DWP Pay Offer 2017: SEO to Grade 6

1. Introduction

1.1 The pay offer covers a period of one year only from the settlement date of 1 July 2017.

1.2 The pay offer is applicable to those who are substantive in DWP grades SEO, Grade 7, Grade 6 and equivalents.

1.3 There is a <u>separate pay award letter</u> for those who are substantive in grades AA to HEO (and equivalent).

2. Eligibility Criteria

2.1 To be entitled to the pay offer you must:

(a) be employed by the Department for Work and Pensions (DWP) on both 30 June 2017 and 1 July 2017;

(b) have satisfactory performance. This means that:

- You will not be eligible for a consolidated pay increase whilst you are undergoing formal poor performance action and have received a Must Improve performance marking for the 2016/17 performance year. See section 9 for further detail.
- You will not be eligible for a non-consolidated performance payment if you have received a Must Improve performance marking for the 2016/17 performance year (regardless of whether or not any formal poor performance action has been commenced on RM/SOP).

2.2 The need to be employed by DWP should be taken to mean employed by DWP within the DWP bargaining group as set out in paragraph 3.1.

2.3 Entitlement to the pay offer will also be subject to the further detail contained in this offer letter including the <u>Specific Circumstances</u> set out in section 13. If you belong to a particular group of employees not covered within the basic pay award, for example you are in receipt of TDA or mark time pay; please read the section which covers <u>Specific Circumstances</u>, which will provide guidance on the pay arrangements that apply to you.

3. Scope for the 2017 Pay Offer for SEO to Grade 6

3.1 You are in scope for this pay offer if you are part of the DWP bargaining group that incorporates Grade SEO (and equivalents) through to Grade 6 (and equivalents), including employees on temporary or fixed term contracts.

3.2 You must be a substantive DWP grade SEO-Grade 6 or in an equivalent specialist grade.

3.3 Although part of the DWP bargaining group, a <u>separate pay offer</u> is applicable to employees who are substantive in DWP grades AA-HEO (and equivalent) including HEO(D) Fast Stream.

3.4 Separate arrangements apply to employees who are not currently employed on DWP Terms and Conditions. If you are matched to DWP grades SEO-Grade 6 and you have not opted in to DWP Terms and Conditions, separate arrangements apply, see <u>Employees not on DWP Terms and</u> <u>Conditions</u>.

4. Summary of the Offer

Effective from 1 July 2017:

Generalist Pay Scales: Consolidated Pay

• SEO (and equivalent) grade minima will be increased by different percentage uplifts dependent on pay zone by between 1.1% and 3.25%;

- SEO salaries above the grade minimum will increase by the same fixed cash value across all pay zones;
- Grade 7 and Grade 6 (and equivalent) grade minima, maxima and salaries within the pay scales will be increased by a fixed cash value dependent on grade.

Specialist Pay Scales: Consolidated Pay

• SEO to Grade 6 (and equivalent) grade minima, maxima, and salaries within the pay scales will be increased by a fixed cash value;

Non-consolidated Pay

• Non-consolidated payments based on end of year performance will provide lump sums to the majority of employees.

5. What does the pay offer mean to you?

5.1 The pay offer is explained in more detail in the rest of this letter

5.2 Pay Scales for SEO-G6 (and equivalents) are provided on the Pay Award Homepage.

5.3 By entering some basic details about your current salary, substantive grade, location and performance marking, the Pay Calculator for SEO-G6¹ will give you an indication of the pay award you may be entitled to.

5.4 Further tools are available on the <u>Pay Award Homepage</u> including <u>Commonly Used Terms</u> and <u>FAQs</u>.

6. Consolidated Pay: SEO Generalist Grade

Uplift to the pay band minima

6.1 The SEO pay band minimum will be increased by a percentage value higher than 1% to mitigate any potential overlap with the HEO maximum in 2017. The potential overlap between HEO and SEO grades has been considered by pay zone, therefore the percentage uplift will differ depending on the amount required to mitigate the chances of an overlap in 2017.

Pay zone	2017 percentage uplift to the SEO min	
London Inner	1.9%	
London Outer	3.25%	
National	1.6%	
Specified Location Pay Zones	1.1%	

6.2 The SEO pay scale minimum percentage uplifts for 2017 are outlined in the table below.

Uplift to salaries above the pay band minima

6.3 Subject to eligibility, all salaries between the minima and maxima, including those on the SEO pay scale maxima, will receive a fixed cash value increase of £320 regardless of pay zone. This value will be pro-rated based on individual working patterns.

6.4 Individuals may receive more than the increase value where the pay scale minimum increases to a higher value than the individual's salary this year.

6.5 If your pay is above the 2017 pay scale maximum see Specific Circumstances.

7. Consolidated Pay: Grade 7 and 6 Generalist Grades

7.1 All eligible individuals at Grade 7 and Grade 6 (and equivalent) will receive a fixed cash value increase in 2017, regardless of pay zone and position on the generalist pay scale.

7.2 The table below provides the Full Time Equivalent (FTE) fixed cash value increase that individuals will receive in 2017. This value will be pro-rated based on individual working patterns.

2017 (FTE) fixed cash value increases			
Grade 7	£475		
Grade 6	£610		

7.3 If your pay is above the 2017 pay scale maximum see Specific Circumstances.

8. Consolidated Pay: Specialist Pay Arrangements

8.1 All eligible individuals at SEO to Grade 6 (and equivalent) will receive a fixed cash value increase in 2017, regardless of pay zone and position on pay scale. Fixed cash values will be determined by grade for each specialist pay scale.

8.1.1 Individuals currently in receipt of DDaT pay and allowances will not receive a fixed cash value increase in 2017 as the DDaT pay scale was developed and implemented this year. DDaT pay will be reviewed on an annual basis.

8.2 The fixed cash values are detailed in the pay scales against the corresponding grade and specialism.

8.3 There are a small number of specialist pay scales where the 2016 pay band minima and/or maxima aligned with the equivalent generalist pay scale. In these pay scales, we have ensured that the alignment of the minima or maxima to the generalist pay scale has been maintained. In these circumstances individuals on the minima will receive an uplift greater than the flat cash value for their specialist grade. These are detailed in the pay scales.

9. Must Improve / Formal Poor Performance Action

9.1 You are not eligible for the consolidated pay award if you have received a Must Improve marking for the 2016-17 performance year and are undergoing formal poor performance action on 1 July 2017.

9.2 Your salary will remain at the existing level even if this means that you remain below the new pay scale minimum. Checks will be put in place to ensure that no employees fall below National Minimum Wage or National Living Wage.

9.3 Should your performance subsequently improve and formal poor performance action has ceased you will then become eligible to the pay uplift from the following day.

10. Non-Consolidated Pay Offer

10.1 The non-consolidated pay offer covers 2017 only. Future non-consolidated pay offers will be negotiated on an annual basis.

10.2 The department's non-consolidated pot for 2017 remains at 1.9%, however, this will reduce as funding is moved across to the consolidated pot. By Year four of the Employee Deal the non-consolidated pot will have reduced to approximately 0.4% of pay bill.

10.3 You will be eligible for a non-consolidated payment in recognition of your individual contribution if you attain an 'Exceeded' or 'Achieved' rating under People Performance and were in post on 31 March 2017 and 1 July 2017.

10.4 If you have a "Must Improve" rating you will not receive an end of year performance award, regardless of whether formal poor performance action has commenced.

10.5 An end of year non-consolidated payment will be paid to all qualifying employees regardless of salary.

10.6 Individual performance awards will be:

- determined on the basis of the performance rating achieved for the 2016-17 performance year
- paid at the level appropriate to the grade in which you have been assessed, unless otherwise stated (e.g. TDA to SCS see paragraph 13.1 – <u>Movement into the Senior Civil Service</u>)
- paid as a non-consolidated, non-pensionable, lump sum; and
- subject to tax and National Insurance.

10.7 In the following circumstances the non-consolidated payment will be pro-rated to reflect the number of days in service and/or working pattern:

- if you have not been in post for the whole of the reporting year 1 April 2016 to 31 March 2017.
- if you have not worked full-time for the whole of the performance year; or
- if you work part-time and/or part-year.

10.8 If you do not have 60 days actual performance you will not have your performance assessed and will not be entitled to an end of year award. Exceptions to this are where;

- the absence is due to maternity (including maternity-related illness during pregnancy), paternity, adoption or disability related sickness absence; or
- no performance rating is due because you are currently surplus but have more than 60 days service during the performance year.

10.9 In these circumstances an employee's performance marking will be mapped across from previous year's marking e.g. 2016 exceeded = 2017 exceeded.

10.10 For OGD transfers see Specific Circumstances.

10.11 The non-consolidated payment values are shown in the table below.

	SEO	G7	G6
Exceeded	£850	£1,150	£1,450
Achieved	£600	£600	£600

11. Changes to Allowances

11.1 Most <u>allowance rates</u> will be increased by 1%. The new rates are reflected in the allowances table.

12. Further Information

12.1 To help clarify any questions or concerns you may have, we have outlined answers to the most <u>frequently asked questions</u>.

12.2 We have also included a guide to <u>commonly used terms</u> that have been used throughout this letter.

12.3 Once you have read the details of this letter and if you still have any remaining questions, please speak to your line manager. If they are unable to answer your query they will either direct you to Employee Shared Services or liaise with the ESS / HR Casework team in line with the <u>Service</u> <u>Delivery Model</u>.

12.4 The DWP Pay Team will not be able to respond to queries directly but we will communicate through the Pay Award pages on the intranet. We will regularly review and update our Q&A in response to any common issues that are raised.

13. Specific Circumstances

13.1 Movement into the Senior Civil Service (SCS)

If you are promoted to SCS and are in post before 1 July 2017 you will not be entitled to a consolidated increase under the DWP delegated pay award. If you are promoted and are in post between 1 April 2017 and 1 July 2017 you would also be ineligible for the SCS pay award. To ensure you are considered for a pay award we will therefore review your pay on promotion calculation from 1 July 2017 based on a notional increase to your delegated pay.

If you have more than 6 months in SCS you will be considered for the SCS non-consolidated award. If you are promoted to SCS during the reporting year and have less than 6 months you will receive the non-consolidated award for the junior grade.

If you permanently move into the SCS after 31 March 2017 but before 1 July 2017, you will receive a non-consolidated payment that relates to the performance marking earned in the grade in which you have been assessed.

If you are on TDA to the SCS for less than six months of the performance year, you will be assessed in your substantive grade.

If you are on TDA to the SCS for the majority of the year (184 days or more), you will be assessed in line with the SCS pay and performance arrangements.

Non-consolidated payments relate to the level of assessment and grade your performance is assessed in.

13.2 Part-Time and Part-Year Employees

If you work less than full time conditioned hours and/or a part year work pattern then your increased pay will be adjusted to reflect the hours that you are contracted to work. The pay award will first be applied to your full time equivalent (FTE) salary and then the new rate of pay will be pro-rated to account for the average number of weekly hours that you are contracted to work.

13.3 Employees in Receipt of Mark Time Pay

Any consolidated pay increase will erode any mark time pay in place. Mark time pay will not be eroded by non-consolidated individual performance awards.

13.4 Treatment of Employees Above the Maximum

If your salary on 30 June 2017 is below the new maxima of your pay scale you will receive the balance up to the new 2017 pay scale maxima.

If your salary on 30 June 2017 remains above the new maxima of your pay scale you will see no change in your salary.

13.5 Unpaid Non-Attendance

If you are on carer's leave, long-term sick absence, unauthorised absence or special leave without pay including maternity, paternity, or adoption leave on 1 July 2017 you will qualify for the pay award subject to having a satisfactory performance level.

You will be progressed through the pay award to the point on your pay scale as if you had remained at work, but will receive no actual payment until your return to work.

13.6 Leavers - Resigned / Retired / End of Fixed Term Contract

If you were in post on the DWP <u>qualifying dates</u> and have subsequently left, you will receive any arrears of pay or non-consolidated payment that are due.

13.7 New Entrants On or After 1 July 2017

If you are a new entrant to DWP on or after 1 July 2017 you will not be eligible for the 2017 pay award. The exception to this is if you are on the previous year's pay scale minimum (because the pay award has not been implemented when you started) you will be uplifted to the new scale minimum if it has increased.

There are different arrangements in place for those transferring in from OGDs – please see the section on <u>OGD transfers</u>.

13.8 Flexible Starting Pay

If you were employed on Flexible Starting Pay and took up post on or after 1 July 2017 you will see no change in salary unless:

- your pay is lower than the new scale minima (because you were employed before the pay award was implemented and remain on the previous years scale minima); or
- your contract specifies a particular position on the pay scale and pay has to be adjusted to
 preserve that.

13.9 Promoted Between 1 July 2017 and the Pay Award Implementation Date

Your pay on promotion will start when you begin your new role. Starting pay on promotion will be recalculated to take account of any change in salary between 1 July (the date the pay award is payable from) and the date of promotion.

The payroll system will automatically check the records of employees who have been promoted between these two dates and re-calculate the salary. It will first apply the pay award increase to the lower grade and then secondly, re-apply starting pay on promotion terms to the increased salary. Any arrears will be identified and paid.

Non-consolidated payments will be paid at the level appropriate to the grade in which you were assessed.

13.10 Temporary Duties Addition (TDA)

If you are on TDA you will first have the pay award applied to your substantive salary. Your TDA rate will then be recalculated using the 2017 pay rates giving you the better of the new band minimum or substantive salary plus 10%.

Any non-consolidated payment will be based on your substantive grade on the 31 March 2017 unless you have been assessed in the higher grade because you have worked for 184 days or more in that grade. For details of TDA into the SCS please refer to paragraph 12.1 – <u>Movement into the Senior</u> <u>Civil Service</u>.

13.11 Overtime Worked Since 1 July

The payroll system will automatically check the overtime records of employees and will pay any arrears due following an increase to basic salary if the award is implemented after 1 July 2017.

13.12 OGD Transfers / Loans into DWP

If you transfer either permanently or on loan, into DWP prior to 1 April from another government department (OGD), and are on DWP Terms and Conditions, you will be automatically entitled to the DWP pay award.

If you transfer from another government department on or after 1 April 2017, and are on DWP Term and Conditions, you will not have automatic entitlement to the DWP pay increase from 1 July 2017.

In these circumstances, DWP payroll will contact your previous department to establish if you are entitled to the DWP pay award or whether you are due to receive an award from the exporting department.

If you transfer from another government department on or after 1 July and have not received a pay award from the OGD due to the transfer date, you will need to notify Employee Services who will liaise with the OGD to confirm eligibility.

If you are entitled to the DWP pay award it will be calculated and implemented separately from the main pay award but will be effective from 1 July 2017.

Where an OGD transfer has taken place, the overall civil service performance and reckonable attendance during the performance year should be taken into account when calculating any entitlement to a DWP non-consolidated award. See <u>People Performance Policy</u> for further information.

Different arrangements apply to employees who transferred in to DWP through other methods such as TUPE or COSOP transfers. Please see <u>Section 13.16</u> below.

13.13 Transfers / Loans to Other Government Departments (OGD)

If you transfer either permanently or on loan to an OGD after 1 July 2017, your new payroll will be notified of any arrears that may be due to you up to your date of transfer. This includes any non-consolidated payment.

13.14 Returning to DWP Following Loan to an OGD

If you return to DWP between 31 March and 1 July 2017 SSCL will contact the OGD to establish whether you have received or will receive their 2017 pay award. Where Employee Services receive confirmation from the OGD that you did not meet their eligibility dates, you will receive the relevant DWP pay award.

Anyone who returns from loan on or after 1 July will need to notify Employee Services if they have not been considered for their OGD pay award due to the transfer date.

Your entitlement to a performance related non-consolidated award should be specified in your loan agreement. If this is not specified, and individuals are eligible, they will receive the DWP pay award.

13.15 Secondment

If you are on secondment you will have retained DWP Terms and Conditions and will be eligible for DWP's pay award providing you meet all of the eligibility criteria.

If you are in receipt of Secondment Allowance, the amount you receive will be eroded by any consolidated pay award.

If you have a qualifying performance marking for the relevant year, you will also receive a nonconsolidated payment.

13.16 Employees not on DWP Terms and Conditions (e.g. TUPE or COSOP transferee's who have retained Terms and Conditions).

Individuals who have retained Terms and Conditions will have the opportunity to opt in to DWP Terms and Conditions.

If you opt in to DWP Terms and Conditions you will give consent to the contractual changes to your contract of employment as set out on the Department and You and are therefore eligible for the above SEO-Grade 6 Pay Offer.

If you choose to retain your existing terms and conditions separate pay arrangements will apply as follows:

Consolidated Pay Offer

- If you have contractual pay progression this will still apply subject to your pay scale maximum.
- Staff who do not have contractual pay progression will receive a 1% increase subject to their retained pay scale maximum.
- Staff on personal pay points who do not have a retained pay scale will receive a 1% increase subject to the DWP grade equivalent pay scale maximum.

Non-Consolidated Pay Offer

- If you have a protected performance related non-consolidated payment, this will apply.
- Staff who do not have a protected performance related non-consolidated payment will receive the relevant DWP non-consolidated pay awards for their grades subject to achieving an Exceeded or Achieved performance marking.