

Pay Protection Guidance

Pay Protection Scope

The Council's policy on pay protection provides protection for an employee's basic pay where it is reduced as a result of:

- Organisational restructuring;
- Suitable alternative employment offered one grade lower than current post holding where an employee is at risk of redundancy as part of a restructure process
- Redeployment into a vacancy one grade lower than current post holding where an employee is at risk or under notice of redundancy

Aim

The purpose of pay protection is to reduce the number of staff leaving the Council by reason of redundancy and to retain the skills and experience of employees who have been identified as redundant by alleviating the immediate salary impact of this and provide a period of time for staff to adjust to their lower salary. It is also aimed to encourage employees to accept redeployment at lower salary levels where appropriate to retain their services.

The Council recognises the need to ensure that pay protection arrangements do not directly or indirectly lead to inequalities in pay and this guidance is in line with current legislation.

Entitlement

Pay protection will apply to redeployment and assimilation only where an employee has over 2 years continuous service with South Cambridgeshire District Council and where the new post is no more than one grade lower than the existing post.

Basic Pay

The pay protected will be the current pay rate for the job as defined by the pay and grading structure at the time of appointment to the new post.

Where an employee applies for and is offered a post as 'redeployment' if the new pay rate is lower than the existing pay rate, '**pay protection**' will apply (pay protection is the difference between the old and new pay rates from date of appointment in new post:

- For the first 12 months in post - 100% protection

Pay not protected includes additional hours worked (over-time), pay-related allowances, non-pay related allowances (e.g annual leave), adjustments to the hourly rate due to standardisation of the working week, market supplements.

There will be no annual increment progression on the protected grade.

Changes to pay protection

If during the 12 month period the employee voluntarily changes job then the pay protection will cease upon appointment to the new post. OR consideration may be given for portability of pay protection if it is agreed that the new job is a realistic career opportunity.

Pay protection may end within the 12 month period if the new current grade catches up with the protected basic salary.

At the end of the 12 month pay protected period, salary will be adjusted to the top point of the current grade or nearest equivalent salary scale point according to protected salary.

There is no right to appeal at the end of pay protection.

Where pay protection applies, the additional cost will be funded from the originating area's budget.

No pay protection is given in cases of redeployment for reasons other than redundancy.

Appendix 1: Example

Pay Protection for Suitable Alternative Employment and Redeployment

If the Council identifies a post as 'suitable alternative employment' and offer the post to the redundant employee, pay protection will be offered. Where the new post is a lower grade and the employee's current spinal column point is higher than the grade maximum, pay will be reduced to the maximum in the new band and the difference paid as 'protection' pay. As follows:

Example: (The salary change takes effect at the end of successful completion of the 4 week trial period).

Employee's current salary is £39,105

New post – grade 5 - Salary range for new post: £28,329 - £32,947

New Salary: £32,947 *

Pay Protection element: £6,158**

*Employee is at the top SCP point so would only receive appropriate increases on the new salary at pay progression relating to cost of living.

**The pay protection element will remain at £6,158 for 12 months (subject to single status guidance and/or changes to hours/post)