



Ministry
of Defence



Guidance

Pay Award Eligibility: Salary Increase and Performance Awards



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1 Introduction

This document is for individuals at all grades within DE&S and sets out eligibility for annual pay awards so individuals can determine how their specific personal circumstances will impact on salary increases and performance awards.

Full details of the pay award will be published annually but eligibility criteria will remain the same every year.

Section 2 covers general information.

Section 3 covers salary increases.

Section 4 covers performance awards.

Section 5 contains specific information relating to industrial team performance awards.



2 General Information

2.1 Who this guidance covers

This guidance covers:

- Civilian employees of DE&S including those on probation, those in-scope for the Industrial Team Performance Award and the SLG;
- Fixed Term Appointees (FTAs);
- Graduates and Apprentices.

This guidance does not cover the following populations:

- Contractors (not covered by DE&S performance management policy);
- Employees subject to externally negotiated pay arrangements e.g. Agenda for Change (covered by own pay arrangements through Agenda for Change);
- Service Personnel (not covered by DE&S performance management policy);
- Agency workers (please refer to the relevant employer);
- Those on specific contractual terms (individuals who have joined DE&S on TUPE terms and not yet assimilated to DE&S T&Cs)

2.2 Main Performance Award

Awards will be a percentage of an individual's base pay as at 31 March. This does not include overtime or allowances, including Temporary Assignment to a Higher Level (TAHL)/Temporary Promotion. The percentage amount will be determined by an individual's grade, performance rating and organisational performance (OGSM).

Where a performance rating is not held for an eligible employee, a 3 rating will be used.

2.3 Industrial Team Performance Award

Awards will be a whole £ amount. The Award will be determined on the extent to which each site meets its Key Performance Indicators (KPIs). Each geographical site or business area has its own KPIs to reflect the individual nature of the work completed at each location. The KPIs and targets will be communicated to in-scope employees at each site.

2.4 Deductions

Performance Awards are not pensionable but are subject to income tax under PAYE and National Insurance contributions.

3 Salary Increases

3.1 General

Salary increases will consist of a standard increase for all individuals in post on 1 April, and a progression increase for all individuals with a DE&S performance rating.

3.2 Joining DE&S during the Performance Year

Individuals who are in a DE&S role on 1 April will be eligible for a standard salary increase.

Individuals who join DE&S on or after 1 January* will not have a performance rating and will not be eligible for a progression salary increase.

Individuals who join DE&S after 1 April, and are below the minimum for their grade, will have their salary increased from the date of joining.

*For the 2022 Pay Award only, the date will be 8 January 2022

3.3 Part-Time Working Patterns

Individuals with a part-time working pattern will have their salary increase based on their Full-Time Equivalent (FTE) salary. The value will be pro-rated automatically by the pay system, based on the number of hours worked per week.

Example

FTE salary = £29,500

Hours per week = 24

Part-time salary = $£29,500 \times 24 \div 37 = £19,135.14$

3.4 Leaving DE&S

Individuals who are in a DE&S role on 1 April will be eligible for a salary increase.

3.5 Transfers Between DE&S and SDA

Individuals who have transfer between DE&S and SDA during the performance year will have their salary increase determined by the organisation they are deployed in on 1 April.

3.6 Loans and Secondments

3.6.1 Into DE&S

Individuals who are in a DE&S role on 1 April will be eligible for a salary increase, only if clearly stipulated in their loan agreement.

3.6.2 Out of DE&S

Individuals who are not in a DE&S role on 1 April will be eligible for a salary increase, only if clearly stipulated in their loan agreement.

Generally, for loans and secondments within the Civil Service for less than six months, the individual remains on DE&S payroll and would be eligible for a salary increase; for loans and secondments within the Civil Service for six months or more, the individual transfers to the host department's payroll and would not be eligible for a salary increase.

3.7 Graduate and Apprentice Schemes

Individuals who are on a DE&S Graduate or Apprentice Scheme on 1 April will be eligible for a salary increase.

3.8 Temporary Promotion

Individuals who are on Temporary Promotion on 1 April will be eligible for a salary increase. The increase will be based on their substantive grade and pay range and their Temporary Promotion Allowance will be adjusted to ensure the allowance is the greater of 10% of their salary*, or the difference between their salary and the minimum of the higher grade.

*Restricted to the threshold of the temporary grade.

3.9 Promotion

Individuals who have been promoted during the year will have their salary increase based on their grade as at 31 March.

For individuals promoted on 1 April, the order of processing is pay award then promotion.

Individuals promoted after 1 April will have their salary reassessed to ensure they receive the greater of a 10% increase* or the minimum of the higher grade.

*Restricted to the threshold of the higher grade.

3.10 Downgrading

Individuals who have downgraded during the year will have their salary increase based on their grade as at 31 March.

For individuals downgrading on 1 April, the order of processing is pay award then downgrading.

Individuals downgrading after 1 April will have their salary reassessed to ensure their salary is reduced by 10%, restricted to the upper limit of the lower grade.

3.11 Absence

3.11.1 Maternity, Adoption, Shared Parental Leave, Sickness

Individuals who are in a DE&S role on 1 April will be eligible for a salary increase, both standard and progression, regardless of any absence during the performance year.

3.11.2 Support to Operations (S2O)

Individuals who are in a DE&S role on 1 April will be eligible for a salary increase.

Individuals who return to DE&S after 1 April, following a period of S2O, will have their salary increased from the date of return.

3.11.3 Extended Special Unpaid Leave (ExSUL) including International Organisation Transfer

Individuals who are in a DE&S role on 1 April will be eligible for a salary increase.

Individuals who return to DE&S after 1 April, following a period of ExSUL, will have their salary increased from the date of return.

3.12 National Living Wage

National Living Wage (NLW) increases are payable with effect from 1 April and are implemented in April. As the pay award is based on an employee's salary as at 31 March, this does not include any NLW increase. Some individuals may find the NLW increase is more favourable than their pay award increase. In this case, no further increase is due.

Examples

Salary as at 31 March = £17,143

Salary as at 1 April = £18,278

Pay Award salary increase = £500

£17,143 + £500 = £17,643

Salary remains £18,278

Salary as at 31 March = £17,900

Salary as at 1 April = £18,278

Pay Award salary increase = £500

£17,900 + £500 = £18,400

Salary increases to £18,400



4 Performance Awards

4.1 Joining DE&S during the Performance Year

Individuals who join DE&S on 31 December* or earlier will be eligible for a performance award. The award will be pro-rated based on the number of calendar days worked for DE&S.

Individuals who join DE&S on 1 January** or later will not be eligible for a performance award.

*For the 2022 Pay Award only, the date will be 7 January 2022

** For the 2022 Pay Award only, the date will be 8 January 2022

Example

Individual joins DE&S on 1 December

1 December - 31 March = 121 days

Full performance award = £800

Pro-rated performance award = $£800 \times 121 \div 365 = £265$

4.2 Part-Time Working Patterns

Individuals who work part time hours will be eligible for a performance award, pro-rated based on their weekly contracted hours.

Individuals who have changed their working hours during the year will have their performance award calculated as a proportion of the hours worked during the year.

Examples

Individual has worked 24 hours per week all year

Full performance award = £800

Pro-rated performance award = $£800 \times 24 \div 37 = £519$

Individual has worked 30 hours per week from 1 April then 24 hours per week from 2 November

Full performance award = £800

1 April - 1 November = 215 days

2 November - 31 March = 150 days

$£800 \times 30 \div 37 \times 215 \div 365 = £382$

$£800 \times 24 \div 37 \times 150 \div 365 = £213$

Total award = $£382 + £213 = £595$

4.3 Leaving DE&S

4.3.1 Leaving the Civil Service

Eligibility for a performance award depends on the reason for leaving DE&S and the date of leaving.

Individuals leaving DE&S on 1 July* or later, for the reasons below will be eligible for a performance award. The award will be pro-rated based on the number of calendar days worked for DE&S:

*For the 2022 Pay Award only, the date will be 23 June 2021

- Resignation with a Civil Service pension, including ill-health retirement
- Redundancy, including Voluntary Exit Scheme
- Death in service
- End of fixed term appointment

Individuals leaving DE&S, at any time during the performance year, for the following reasons will not be eligible for a performance award:

- Resignation
- Dismissal

Examples

Individual resigns with pension from DE&S and their date of leaving is 28 May
They are not eligible for a performance award

Individual resigns with pension from DE&S and their date of leaving is 1 August
They are eligible for a pro-rated performance award

1 April - 1 August = 123 days

Full performance award = £800

Pro-rated performance award = $£800 \times 123 \div 365 = £270$

Individual resigns from DE&S and their date of leaving is 1 January
They are not eligible for a performance award

4.3.2 Transfers to MOD/OGD/Trading Funds before 31 March

Individuals transferring to MOD, another government department or a Trading Fund before 31 March will not be eligible for a performance award, as they have not completed a full performance year with DE&S.

4.3.3 Transfers to MOD/OGD/Trading Funds on, or after, 1 April

Individuals transferring to MOD, another government department or a Trading Fund on, or after, 1 April will be eligible for a performance award, as they have completed a full performance year with DE&S.

4.3.4 Bulk Transfer to MOD

Individuals who transfer as part of a bulk move through organisational change will have their eligibility for a performance award confirmed as part of the transfer process.

4.4 Transfers Between DE&S and SDA

Individuals who transfer between DE&S and SDA during the performance year will have their performance award pro-rated based on the number of calendar days spent in each organisation.

Example

Individual transfers from DE&S to SDA on 2 November

Full DE&S performance award = £950

Full SDA performance award = £800

1 April - 1 November = 215 days

2 November - 31 March = 150 days

$£950 \times 215 \div 365 = £560$

$£800 \times 150 \div 365 = £329$

Total award = $£560 + £329 = £889$

4.5 Loans and Secondments

Individuals on loan or secondment into or out of DE&S will be eligible for a performance award only if clearly stipulated in their loan agreement.

Generally, for loans and secondments within the Civil Service for less than six months, the individual remains on DE&S payroll and would be eligible for a performance award; for loans and secondments within the Civil Service for six months or more, the individual transfers to the host department's payroll and would not be eligible for a performance award.

4.6 Graduate and Apprentice Schemes

4.6.1 On a Scheme on 31 March

Individuals who are on a DE&S Graduate or Apprentice Scheme on 31 March will not be eligible for a performance award.

4.6.2 Completing a Scheme on 31 December or earlier

Individuals who complete a DE&S Graduate or Apprentice Scheme on 31 December* or earlier will be eligible for a performance award. The award will be pro-rated based on the number of calendar days from completion to 31 March.

*For the 2022 Pay Award only, the date will be 7 January 2022

4.6.3 Completing a Scheme on 1 January or later

Individuals who complete a DE&S Graduate or Apprentice Scheme on 1 January* or later will not be eligible for a performance award.

*For the 2022 Pay Award only, the date will be 8 January 2022

4.6.4 Joining a Scheme from another DE&S role

Individuals who join a DE&S Graduate or Apprentice scheme from another DE&S role on 1 July* or later, will be eligible for a performance award. The award will be pro-rated based on the number of calendar days spent in the former role.

*For the 2022 Pay Award only, the date will be 23 June 2021

4.7 Temporary Promotion

Individuals who are on Temporary Promotion on 31 March will be eligible for a performance award. The award will be based on the percentage applicable for their substantive grade.

4.8 Promotion

Individuals who are promoted on 31 December* or earlier, will have their performance award based on the percentage applicable for their promotion grade.

Individuals who are promoted on 1 January** or later will have their performance award based on the percentage applicable for their pre-promotion grade.

*For the 2022 Pay Award only, the date will be 7 January 2022

** For the 2022 Pay Award only, the date will be 8 January 2022

Examples

Individual is promoted on 1 December from Professional II to Professional I
Their performance award is based on the percentage applicable for a Professional I

Individual is promoted on 1 February from Professional II to Professional I
Their performance award is based on the percentage applicable for a Professional II

4.9 Downgrading

4.9.1 Downgrading due to Partial Retirement



Individuals who downgrade due to partial retirement during the year will have their performance award calculated as a proportion of the calendar days spent in each grade.

4.9.2 Downgrading for other reasons

Individuals who downgrade on 31 December* or earlier, will have their performance award based on the percentage applicable for their grade as at 31 March.

Individuals who downgrade on 1 January* or later will have their performance award based on the percentage applicable for the higher grade.

*For the 2022 Pay Award only, the date will be 7 January 2022

** For the 2022 Pay Award only, the date will be 8 January 2022

4.10 Absence

4.10.1 Maternity, Adoption, Shared Parental Leave, Sickness

Individuals who have been absent from DE&S during the performance year due to maternity, adoption, shared parental leave or sickness will be eligible for a full performance award.

4.10.2 Support to Operations (S2O)

Individuals who have been absent from DE&S during the performance year due to S2O will be eligible for a performance award. The award will be pro-rated based on the number of calendar days worked for DE&S.

4.10.3 Extended Special Unpaid Leave (ExSUL) including International Organisation Transfer

Individuals who take ExSUL during the performance year will be eligible for a performance award. The award will be pro-rated based on the number of calendar days worked for DE&S.

4.10.4 Unpaid Leave

Individuals who take any period of unpaid leave during the performance year will be eligible for a performance award. The award will be pro-rated based on the number of calendar days worked for DE&S.

5 Industrial Team Performance Awards

Eligibility rules explained in section 4 also apply to industrials. This section contains specific information relating to the team awards only.

5.1 Eligibility for a team award

Individuals at Administrator/Specialist I (ASI) grade who:

- work in a facility where processing, assembly or production is carried out either by an automated system, by workers or a combination of both; or
- are former Skill Zone grades (who have not subsequently gained promotion); or
- work as a Postal/Mail Operative with British Forces Post Office (BFPO); and
- work in one of the following success profiles:
 - ILCWP1 - Cmplx Wpns,GE inc N Guns AS
 - ILGDR1 - Courier Escort Driver AS
 - ILGEM1 - Engineering Maintenance AS
 - ILGMP1 - WOME Logistics Process Lead AS
 - ILGMS1 - WOME Logistics Process Op AS
 - ILGPO1 - Postal Mail Operator AS
 - ILGWA1 - Cmplx Wpns Process inc Guns AS
 - ILGWO1 - Warehouse Operations AS
 - ILGWP1 - Complex Wpns Processing AS

5.2 Process for Approving Site KPI Scores

KPIs will be specific for each site or business area to account for the specific work completed at each location. Sites covered by the Team Performance Award are:


- | | | |
|-------------------|-------------------|-----------------------------|
| ▪ DM Beith | ▪ DM Kineton | ▪ BFPO (all BFPO locations) |
| ▪ DM Crombie | ▪ DM Longtown | ▪ MSS - SSETC |
| ▪ DM Glen Douglas | ▪ DM Plymouth | Portsmouth |
| ▪ DM Gosport | ▪ LDOC West Moors | |

The KPIs have been agreed and approved by Director HR, Director Generals (Land and Ships), DE&S Finance Director and DE&S CEO. The KPIs are equally weighted, meaning they will all be measured to the same level of importance. The final decision on the achievement of the KPIs is held by the relevant DG.



6 Document Control

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DE&S will review this Guidance in two years, or when changes to legislation or best practice dictate.
