are by definition the choice of the individual, therefore if an employee chooses to take a sabbatical / employment break at any stage during their career, their pay progression will be "frozen" at the pay point they have achieved at their last working day. The employee therefore returns to work at the same pay point they left on and an appraisal undertaken within 3 months of their next pay step date.

3.9. Paid Leave

Pay progression will be "frozen" whilst the employee is on paid leave, following which an appraisal must still be held in retrospect as soon as they return to work (no longer than 1 month) so that pay progression is activated and backdated in line with the performance criteria.

3.10. Annually Earned Pay Points

When a member of staff has not met the required level of conduct, performance, or behaviours for a given year as outlined in the performance criteria, they will be given the opportunity and support to meet the standards (where feasible). Where it is not feasible for the member of staff to change the compliance of the standard i.e., disciplinary sanction they will have one annually earned pay point deferred. This is for 12 months and is only applied for that one time.

This does not prevent pay progression being deferred in successive years if formal concerns continue. Where an employee does not meet the required level of performance, an action plan will be implemented after the original review and achievement against this will be used to determine whether a pay step will be paid. If at this stage the employees request for pay step progression is approved, it will be paid from this date, no retrospective payments would be due. Deferral of a pay step will not affect their next pay step date where the member of staff has one.

Staff will progress through the last two pay points in these pay bands only when they are assessed as having met the required level of performance.

Pay progression into the last two points for staff in Bands 8C, D and 9 will be non-recurring and reviewed on an annual basis. When an individual who holds one of the last two annually earned pay points has not met the required level of performance and delivery for a given year, they will have the point withdrawn. This withdrawal is not subject to any pay protection. The principles and standards for pay progression and then re-earnable pay for staff in bands 8c, 8d and 9 are the same as the principles and standards for all other staff.

3.11. Notification of Deferral or Frozen Incremental Pay Point

Where a pay step point has been deferred due to not meeting performance standards or where a pay step point has been frozen due to absence from work (see leave sections for exemptions), a manager must complete the ESR pay progression template (Appendix 4) and notify the ESR Team and HR Team. This notification will need to be sent to the ESR team on bsmhft.esrteam@nhs.net and HR at bsmhft.hrsupport@nhs.net.

If the notification email is received after the pay progression date, the deferral or frozen pay point will only take effect from the date it is received.

3.12. Appeals

Staff will be entitled to lodge an appeal regarding any decision to defer or delay pay progression within 10 working days of the decision being communicated, as per the Trust's Appeals Policy.

An appeal panel hearing will be set up to review the decision. The review will be undertaken by a Senior Manager and a HR representative. The employee's Line Manager will also be required to attend the appeal to explain why they believe the pay step progression cannot be agreed. The employee will be given 5 working days' notice of the review panel hearing and be entitled to be accompanied at the meeting by a work colleague or Trade Union representative, provided they are not acting in a legal capacity e.g., lawyer.

It will be up to the appeal panel to decide on the basis of the evidence provided by both the member of staff and the Line Manager, whether or not pay step progression is approved. Evidence which may need to be considered at an appeal would include:

- Appraisal documentation including PDP
- Team's appraisal compliance (for line manager's only)
- statutory and mandatory training records
- Capability documentation & correspondence
- Conduct sanction correspondence
- Pay Step review Meeting form
- Pay Step review meeting outcome correspondence
- Pay progression Action plan

Where a panel considers that pay step progression has been inappropriately deferred, the pay progression will be reinstated from the step point date and retrospective payments made from that date.

The employee must be informed of the outcome of their review in writing within 5 working days of the date of the meeting. This is the final decision and the end of the formal procedure, there is no right to evoke the grievance policy.

3.13. Employees not on AfC Terms and Conditions of Employment

It is expected that all employees directly employed by the Trust will be subject to the organisation's appraisal procedure.

Pay progression for Very Senior Managers (VSMs) will need to be agreed in accordance with their contractual arrangements and subject to agreement at Board where applicable.

Pay progression for staff employed under the national Medical and Dental terms and conditions of employment will need to be agreed in accordance with their contractual arrangements and the national agreement.

Pay progression for staff employed under the locally agreed Medical and Dental terms and conditions of employment will need to be agreed in accordance with their contractual arrangements and subject to agreement at Remuneration Committee.

3.14. General Data Protection Regulation (GDPR)

The Trust is committed to ensuring that all personal information is managed in accordance with current data protection legislation, professional codes of practice and records management and confidentiality guidance. More detailed information can be found in the Trust's Data Protection and Confidentiality related policies and procedures.

4 Responsibilities

The following table outlines the responsibilities relevant to the policy.

Post(s)	Responsibilities	Ref
All Staff	• Actively participate in the annual and on-going appraisal process and jointly agree and work towards their objectives. • Make their line manager aware of any constraints that are preventing them from achieving their objectives **as they arise** and agree a solution. • Demonstrate that they have reached a satisfactory level of performance and achievement of objectives, as described in the Trust's Performance and Appraisal Procedure, within the previous 12 months. • Ensure that all statutory and mandatory training relevant to their post is up to date and recorded as compliant. • Make their line manager aware of any organisational constraints that are preventing them from being compliant in statutory and mandatory training. • Have achieved a satisfactory level of conduct in the previous 12 months prior to their pay step date, as described in the Trust's Performance and Appraisal Procedure.	
Service, Clinical and Corporate Directors	• Setting and communicating organisational objectives, competencies and standards. • Ensuring all staff receive regular supervision/1:1s/RMS from line managers and arrangements are made during times of line managers' absences. • Ensuring that line managers have the requisite skills and expertise to appraise staff fairly and equitably, in accordance with CCG equality and diversity standards.	

Post(s)	Responsibilities	Ref
	• Ensuring the policy is applied in a consistent and equitable manner. • Reviewing the application of this policy.	
HR Team/Policy Lead	• The HR Team will provide advice and support on all aspects of this policy to ensure application and will make managers aware of their team's statutory and mandatory training compliance. • Policy Lead will ensure the policy is reviewed and kept up to date in accordance with national changes to pay progression	
Executive Director	• Has overall accountability for the implementation of the Trust policy	
Line managers	• Have discussed with their member of staff their pay step date and have scheduled a pay step review meeting to meet the timescales required. • Undertake annual appraisals for all members of staff who directly report to them • Conduct an objective review of an employee's work based on feedback, examples and previous informal discussions. • Ascertain that performance that falls below the accepted levels is managed effectively and that appropriate coaching, support and a personal development plan (PDP) is provided to address any concerns. • Demonstrate they have supported the member of staff to achieve the criteria for pay progression i.e., with regular documented supervision/1:1s. • Ensure the member of staff is given the opportunity to undertake statutory and mandatory training. • Approve or decline pay affecting progression, evidencing compliance with the standards. • Ensure that ESR is maintained in an accurate, timely manner to support the delivery of the pay progression framework and appraisal system. • For Bands 8C, 8D and 9 Contact Payroll, via email, at the beginning of the month prior to the employee pay step date, if pay progression is to be declined or deferred for any reason. • Make the employee aware of the right of appeal review where the decision has been made that the required level of performance has not been met. • Ensure that if absence or other circumstances delay or prevent the completion of a pay step review, this is escalated to a senior manager in a timely manner to ensure that appropriate contingency measures can be implemented.	

5 Development and Consultation Process

The following table outlines those who have been involved in developing the policy and procedure.

Consultation summary		
Date policy issued for consultation	October 2024	
Number of versions produced for consultation	1	
Committees / meetings where policy formally discussed	Date(s)	
JOSC	13th August 2024	
PDMG		
Transforming our Culture & Staff Experience Sub Committee		
Where received	Summary of feedback	Actions / Response

6 Reference Documents

The following documents have been referred to within this policy:

- Birmingham and Solihull Mental Health NHS Foundation Trust Behaviour Guide
- Agenda for Change Terms and Conditions

The following Trust policies have been referred to within this policy and can be accessed via CONNECT by clicking here.

- Appeal Policy
- Disciplinary Policy
- Capability Procedure

7 Bibliography

- NHS Terms and Conditions of Service Handbook (Annex 23)
- NHS Knowledge and Skills Framework and the Development Review Process
- Statutory and Mandatory Training.
- The NHS Staff Council Additional Staff Council FAQs for England
- NHS Core Competencies
- Trust's Employee Appraisal and Development Policy
- Trust's Family Leave Policy

8 Glossary

The following definitions are used within this policy:

AfC T&C	The Agenda for Change (AfC) Terms and Conditions refer to the employment terms for non-medical NHS staff in the UK.
ESR	The NHS Electronic Staff Record (ESR) is a comprehensive workforce management system used by the NHS in the UK. It supports the delivery of national workforce policy and strategy by providing NHS organisations with tools for effective workforce management and planning.
Pay Progression	This is a process which sits alongside appraisals to review and confirm if an employee has met the criteria to receive an increase (for 8C's and above potentially a reduction) in annual pay.
Appraisal	Review of employee performance against personal objectives, Trust Values and Behaviour framework
TUPE	Transfer of Undertakings (Protection of Employment). It is a set of regulations in the UK designed to protect employees' rights when the business they work for is transferred to a new employer.
RMS	Routine Management Supervision

9 Audit and Assurance

This policy and procedure will be reviewed after one year by the People Committee in conjunction with Trade Union representatives. Where review is necessary due to legislative change or amendments to the NHS Terms and Conditions of service, this will happen immediately.

The Operational Management Team (OMT) is responsible for formal approval and monitoring compliance with this policy. Following ratification, the policy will be shared with staff and will be available on the website.

Records will be kept by the HR Department of all instances of declined pay progression made under this policy via ESR and any appeals raised in respect of it. This information will be audited on a periodic basis.

Element to be monitored	Lead	Tool	Frequency	Reporting Committee
Pay progression notifications being sent	ESR Team	ESR	4 months & 1 Month (member of staff) & 90 days (line manager) prior to the pay step date	Head of HR
Pay progression deferrals	ESR Team	ESR	Monthly	Head of HR
Pay reduction decisions	ESR Team	ESR	Monthly	Head of HR
Appeals of Pay decisions	HE	HR Dashboard	Monthly	Head of HR

Appendix 1: Equality Analysis Screening Form

Title of Policy	Pay Progression Policy		
Person Completing this policy	Gypsy Cummings	Role or title	People Consultant
Division	Corporate	Service Area	HR
Date Started	July 2024	Date completed	October 2024
Main purpose and aims of the policy and how it fits in with the wider strategic aims and objectives of the organisation.			
The Pay Progression Policy outlines the process to be followed in line with national guidance following the revised pay agreement for all Agenda for Change Staff. The Trust values and behaviour profiles are considered as part of the appraisal process and pay progression discussions feature this heavily			
Who will benefit from the policy?			
All AfC staff who are eligible for pay progression			
Does the policy affect service users, employees or the wider community? Add any data you have on the groups affected split by Protected characteristic in the boxes below. Highlight how you have used the data to reduce any noted inequalities going forward			
All AfC staff will be affected by the policy			
Does the policy significantly affect service delivery, business processes or policy? How will these reduce inequality?			
We will be providing training to all managers on the process			
Does it involve a significant commitment of resources? How will these reduce inequality?			
People and Culture Team			
Does the policy relate to an area where there are known inequalities? (e.g. seclusion, accessibility, recruitment & progression)			
Recruitment and progression			

Impacts on different Personal Protected Characteristics – *Helpful Questions:*				
Does this policy promote equality of opportunity? Eliminate discrimination? Eliminate harassment? Eliminate victimisation?				Promote good community relations? Promote positive attitudes towards disabled people? Consider more favourable treatment of disabled people? Promote involvement and consultation? Protect and promote human rights?
Please click in the relevant impact box and include relevant data				
Personal Protected Characteristic	No/Minimum Impact	Negative Impact	Positive Impact	Please list details or evidence of why there might be a positive, negative or no impact on protected characteristics.
Age	X			The pay progression policy does not detrimentally impact on any staff as age is not taken into consideration
Including children and people over 65 Is it easy for someone of any age to find out about your service or access your policy? Are you able to justify the legal or lawful reasons when your service excludes certain age groups				
Disability	X			The pay progression policy applies to all staff and any adjustments as a result of disability should have been considered to enable staff to perform optimally within their role, this will be covered by several Trust policies and toolkits namely the Managing Attendance Policy.
Including those with physical or sensory impairments, those with learning disabilities and those with mental health issues Do you currently monitor who has a disability so that you know how well your service is being used by people with a disability? Are you making reasonable adjustment to meet the needs of the staff, service users, carers and families?				
Gender	X			Pay progression and appraisals should be adapted to account for those who undertake caring responsibilities and often work reduced hours, this is predominantly, and disproportionately female staff and flexibility offered. On the grounds of gender and gender reassignment the process within this policy is fair and equitable to all.
This can include male and female or someone who has completed the gender reassignment process from one sex to another Do you have flexible working arrangements for either sex? Is it easier for either men or women to access your policy?				
Marriage or Civil Partnerships	X			The process treats all staff equitably and does not have a detrimental impact on those who are married or in civil partnerships. Pay Progression Policy HR 23 July 2021 Birmingham and Solihull

				Mental Health Foundation Trust Page 20 of 31 For staff who are in relationships and work closely they should not be in direct reporting relationships as per the Trusts Relationships in Work policy.
People who are in a Civil Partnerships must be treated equally to married couples on a wide range of legal matters Are the documents and information provided for your service reflecting the appropriate terminology for marriage and civil partnerships?				
Pregnancy or Maternity			X	The process accounts for those who are on maternity or adoption leave.
This includes women having a baby and women just after they have had a baby Does your service accommodate the needs of expectant and post natal mothers both as staff and service users? Can your service treat staff and patients with dignity and respect relation in to pregnancy and maternity?				
Race or Ethnicity	X			The process is transparent and when applied fairly race and ethnicity will not be a deciding factor in the outcome of the pay progression discussions.
Including Gypsy or Roma people, Irish people, those of mixed heritage, asylum seekers and refugees What training does staff have to respond to the cultural needs of different ethnic groups? What arrangements are in place to communicate with people who do not have English as a first language?				
Religion or Belief	X			This process is transparent and when applied fairly religion or belief will not be a deciding factor in the outcome of pay progression decisions
Including humanists and non-believers Is there easy access to a prayer or quiet room to your service delivery area? When organising events – Do you take necessary steps to make sure that spiritual requirements are met?				
Sexual Orientation	X			This process is transparent and when applied fairly sexual orientation will not be a deciding factor in the outcome of pay progression decisions
Including gay men, lesbians and bisexual people Does your service use visual images that could be people from any background or are the images mainly heterosexual couples? Does staff in your workplace feel comfortable about being 'out' or would office culture make them feel this might not be a go od idea?				
Transgender or Gender Reassignment				This process is transparent and when applied fairly transgender or gender reassignment will not be a deciding factor in the outcome of pay progression decisions, the only time it may be considered is if staff take a period of paid leave to support their transition journey.

				HR support will be available at all times to ensure no one is treated in a discriminatory manner.
This will include people who are in the process of or in a care pathway changing from one gender to another Have you considered the possible needs of transgender staff and service users in the development of your policy or service?				
Human Rights	X			The aim of the policy is to apply the process in a fair and transparent manner aligned to the Trust values and behaviour profile, this does not impact on an individual's human rights.
Affecting someone's right to Life, Dignity and Respect? Caring for other people or protecting them from danger? The detention of an individual inadvertently or placing someone in a humiliating situation or position?				

If a negative or disproportionate impact has been identified in any of the key areas would this difference be illegal / unlawful? I.e. Would it be discriminatory under anti-discrimination legislation. (The Equality Act 2010, Human Rights Act 1998)

	Yes	No		
What do you consider the level of negative impact to be?	High Impact	Medium Impact	Low Impact	No Impact
				X

If the impact could be discriminatory in law, please contact the **Equality and Diversity Lead** immediately to determine the next course of action. If the negative impact is high a Full Equality Analysis will be required.

If you are unsure how to answer the above questions, or if you have assessed the impact as medium, please seek further guidance from the **Equality and Diversity Lead** before proceeding.
If the policy does not have a negative impact or the impact is considered low, reasonable or justifiable, then please complete the rest of the form below with any required redial actions, and forward to the **Equality and Diversity Lead.**

Action Planning:

How could you minimise or remove any negative impact identified even if this is of low significance?

We will be providing training to all managers on the process, and we also provide unconscious bias training via the Recruitment and L and D Team

How will any impact or planned actions be monitored and reviewed?

Via OMT and reports from ESR to the Head of HR/HRBP teams monitoring those who have not proceeded through their pay progression step point or those who have had pay reduced. This will enable us to identify any disproportionate patterns among st staff, as well as identifying if there is any bias for those with protected characteristics under the Equality Act.
How will you promote equal opportunity and advance equality by sharing good practice to have a positive impact other people a s a result of their personal protected characteristic.
The pay progression process is confidential to the individual, but we will promote the number of staff progressing via HR rep orting.
Please save and keep one copy and then send a copy with a copy of the policy to the Senior Equality and Diversity Lead at bsmhft.edi.queries@nhs.net. The results will then be published on the Trust's website. Please ensure that any resulting actions are incorporated into Divisional or Service planning and monitored on a regular basis

Appendix 2: Pay Step Submission Review Form

Employee Name:	
Employee Job Title:	
Manager Name:	
Service/Division:	
Date of pay step review:	
Date pay step due:	
Date of last appraisal:	

Summary of Pay Step Review Meeting

Employee's Summary
Manager's Summary

Pay Progression Standards	**Yes**	**No**
Has the appraisal process been completed within the last 12 months and outcomes are in line with the organisation's standards?	Date:	
Is there a formal capability process in place?		
Is there a formal disciplinary sanction live on the staff member's record?		
Has statutory and/or mandatory training been completed?		
For line managers only – have appraisals been competed for all their staff as required?		

Pay Progression Decision		
Is the pay-step approved or deferred	☐ Approved	☐ Deferred
Reasons for this decision:		

Signed (Manager): _____ Date: _____/_____/_____

Signed (Employee): _____ Date: _____/_____/_____

Notes:

1) This form can be completed on paper however will need to be transferred into ESR
2) **Manager and employee to agree an action plan and timescales if the employee does not meet the required standards**

Appendix 3: Pay Progression Employee Action Plan

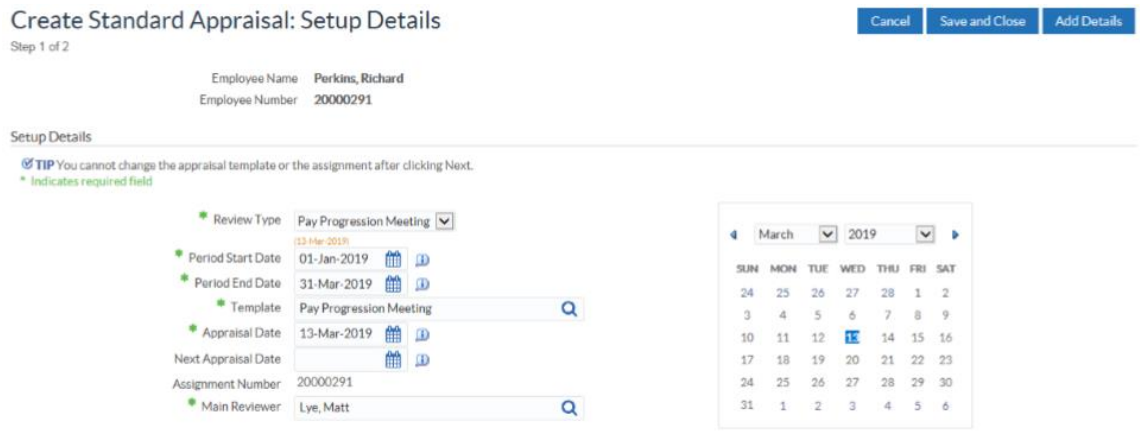
This is an example of an action plan template which could be used.

Task	Detailed Actions	Measurement (i.e., how will I know when I have achieved the action)	Resources (i.e., are there any resources I need to support me in achieving the action)	Timescale (i.e., when does the action need to be completed by)

Appendix 4: Pay Step Progression - Entering into ESR

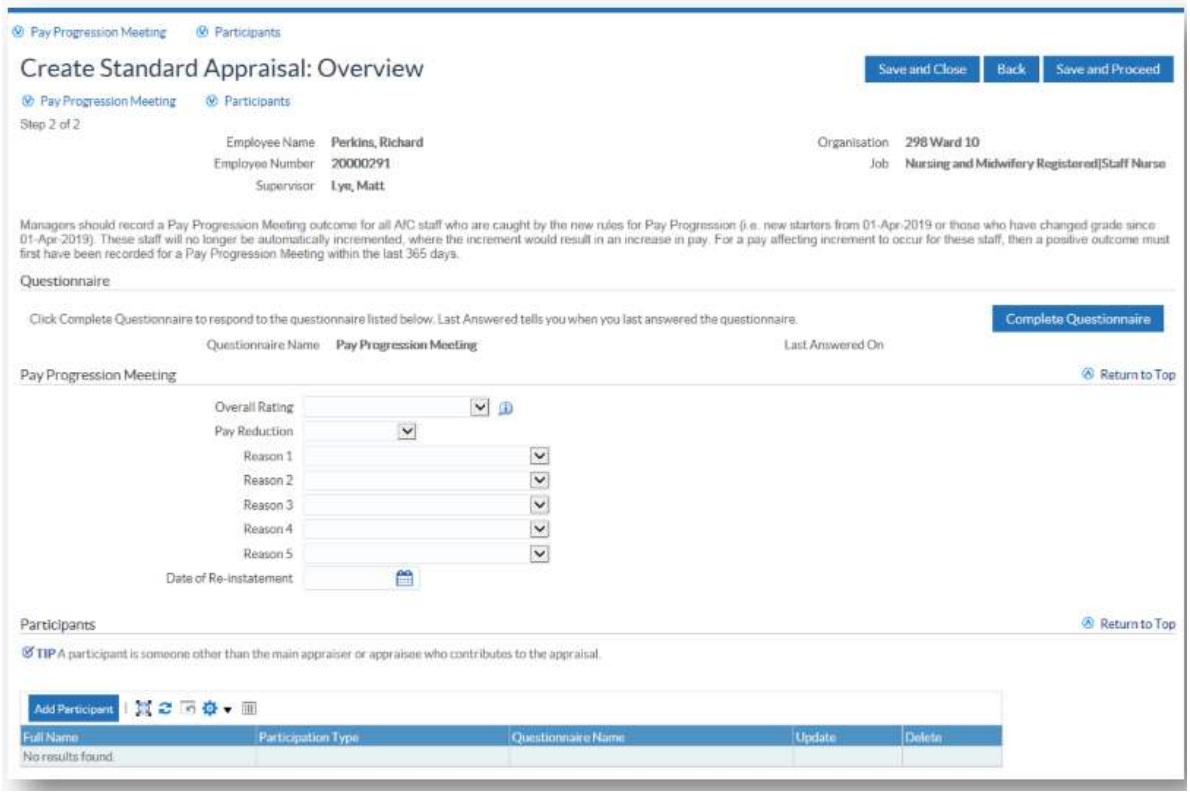
Step 1:

- Log into ESR via Manager's Self Service
- In Manager self-service select create standard appraisal: Set up Details. This is in addition to the normal appraisal an employee should have as the completions of appraisal is one of the key considerations in assessing pay progression.
- Select review type as 'Pay Progression Meeting'.



Step 2:

Complete the Create Standard Appraisal: Overview form



Step 3: Answer Questionnaire

This will form part of the pay progression review with sections for:

- Employee summary
- Manager summary
- Employee Action Plan where it is noted that the employee does not meet the required standards.

Step 4: Overall Rating

The pay progression meeting will have three potential outcomes:

- Yes
- Yes, following deferral
- No

After the manger has completed the pay progression, they need to inform the corporate system teams they have completed as this is the only way Payroll can be notified of the salary

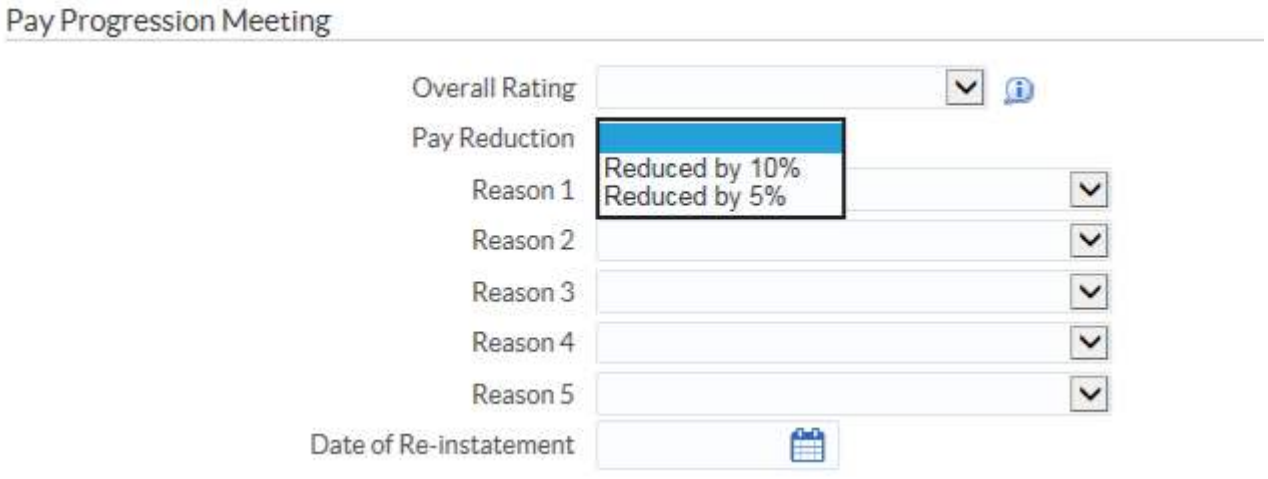
For those starting or promoted after 1st April 2019 a 'Yes' value will be required against the record to enable progression. A null value will be treated as a 'No'. This is to reflect the changes that confirmation is required to enable progression.

'Yes, following deferral' will be complimented by the ability to record the a date that progression should be re-instated from. This will not feed the payroll record, any changes to pay will need to be amended manually by the ESR team.

A notification will be sent to the member of staff, and the named AFC Deferral Role Holder for the Trust is the values of 'No' or 'Yes following deferral' is entered into the overall rating field.

For Grades 8C and above (only)

- For Grades 8C and above the result of the Pay Progression Meeting can result in a pay reduction of 5% or 10% and this should be recorded as follows:



This form is for reporting purposes and any changes to pay will be manually actioned by the ESR team.

As part of the Pay Progression Meeting the following values can be selected as reasons for non progression:

- Local objectives/behaviours/standards have not been achieved
- Formal capability process in place
- Formal live disciplinary action on record
- Statutory and/or mandatory training not completed
- For line managers only- not completed appraisals for all their staff.
- Up to 5 reasons can be recorded

Appendix 5: Pay progression Framework