

INCREMENT POLICY

Contents

1.0	Introduction: performance-related pay progression.....	4
2.0	How the increment scheme operates.....	4
2.1	Agreement of an overall rating.....	5
2.2	Monitoring and moderation arrangements.....	5
2.3	Payment of increments.....	5
2.4	Increments applied automatically.....	6
2.5	Employees who commence employment part way through the year:.....	6
2.5.1	For employees appointed between 1 April and 30 September.....	6
2.5.2	For employees appointed between 1 October and 31 March.....	6
2.6	Employees who are successfully appointed to an internal role, (bar restructures or job re-evaluations) part way through the year:.....	6
2.6.1	For employees commencing this arrangement between 1 April and 30 September.....	6
2.6.2	For employees appointed between 1 October and 31 March.....	6
2.7	In the event of a job being re-graded within an overlapping grade.....	7
2.8	Increment progression and arrangements for all AYSE social workers.....	7
2.9	Career Development Scheme for confirmed AYSE social workers.....	7
2.10	Withholding increment increases.....	7
2.10.1	Payment of previously withheld increments.....	7
3.0	For employees on the top increment point within their grade.....	7
4.0	Merit increments.....	7
5.0	Employees on teachers' conditions of service.....	8

If you have any queries regarding the content of this policy and procedure, please contact HR on HR@walthamforest.gov.uk the HR team will be able to give advice and practical guidance on this process as required.

Version control

Version No	Purpose/Change	Author	Implementation Date	Approved by	Last review date	Next review date
1	New policy reflecting current arrangements	Jane Blanche, HR consultant	01.04.18	Management Board / Union consultation	NA	01.04.19
2	Revised CO increment Progression and application removal	Jane Blanche, HR consultant	01.04.19	Full Council / TU	01.04.19	01.04.20
3	Approver's job title update. Changes in line with pay policy. Confirmed current arrangements re 6-month service within new post for existing employees	Themistoklis Pagoudis, HR Advisor	01.04.20	N/A	01.04.19	01.04.21
4	Inclusion of existing merit increment, internal role changes and top of the grade	Jane Morris	01.04.21	MB	26.06.20	01.04.22
5	Annual review	Jane Morris	01.04.22	Full Council	01.04.21	01.04.23
6	Annual review	Jane Morris	01.04.23	Full Council	01.04.22	01.04.24
7	Revised Scheme of Delegation (SoD) /annual review	Themistoklis Pagoudis, HR Policy SME Lead (ERP Implementation)	01.04.24	Council (for the SoD) / Full Council	01.04.2024	01.04.2025

IMPORTANT NOTE:

Before implementing this procedure, it is important that the Increment Policy and Procedure is being correctly applied. Please consider the following policy options to ensure that you are utilising the correct policy:

Acting Up Arrangement Policy and Procedure

Acting Up arrangements assist the Council to address short-term resourcing needs where an employee can temporarily 'act up' into a higher graded role. It is important to note that if the additional work being undertaken is of a higher grade

Market Supplement Policy

A Market Supplement is a payment made (in addition to normal pay) where there is clear evidence that recruitment and retention difficulties are caused by the total remuneration package available to the Council being too low when compared to packages offered by other employers for comparable posts.

Market Supplements will only be paid in exceptional circumstances where there is clear evidence that the Council's remuneration package is significantly below the market rate for the role (such as the total remuneration package provided by other employers) *and* where there is clear evidence that this has resulted in recruitment or retention difficulties for the Council.

Secondment Policy

There may be a requirement where it will be necessary for employees to cover the duties of another employee. Such temporary arrangements are a normal part of work; duties may be at the same or higher levels and in the same or different capacity. This policy would be more appropriate for long term arrangements such as covering for Maternity Leave or Career Breaks.

Job Evaluation guidance

This process is where a Manager can request that a Role Profile be redesigned and re-evaluated so that the employee's post can integrate additional duties or responsibilities being undertaken on a permanent or longer-term basis. For further guidance, please contact HR regarding this.

Recruitment and Selection Policy

Where additional duties have been identified, and dependent on the level of requirement, consideration could be given to advertising a supernumerary fixed-term position for completion of the additional work, duties or project work

Increment Policy

The Increment Policy outlines the Council's approach to applying increment increases.

Please refer to the relevant [Sharepoint page](#) pages for further guidance and information on the above policies.

PLEASE NOTE THAT THIS POLICY WILL BE SUBJECT TO A FULLER REVIEW FROM SUMMER 2024 IN LINE WITH THE ORACLE IMPLEMENTATION PROGRAMME AND THE NEW PERFORMANCE MANAGEMENT PLATFORMS

1.0 Introduction: performance-related pay progression

Pay progression in the council is designed to reward good performance while accounting for the financial and other circumstances of the council.

The council's [performance management and development, and appraisal schemes](#) are one of the tools to drive for high performance. These activities focus on creating opportunities for line managers and employees to reflect on the impact of their efforts and improve how they deliver their services. Employees are assessed and rated against their objectives and the [council's competencies](#) and will be given an overall performance rating based on a weighting of these two ratings, assessed against the ratings system set out in the guidance. Employees whose performance is substandard are supported under the [capability procedure](#).

To ensure that all employees understand how their work contributes to achieving organisational priorities and goals and to ensure that they are rewarded for their achievements, the council utilises an [electronic performance management system, ClearReview](#) and in a few cases in a paper format. This ensures that individuals are clear about their specific goals and accountabilities and how their performance will be measured.

Failure to complete employee appraisals may mean that the employee won't get their increment increase applied.

Employees will still receive any nationally determined 'cost of living' increase each year, as appropriate, and will receive this payment regardless of their start date and this does not fall under the scope of the performance management mechanisms.

2.0 How the increment scheme operates

In line with the council's [pay policy](#), employees will be awarded an increment based on the overall rating from their annual appraisal as part of the PMD, in line with the table below. The five-point rating system enables managers to assess employee performance and recognise the levels above and below the expected levels of performance.

They are as follows:

Chief Officers	
Performance Appraisal – Overall Rating	Increment
1 = outstanding	1 increment
2 = exceeding	1 increment
3 = successful	No increment
4 = needs development	No increment – support to improve
5 = unsatisfactory	No increment – support to improve

In order to progress to a higher scale point, a Chief Officer must achieve a marking of '1' (outstanding) or 2' {Exceeding} in their end of year appraisal, **subject to moderation, for equality of approach** across services.

Any Chief Officer achieving a rating of '4' {'needs development'} or 5 {'unsatisfactory'} will be supported so that they can improve their performance. Although this will not automatically result in a salary reduction, nevertheless a salary reduction could be an outcome of the performance improvement process.

Non-chief Officers	
Performance Appraisal – Overall Rating	Increment
1 = outstanding	Up to 2 increments

2 = exceeding	1 increment
3 = successful	1 increment
4 = needs development	No increment – support to improve
5 = unsatisfactory	No increment – support to improve

Any Officer achieving a rating of '1 (outstanding) in their end of year appraisal may receive an additional increment point subject to corporate **moderation for equality of approach** across services.

For employees {Chief Officer and Non-Chief Officer} at the top of their grade, that have been in post for the full appraisal year, who have attained an appraisal making of 1 {'outstanding'}, after moderation, please refer to section 3.0, For employees on the top increment point within their grade, for details on a possible one-off ex gratia payment that may be considered, calculated accordingly, at the discretion of the Chief Executive at the conclusion of each annual appraisal cycle.

2.1 Agreement of an overall rating

Overall ratings are agreed by the employee and line manager as part of the annual performance review. Where the paper appraisal template is applicable, it will be the manager's responsibility to review all ratings awarded before these are shared with the Organisational Development team. Any disputes between the employee and their manager will be referred to the appropriate Head of Service for their consideration.

2.2 Monitoring and moderation arrangements

The PMD scheme will be closely monitored with managers being held to account for ensuring compliance and for the quality of the decisions they make about the employees scores. There is a formal moderation process which will apply at the end of year review. The purpose of the moderation process will be to ensure consistency and fairness within and across teams and directorates. The independent moderation process will involve provisional scores being collated and subject to scrutiny by Human Resources and the wider service.

The moderation process for Chief Officers will be undertaken by the Senior Leadership team. Where necessary and supported by evidence, scores may be moderated and can be revised, both up the scale or alternatively down the scale by directorate lead teams.

2.3 Payment of increments

Based on the above guidance, annual increments are payable, subject to satisfactory performance, until the maximum of the grade is reached (whether that grade has been attained by appointment, promotion or re-grading). Once the maximum of the grade is reached, employees will only receive any nationally agreed increase applied to the pay scale.

The normal incremental date for which appraisal scores will apply is 1 April of each year. HR Admin will be advised of the employee increment increases to be applied in April of each year, as appropriate.

It is important to note that the Council may in any year decide on financial grounds not to apply an increment increase for all employees within posts graded at Scale 5 and above for the following financial year. This will be stated as part of the budget planning process and is subject to a decision by Full Council. This is announced within the council's [pay policy statement](#).

2.4 Increments applied automatically

Increment increases with effect from April of each year will be automatically processed by HR Admin in the following situations:

- Maternity, adoption, paternity leave

- Long-term sickness absence
- Career break

Where an otherwise eligible employee's salary is affected due to an absence, the monetary value will be implemented once normal pay arrangements have recommenced.

An exception to the above rule is where the pay increase is applied during an employee's 8-week reference period* over which their maternity pay is calculated. This may mean their maternity pay must be re-calculated.

(*The 8-week reference period is prior to the qualifying week. The qualifying week is the 15th week prior to the expected week of confinement.)

2.5 Employees who commence employment part way through the year:

The following arrangements will apply for newly appointed employees, who will normally be placed at the minimum of the relevant grade for the post.

Successful candidates will ordinarily be placed at the lowest spinal column point of the role's salary grade. Where there is a need to appoint a candidate at a higher spinal point (for example to match the new employee's current salary or counteroffer), this must be confirmed by the recruiting manager. The rationale and evidence must be recorded with the relevant recruitment material during the candidate's onboarding.

2.5.1 For employees appointed between 1 April and 30 September

In any year, the first increment increase will be applicable, for those successfully confirmed to post following their [probationary period](#), with effect from 1 April of each year, up to the maximum in the scale in line with the increment policy.

2.5.2 For employees appointed between 1 October and 31 March

In any year, the first increment date will be applicable upon successful confirmation of appointment, usually after 6 months in post following their probationary period. Thereafter, increments will be due on 1 April each year, up to the maximum in the scale in line with the Increment Policy.

2.6 Employees who are successfully appointed to an internal role, (bar restructures or job re-evaluations) part way through the year:

The following arrangements will apply for those who have commenced a new role, and who would normally be placed at the minimum of the relevant grade for the post:

2.6.1 For employees commencing this arrangement between 1 April and 30 September

In any year, the first increment increase will be applicable, for those having completed 6 months within the new role with effect from 1 April of each year, up to the maximum in the scale in line with the increment policy.

2.6.2 For employees appointed between 1 October and 31 March

In any year, the first increment date will be applicable upon completion of 6 months within the new post. Thereafter, increments will be due on 1 April each year, up to the maximum in the scale in line with the Increment Policy.

2.7 In the event of a job being re-graded within overlapping grades

Where a role is re-graded to a higher grade and the new grade partly overlaps with the previous grade, an employee who was at the top of the previous grade will be placed at one salary point higher than their current salary, in order to benefit from the new job evaluation.

2.8 Increment progression and arrangements for all AYSE social workers

Newly qualified social workers within this service have a [probationary period](#) of 12 months during this period the Increment policy is not applicable. Thereafter an increment increase will be applied from April of each year in line with the increment policy.

2.9 Career Development Scheme

Subject to eligibility rules described in local career development frameworks, employees' progression to higher salary grades require approval by the relevant Corporate Director.

2.10 Withholding increment increases

An increment will be withheld where an employee is rated as 4 'Needs development' or 5 'unsatisfactory', or where the employee is managed under the capability procedure. Where this occurs, the line manager will need to identify with the employee what support is required in order for the employee to achieve a '3' or above in the following year, in line with the [capability procedure](#). This may require further training and support which should be included in the employee's associated objectives.

2.10.1 Payment of previously withheld increments

Where an increment has been withheld for a '4' or '5' rating, the increment can subsequently be paid from 1st October, if the following has been achieved after the mid-year performance review:

- can demonstrate a sustained improved performance to the required level (that is, if the employee has attained a score of '3' in the mid-year review); or
- is subsequently withdrawn from the formal performance capability process.

Any withheld increment that is subsequently awarded following the mid-year review will be paid from 1st October of the mid-year appraisal review.

The appropriate line manager will advise HR Admin of this arrangement via [Hornbill](#).

3.0 For employees on the top increment point within their grade

For those that have been in post for the full appraisal year and to recognise and reward those high performing employees {Chief Officer and Non chief officer} at the top of their grade, who have attained an appraisal marking of 1 {outstanding} after moderation, will be considered, at the discretion of the Chief Executive, for an one off ex-gratia payment representing the financial difference between the top of their existing Spinal Column Point and the next Spinal Column Point down {within their grade}.

4.0 Merit increments

In exceptional circumstances, increments may be accelerated within the grade at the discretion of the authority on the grounds of special merit or ability, subject to the maximum of the level not being exceeded. The Council can award 1 or 2 Merit increment increases and these can be applied throughout the year. This will only occur after careful consideration of equal pay requirements and consultation with Human Resources. Line managers will have to submit a [merit incremental increase self-service request](#).

The line manager will be required to complete a section of the process, which must be approved by the relevant Corporate Director, in consultation with a People Partner.

It is important to note that where an employee is in receipt of a Merit increment increase during the following months the stated arrangements will apply:

- **April to September:** they will have an increment increase applied in the following April as long as their appraisal score allows this in line with section 2.0, How the increment scheme operates

- **October to March:** the 6 months prior to April, they will not have any increment increase applied in the following April regardless of their appraisal score.

5.0 Employees on teachers' conditions of service

In line with the council's [pay policy](#), please note that the Council also retains a number of employees under the terms and conditions applicable under the Schools Teachers Pay and conditions of employment. Any increment increases, if appropriate, are applied with effect from September of each year based on their performance.