



PAY PROTECTION AND ROLE ENHANCEMENT

Introduction

It is usual when changing from one grading system to another, to offer protection of salary for individuals whose existing salary is above that of the maximum of their new grade. The arrangements on pay protection will be vital to the success of the Role Evaluation project.

Where a role is evaluated as being in such a 'red circled' position, this is in no way a reflection of the performance and ability of the individual. Red Circling applies to the role, not to the individual.

National Framework Agreement

The National Framework Agreement includes guidelines on how Universities should approach the issue of pay protection. The relevant passage is:

Where current pay is higher than pay for grade:

By agreement between the individual and management, the responsibilities of the post will be increased such that (following re-evaluation of the post) the grading of the post is increased; or

By agreement between the individual and management, the individual moves to a post at a higher grade if an appropriate one becomes available, and in the interim is offered a range of training and development opportunities to maximise his/her chances of an agreed move to a post at a higher grade, or

The individual continues at their current pay level, on a protected basis, for a period of up to four years; after which his/her pay will be reduced to the highest point below the contribution threshold on the pay range appropriate for the post as graded following job evaluation.

More importantly, it acknowledges the importance of developing roles to avoid, as far as possible, the need for any salary reductions at the end of the protection period.

Protection Arrangements

The protection period will be four years from the date of the full implementation of role evaluation.

Protection will be on the following basis:

- Protection of salary is on a 'frozen increment' basis with cost of living increases. This means that staff in a pay protection situation will not receive any annual increments but will receive any cost of living increases.
- The University in discussion with the relevant trade union reserves the right to increase the protection period in exceptional circumstances, eg. where a member of staff is very close to retirement.

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- If by the end of the protection period the protected rate of pay remains higher than that

for the maximum normal increment of the grade for the individual's role as most recently evaluated by role analysis, the role will be further re-evaluated and the salary will reduce to the maximum (normal progression) increment of the resultant grade.

Appeals

Staff whose role is red circled, who submit an appeal against the initial grading following the implementation of HERA, will be given priority in the hearing of appeals.

Role Enhancement

This section sets out the University's broad approach to role enhancement. It is intended to provide a framework through which enhancement and its monitoring will occur. The University of Liverpool intends to pursue role enhancement vigorously within the operational needs of the University.

Key Issues

It is vital that there is a strong process for managing the role enhancement. There are a number of reasons for this:

- The commitment to role enhancement has to provide value for money for the University. Increased salary and training costs have to result in more effective working which adds value to individual, the departments and to the University as a whole.
- Employee confidence in the HERA scheme is dependent upon the commitment to role enhancement being underpinned by a process which ensures that the commitment becomes a practical reality.
- The process should be monitored regularly by the Human Resources Department to ensure consistency. However, it is also vital that there is a clear commitment to the process from the relevant department. Regular monitoring would reduce uncertainty both for departments and individuals. It is suggested that cases should be reviewed at least annually through the Professional Development and Review discussion, although more frequent reviews may be appropriate in some cases.
- The emphasis will be on how the role can be enhanced, and ensuring the capacity of the role holder to perform that role.

The actual method of developing roles will vary from case to case. The aim of the procedure is to identify a strategy for each 'protected' role and to ensure that this is backed up by active pursuit of role enhancement. It would be impossible to apply a single solution to all cases.

It is important that, in pursuing the enhancement of 'protected' roles, other staff in a department are not adversely affected. While changing responsibilities within a team or department should be considered, it should not be undertaken if the impact would be to adversely affect the grading of the protected employee's colleagues.

It is acknowledged that role enhancement is not the only means of protecting individuals' salaries. The most obvious alternative is for protected individuals to apply for and be appointed to higher-grade roles. Although it is not proposed that any active work is done to place such individuals, they will automatically receive a copy of the *Vacancies Bulletin*. Additionally, where appropriate, help will be given to staff to help them apply for other roles – eg help with drafting CVs.

Once the new salary structure has been agreed, individuals whose existing salaries are higher than the top of the new grade for their role will be identified.

Individuals will be asked to confirm that they wish to be considered for an enhanced role or whether they wish to retain their existing responsibilities and accept the downgrading following the protection period. Anyone accepting this option will be able to change his or her mind. However, individuals 'joining' the 'scheme' late will make it more difficult to achieve the objective of preventing down grading after the protection period.

A meeting will be arranged by the Human Resources Department with the Head of Department and the role holder. This discussion will include:

- the extent of role enhancement required for the role to meet the necessary grade criteria;
- any immediate scope for role enhancement;
- how longer-term opportunities for role enhancement will be identified;
- any development needs for the individual to meet the desired grade criteria;
- how the progress of the role enhancement is to be monitored, based on the minimum requirement for annual reviews. This will involve the assigning of a named person from the Human Resources Department who will have responsibility for the development of that role. The head of the employing department should also appoint a named person to liaise with Human Resources;
- review may involve a HERA evaluation of the role if sufficient development has occurred to consider a re-evaluation.

The initial, and all subsequent, meetings will set clear objectives and a timetable of future meetings at which these objectives would be reviewed.

Pensions

It is acknowledged that there may be separate issues for staff close to normal retirement age because of the impact on pensions. This section sets out the rules which will help employees in such a situation

The relevant ULPF rules are summarised below:

- Where someone's pay reduces voluntarily (say on return from maternity leave), the accrued benefits are preserved at the higher rate of pay resulting in a period of deferred membership and then start a new active period of membership based on the new conditions of service.
- The ULPF rules provide for individuals whose salary reduces within 10 years of retirement (i.e. age 55 and over). The relevant rule states that "where the member suffers a reduction in salary during the 10 years immediately preceding normal retirement date, they shall be entitled to continue to contribute to the scheme on the basis of the salary used to calculate his contributions immediately before such reduction. On retirement, the pensionable salary used to calculate the benefits shall be that which has been used to calculate the contribution".
- It is not possible for employees over the age of 60 to join the scheme.

Please note: this guidance will be altered in accordance with legislation and rule changes.