

# Pay Policy



<b>1.</b>	<b>Scope</b>
1.1	All employees of the Information Commissioner's Office.
<b>2.</b>	<b>Purpose</b>
2.1	To inform employees of the ICO's of arrangements for pay including how pay increases are determined, arrangements for salary payments and other pay related issues.
<b>3.</b>	<b>Introduction</b>
3.1	This policy describes how the pay system in the ICO operates.
3.2	<p>The ICO is committed to ensuring the pay system operates as effectively, efficiently and equitably as possible. The Human Resources team will work closely with our payroll provider so that payments are made accurately and in a timely manner.</p> <p>Payroll will provide pay information to the ICO's payroll administrators each month to ensure that information about pay rates, pension contributions and other necessary information is kept up to date.</p>
3.3	The ICO seeks to work constructively with the recognised trade unions in respect of pay matters. The ICO will also ensure that information about pay systems and reviews is made available to all staff.
<b>4.</b>	<b>Method of payment and pay advice</b>
4.1	All salaries will be paid monthly by credit transfer on or around the 25th of each month, apart from December (see 4.2). Where the 25th of the month falls on a weekend or Bank Holiday, payment will be made on the last working day immediately before the 25th.
4.2	Payment in December will be made approximately one week before the 25th of the month.
4.3	You will receive payment advice information each month on or before the date that payment is to be made to you.
4.4	In exceptional circumstances new starters whose pay details have not been processed in time for the monthly pay run may receive an advance from the ICO Finance department. The amount advanced will be recovered from the first month for which salary which is paid via payroll.
4.5	Payroll will issue P60 statements to every member of staff in May each year. P11d statements will also be issued to staff who have received a benefit in kind from the ICO, for example, membership of the Health Cash Plan.

## **5. Salary review process**

- 5.1 Salaries are reviewed on 1 July each year. Where salary reviews have not been agreed in time to enable salaries to be increased on 1 July, increases will be backdated to 1 July once settlement is reached or consultation concluded.
- 5.2 The ICO will submit a pay remit document to its sponsoring department and/or The Treasury each year (or for a number of years if a multi-year pay agreement is sought). The Secretary of State must authorise the pay remit which must comply with government pay policy and Treasury guidelines. If a special case is made to breach government pay policy, this must also receive the necessary approval from the sponsoring department and the Treasury.
- The proposals for pay increases within the pay remit must be affordable to the ICO both in year and in the longer term.
- 5.3 The ICO cannot award pay increases which would breach the approved pay remit.
- 5.4 Although the ICO cannot commence pay negotiations before the pay remit has been approved, discussions with the trade unions can take place to help inform content and nature of the pay remit business case which will be put to the sponsor department or the Treasury.
- Salary increases and changes to the pay scales will be negotiated with the recognised trade unions in line with ICO recognition agreements following approval of the pay remit by the Secretary of State or as required by Treasury guidelines.
- 5.5 The ICO and the recognised trade unions will endeavour to reach agreement on pay reviews. Where this is not possible, pay changes will be implemented by the ICO in line with its contractual agreements with staff.
- 5.6 Salary reviews for members of the Executive Team will be conducted by the Remuneration Committee (see section 21)

## **6. Pay grades and ranges**

- 6.1 The ICO has pay ranges which will be published and available to staff on the intranet. They show the pay ranges for each level of the eight job levels in the ICO.
- 6.2 Each job level will have an Entry Rate of salary and a maximum salary. No member of staff will be paid below the Entry Rate of salary rate for their job level.
- 6.4 Your salary will not progress above the maximum for your job level. The

size of your pay increase may be capped if the percentage pay increase applied more generally to staff would increase your salary above the maximum for your job level.

- 6.5 Staff who, for whatever reason, earn above the maximum for their job level will have their salary frozen until the maximum pay for the job level catches up with their salary. When this happens their salary will increase in line with the maximum for the job level. This is often referred to as 'red circling' the salary.

## **7. Pay increases and revalorisation**

- 7.1 The term 'revalorisation' refers to increases in the value of Entry Rate salaries and to the maximum of each pay range.

- 7.2 Revalorisation of the pay ranges each year is not guaranteed. When revalorisation does occur it will be effective from 1 July, subject to gaining agreement for the ICO pay remit and following consultation and negotiation with the recognised trade unions. The ICO may revalorise the Entry Rate and pay range maxima by different amounts.

- 7.3 Annual pay increases are not guaranteed at the ICO and are not a contractual entitlement. Pay increases will be considered in the context of affordability and government pay policy.

- 7.4 In order to receive a pay increase you must receive a rating of 'Effective' in your end of year Performance and Development Review.

- 7.5 If you receive a 'Not Effective' rating you will not receive a pay increase.

The only exception to this arises if the Entry Rate of salary is revalorised and increases to above your current rate of pay. In such circumstances your pay will increase to the new Entry Rate.

- 7.6 To receive an increase on 1 July you must have been in your current job level for at least nine months.

- 7.7 If you have not been in your current job level for nine months as at 1 July, you will receive the relevant increase awarded after you have completed nine months in your grade. Your salary will be reviewed each 1 July thereafter.

If you are on the Entry Rate for the grade and, as part of the pay award, the Entry Rate for your grade is revalorised upwards, you will receive the new Entry Rate from 1 July and the remainder of any increase when you have completed nine months in grade.

- 7.8 The amount available for increases will be determined by the pay remit which in turn must take into account government pay policy and Treasury Pay Guidance. It is possible that government pay policy does

not give provision for rates of pay to be increased.

- 7.9 The distribution of the funds available for pay increases will be determined following consultation and negotiation with the recognised trade unions. Consultation and negotiation may consider a variety of methods or options for the distribution of available funds.

## **8. Allowances**

- 8.1 Some roles in the ICO may attract an allowance for undertaking additional responsibilities.

- 8.2 You will be advised by Human Resources if your job attracts an allowance which will be paid in addition to your basic level of salary.

- 8.3 Managing staff at the same job level attracts an allowance of 10% of the Entry Rate of pay for the relevant job level.

- 8.4 An allowance for being 'on call' is payable where a person is required to be contactable and ready to undertake work outside of the normal 7am – 7pm Monday to Friday flexitime band width. The allowance payable is £20 for each night of being on call. This allowance is not pensionable.

Overtime at the rates described in section 15 is payable for any period that work activity is required whilst on-call, with a minimum claim of 1 hour.

To be eligible for an on-call payment an individual must:

- Be in a role for which an on-call payment has been agreement has been deemed as appropriate.
- Be available to undertake work throughout the on-call period.
- Ensure that activities undertaken whilst on-call do not impinge on their ability to respond to required work activity (e.g. by being away from their telephone or IT equipment, or by being incapacitated for work)
- Ensure that he/she has the resources required to undertake the work required whilst away from the office.

On-call allowance will be paid monthly via payroll and is not pensionable. The process for receiving payment, eg whether a monthly claim is required, or a standing payment is to be made, will be determined on a case by case basis. An on-call payment is not payable in the event of sickness absence from work on what would have been an on-call night.

The payment of on-call allowances will be subject to continuous review. The allowance may be withdrawn if management determine that there is no longer a need for an individual or group of people to be on-call. At least one calendar month's notice will be provided of the withdrawal of this allowance.

- 8.5 Other allowances, both temporary and permanent, may be introduced following consultation with the trade unions and consideration by the Executive Team. The rate payable will depend on the circumstances and the additional responsibilities required.
- 8.6 If, for whatever reason, you no longer undertake the responsibilities related to the payment of a temporary allowance, you will no longer be entitled to be paid the allowance.

## **9. Promotions**

- 9.1 If you are promoted to a higher job level you receive a minimum of a 10% increase in basic pay.
- 9.2 If your current pay plus 10% is less than the Entry Rate for your new post, your new pay will be the Entry Rate of the pay range for your new job.
- 9.3 If your current pay plus 10% places you above the Entry Rate for your new job, then your new pay will be your current pay plus 10%.
- 9.4 Staff promoted to a higher level post who are in receipt of a permanent responsibility allowance will have the allowance taken into account when the salary for their new post is being calculated.
- 9.5 'On-call' allowances or temporary responsibility allowances are not taken into account when calculating promotion pay.

## **10. Temporary promotions**

- 10.1 Your level of pay for a temporary promotion will be calculated in the same way as for a permanent promotion, as described in section 9.
- 10.2 Upon completion of your temporary promotion your salary will return to the level that it would have been had you remained in your original position for the duration of your temporary promotion.

## **11. Temporary upgrading**

- 11.1 There may be occasions where it is necessary to temporarily upgrade a member of staff without undertaking a full recruitment and promotion exercise. This is sometimes referred to 'acting up'.
- 11.2 Where the full responsibilities of a higher graded post are to be undertaken, then the salary to be paid during the period of upgrading will be calculated in accordance with the provisions set out in section 10.
- 11.3 Where only a proportion of the responsibilities of a higher graded post are to be undertaken, then an allowance may be payable for the period of upgrading. The size of the allowance will be determined depending on

the circumstances at the time.

- 11.4 Upon completion of a temporary upgrading your salary will return to the level that it would have been had you remained in your original position for the duration of your upgrading.

## **12. Non-consolidated payments and other payments/rewards**

- 12.1 The ICO will have a non-consolidated payment pot. The amount in the pot will be reviewed each year.

- 12.2 Arrangements for the distribution of the pot will be made each year following discussions with the trade unions.

The actual means of distribution will be subject to agreement of the ICO's pay remit and following negotiations with the ICO's recognised trade unions.

- 12.3 Monitoring of the award of payments from the non-consolidated pot is essential to ensure that they are awarded in a fair manner which is not unfairly discriminatory.

## **13. Overtime**

- 13.1 Any overtime working must be authorised in advance by your line manager. Claims for overtime or additional hours worked will not be accepted unless a full record of the hours worked has been kept.

- 13.2 The rates of overtime payable is set out in the following tables, as is the alternative of claiming overtime hours as Time Off In Lieu.

Hours worked or spent travelling on business at the request of management at weekends or Bank/Public holidays are treated as overtime or travelling time. Job levels A to F can claim for business travel time or overtime hours worked on Monday to Fridays before 07.00 or after 19.00. Staff in levels A to D can also claim for time travelled or overtime worked between 07.00 to 07.55 and 17.55 to 19.00 rather than flexi credit if they choose.

Travelling time can alternatively be claimed as flexi time as described in the flexi time procedure.

<b>PERIOD</b>	<b>OPTION</b>	<b>LEVELS A, B AND C</b>	<b>LEVEL D - F</b>	<b>LEVEL G</b>
Monday to Friday	Payment	1.5 x overtime hours 1 x hours travelled	1 x overtime hours  1 x hours travelled	No compensation

	Time off in lieu *	1 x overtime hours 1 x hours travelled	1 x overtime hours 1 x hours travelled	No compensation
Saturday	Payment	2 x o/time hours	1.5 x overtime hours	1.0 x overtime hours
	Time off in lieu *	2 x o/time hours	1.5 x hours travelled	1.0 x hours travelled
Sunday/ Public or Bank holidays	Payment	2 x overtime hours	2 x overtime hours	1.0 x overtime hours
	Time off in lieu*	2 x hours travelled	2 x hours travelled	1.0 x overtime hours

#### **14. Call out payments**

- 14.1 A call out payment may be made to members of staff who are called out from home to conduct emergency maintenance, repairs or other work on ICO facilities or infrastructure.
- 14.2 A call out fee may be paid to staff for other reasons in exceptional circumstances.
- 14.3 In order to be eligible for a call out payment you must either:  
a) have been called out from home to deal with an emergency; or  
b) have received less than 12 hours' notice of being required to work for at least three hours duration after 7.00pm.
- 14.4 A call out fee will not be payable for planned late work or where late work is undertaken voluntarily.
- 14.5 The call out payment is £60. This may be reviewed periodically. Call out payments will not be pensionable.
- 14.6 Claims for call out payments must be submitted to Human Resources and will be paid via payroll. Claims must be made in writing, there is no special form for this, but the written claim must specify the date, time and duration of call out, the notice given before attendance at work was required and the circumstances of the call out. The claim must be

signed off by the head of department before payment will be authorised.

## **15. Payment errors and overpayments**

- 15.1 Occasionally errors may occur regarding the amount paid to you.
- 15.2 If you have been underpaid, the correct payment will be made to you, together with any arrears due, in the next available salary payment.
- 15.3 In exceptional circumstances an interim payment may be made to you via payroll or the ICO finance department. You should discuss this arrangement with Human Resources if necessary.
- 15.4 Human Resources will advise you if it is discovered that you have been overpaid. All overpayments will be recovered by the ICO.
- 15.5 Human Resources will agree the means for recovering the overpayment with you. This may, for example, be via cheque or by deductions from subsequent salary payments.
- 15.6 Where an overpayment is to be recovered by deductions to salary payments, Human Resources will agree a schedule of deductions with you. This may involve a single deduction or deductions over the course of several months. It is expected that recovery of an overpayment through payroll deductions would not normally take more than one year, though this may be varied in exceptional circumstances.

## **16. Unpaid leave, buying and selling leave**

16.1 There may be occasions when you may be granted unpaid leave eg to care for a dependent. If this is the case a deduction will be made from your salary to account for the unpaid day(s).

16.2 ICO staff are paid on the basis of a seven day week. The value to be deducted from your salary will therefore be calculated as follows:

$$\frac{\text{Annual salary}}{365} \times \text{No. of days of unpaid leave}$$

This is also the calculation which will be applied for deductions from salary because of strike action.

16.3 ICO staff may purchase up to five additional days annual leave per year. This will entail a deduction being made from salary. The value of that deduction will be calculated as follows:

$$\text{Hourly rate} \times 7.4 \times \text{No. of days of leave purchased}$$

Staff who work compressed hours may also buy up to five of their days

of additional annual leave. For staff on compressed hours the calculation for deductions from salary will be:

Hourly rate x No. of hours in your standard compressed day x No. of days of leave purchased.

This calculation is also used for deductions from salary if you leave the ICO having taken more annual leave than you have accrued by your leaving date.

Additional annual leave can be purchased at any time during the year.

Deductions from salary to account for annual leave purchases will be made over a period of one to three months, in agreement with you.

- 16.4 Subject to provisions about the amount of leave that must be taken in the year, ICO staff may sell back up to ten days annual leave per year. This includes the selling back of annual leave that has previously been banked.

Selling annual leave will entail a payment being made to you. The value of the payment will be calculated as follows:

$$\text{Hourly rate} \times 7.4 \times \text{No. of days of leave purchased}$$

However, annual leave banked before 1 July 2014 will be sold back at the following rate with applied at the time of banking:

$$\frac{\text{Annual salary at time of banking}}{365} \times \text{No. of days of unpaid leave}$$

- 16.5 Annual leave can only be sold back to the ICO in the final month of your annual leave year.
- 16.6 Payment for more than ten days annual leave is permitted if you have remaining annual leave or banked leave when you leave the ICO.
- 16.7 In the examples cited above Annual Salary refers to full time equivalent salary.

## **17. Advance payments**

- 17.1 The ICO can make advance payments to new starters if payroll have been unable to process their payment in time, resulting in a long period between starting with the ICO and receiving a salary payment from payroll.
- 17.2 Advances given in such circumstances will be deducted from the first salary payment made to you via payroll.

<b>18</b>	<b>Demotions</b>
18.1	There are a number of reasons why a person may be demoted, for example as the outcome to a disciplinary hearing, re-structuring or because a person has chosen to apply for or take up a lower graded post.
18.2	In the event of a demotion for disciplinary reasons or a restructure, you will continue to receive your current rate of pay, but your salary will be frozen until the maximum salary for your new job catches up with your rate of pay. Your salary will then increase in line with the maximum for that job level.
18.3	If you chose to apply for, or voluntarily request to take, a lower graded post, your salary will be calculated on the basis that you had performed that job throughout your time at the higher graded post. For example if you accepted a Level B job, having worked at Level C for three years, your pay will be calculated as if you were in the Level B job for three years.
<b>19</b>	<b>County court orders, attachment to earnings and student loan repayments</b>
19.1	If you are subject to a county court judgement order or an attachment to earnings order the information will be forwarded to payroll and the appropriate deductions will be taken from your monthly salary. The deduction will be indicated on your payslip.
19.2	If you have a student loan you may be required to make repayments direct from your salary. This will depend on your rate of salary. If deductions are required they will be indicated on your payslip.
<b>20.</b>	<b>Remuneration Committee</b>
20.1	The Remuneration Committee will comprise two non-executive members of the ICO's Management Board and the Commissioner.
20.2	The terms of reference for the Remuneration Committee will describe in detail the role, make-up and parameters of the committee.
20.3	The main function of the Remuneration Committee will be to determine the salary of members of the Executive Team.
<b>21.</b>	<b>Frequently asked questions</b>
21.1	<b>I started on the Entry level salary of Level B on 25 August – what will happen to my pay on 1 July next year?</b> By 1 July next year you will have had more than nine months service in your role. You will therefore receive the pay increase which is applied to staff on 1 July next year.

**21.2 I started on the Entry level salary of Level B on 25 April – what will happen to my pay on 1 July?**

By 1 July you will have had fewer than nine months service in your role. So you will not receive the pay increase applied to staff from that date.

You will remain on the Entry level salary for Level B, which will be increased by the revalorisation rate of increase if one is applied. You will then receive the rest of the increase applied to other staff nine months after your start date, so in this example you would receive the increase with effect from 25 January next year.

**21.3 Will increases always be paid to me in July?**

The date on which increases are paid is dependent upon when the ICO's sponsoring department and Treasury agree our pay remit and when consultation with the trade unions is concluded.

Until this point is reached your salary will stay the same as the previous year. However, when new salary rates are implemented they become effective from 1 July and any arrears of pay due will be paid.

**21.4 If the government announces a pay freeze for civil servants does it apply to us?**

This will depend on the terms of the pay freeze, but it is likely that it would apply to the ICO even though our staff are not civil servants.

**21.5 Would any pay increases be available if there is a pay freeze?**

Again, this depends on the nature of the announcement from the government.

Pay increases for promotion would be allowed in a pay freeze, but pay progression and revalorisation are unlikely to be permitted in all likelihood.