
PAY PROTECTION POLICY

1. Policy Statement

The Council's Pay Protection Policy is locally agreed and set out in the Pay & Allowances Framework 2015 collective agreement. This policy is subject to review, change and possible discontinuation as a result of future collective consultation with the recognised trade unions.

The Council will apply time-bound pay protection to employees who are appointed to or redeployed to a lower graded post, in the circumstances outlined within this policy.

2. This applies to:

All employees of the Council and to support staff in schools where the Council is the employer.

3. Roles & Responsibilities:

Managers must:

- Identify when pay protection should be applied.
- Advise HR Pay of the pay protection arrangements to be applied.
- Ensure the employee understands the provisions of the Pay Protection Policy and how it affects them.

HR Pay will:

- Apply the pay protection arrangements in accordance with the parameters of this policy.
- Review the pay protection arrangements if / when the employee changes their working hours or post during the period of protection.
- End the pay protection at the appropriate point.

4. Review

This policy will be reviewed regularly to ensure that it complies with current employment legislation and the requirements of the Council. Any future amendments to this policy will be consulted upon and negotiated with the recognised trade unions.

5. Pay Protection Policy

5.1 Circumstances where pay protection applies

Pay protection will apply where an employee is:

- selected for a lower graded post as part of a restructure; or
- redeployed into a lower graded post as a result of organisational change; or
- redeployed on ill health capability grounds / reasonable adjustment due to disability.

5.2 Parameters of pay protection

Pay protection arrangements may be applied up to a maximum 5 spinal column points' difference above the top of the new substantive grade. Pay protection applies to current **earnings**, not grade. The period of protection will be up to 2 years.

Pay will be "frozen" during the protection period and held at a protected amount until the pay level for the new, lower graded post achieves the same level or the 2 year protection period ends – whichever is earlier. Pay protection will include contractual overtime.

All protected pay is pensionable. Any contractual/occupational sick pay, holiday pay, and maternity, paternity or adoption pay will be reflected in the level of protected basic pay.

Pay protection applies to the stated contracted hours at the point protection commences. Additional hours that were worked over the minimum contractual guarantee, e.g. occasional additional hours or overtime which were not contractual / regular will not be incorporated into the protection arrangements.

During the protection period:

- There will be no annual incremental progression on the protected amount.
- National pay awards will not be applied until the substantive grade is equal to or greater than the protected salary.
- Payment protection will be pro-rated where an employee currently on pay protection voluntarily reduces their hours.
- Protection will end within the 2 year period where the employee is successful in securing another role which is higher than the protected salary and/or the new substantive grade catches up with the protected basic pay.

At the end of the 2 year protection period pay will be adjusted to the top point of the substantive grade. There is no right to appeal at the end of pay protection.

5.3 What is not protected:

- All pay related allowances and enhancements e.g. standby, shift allowances non contractual overtime, unsocial hours, bank holiday working.
- All non-pay related allowances, e.g. car allowances, subsistence allowances, annual leave entitlement.
- Market supplements and acting up and honoraria payments.
- Any increase in minimum contractual hours introduced after the operative date of pay protection. This means that pay protection will apply to the stated contracted hours at the point pay protection was applied. Where contractual hours are subsequently increased, these additional hours will be paid at the substantive pay for the job.

5.4 Circumstances where pay protection will not apply:

- Where an employee voluntarily moves to another job. The exception to this would be a short term secondment to an alternative role, where the employee returns to the role that has pay protection applied to it, before the end of the two year protection period. In such cases the original pay protection would apply **for the remainder of the two years**.
- Where the reduction in pay is as a result of a voluntary reduction of hours
- To additional hours (whether these are permanent or ad hoc) to those stated in the contract of employment at the point pay protection was applied (i.e. additional hours approved after pay protection was applied).
- To changes in terms and conditions collectively agreed for the whole organisation.