

8.02 Payment of Pay

This policy deals with how your pay is calculated in different situations if you are a non-industrial civil servant. Information is included on –

- How your monthly gross and net pay is calculated – Section 1.2
- How your pay is calculated when you retire or resign – [Section 2 Payment on Retirement, Resignation, etc.](#)
- How your pay is calculated if you work part-time – [Section 3 Payment of Pay for Part-Time Staff](#)
- How your pay is calculated if you have a term-time working contract – [Section 4 Term Time Working Pay and Annex 1](#)).
- The pay dates for each Department – [Section 5 Normal Pay Dates](#) and how your salary is paid – [Section 6 Methods of Payment](#)
- How your pay should be adjusted if you have been absent – [Section 7 Adjustments of Pay for Absences](#)
- How to apply for an advance of pay to purchase a season ticket for travel between home and work - [Section 8 Advance of Pay for Season Ticket Purchase](#)
- What should happen if you have been employed on a casual or fixed term basis and you are then made permanent - [Section 9 Staff Employed on a Casual or Fixed Term Basis](#)

The following terms within this policy are defined in the glossary:

Term time working, advances of salary, non-industrial Civil Servant

You may also be interested in the following policies:

1.04 Starting Pay on Appointment, 1.05 Starting Pay on Transfer to a New Grade, 8.01 Pay Award System, 8.03 Statutory Deductions, 8.05 Voluntary Deductions, 8.09 Temporary Service in a Higher Grade, 8.10 Pay on Assimilation, 8.11 Interface Arrangements, 8.12 Mark-Time, 8.27 Recovery of Overpayments

This policy is version 1.0

For a printable version please click the icon. Please make sure that your printed version is current with the one on this portal.

This homepage is only a guide to the policy, not the policy itself. In the event of any discrepancy between the content of this homepage and the associated policy, the wording of the policy shall apply.

8.02 PAYMENT OF PAY

CONTENTS

1	Introduction	3
2	Payment on Retirement, Resignation, etc.....	3
3	Payment of Pay for Part-Time Staff	5
4	Term Time Working-Pay.....	5
5	Normal Pay Dates	5
6	Methods of Payment.....	6
7	Adjustments of Pay for Absences.....	6
8	Advance of Pay for Season Ticket Purchase	6
9	Staff Employed on a Casual or Fixed Term Basis	7
	ANNEX 1	8
	Term Time Working – Payment of Pay Arrangements.....	8

8.02 PAYMENT OF PAY

1 Introduction

1.1 This section of the HR Handbook is concerned with the payment of pay to non-industrial civil servants who are on monthly rates of pay.

1.2 For the purposes of monthly payment, annual rates of pay are divided into equal twelfths.

1.3 The monthly net payment of salary should be determined by deducting the following from one twelfth of the gross annual salary

- a. Statutory deductions including income tax and national insurance contributions;
- b. Any voluntary deductions; and
- c. If appropriate the percentage contribution authorised under the relevant pensions scheme(s).

1.4 When pay has to be calculated for a part month (for example to take account of entry to the Northern Ireland Civil Service (NICS), pay on transfer, promotion, retirement, a pay award or any other reason for change in the rate of pay) the calculation will be made based on the number of days in the calendar month in which the break occurs.

1.5 In the case for example of a new entrant commencing employment on 5 September, the amount of pay accrued for September would be calculated as:

- a. $\frac{\text{Salary}}{12} = \text{monthly pay}$
- b. $\frac{\text{monthly pay}}{30} \times 26 = \text{pay for days worked in September}$

2 Payment on Retirement, Resignation, etc

2.1 If you:

- a. retire on age grounds on the eve of your birthday, or on a date especially significant for pensions purposes, or on a date of the Department's choice;
- b. retire on ill-health grounds; or
- c. are discharged

and if your date of retirement or discharge falls on a non-working day, you should be paid up to and including that day.

2.2 If you retire on grounds other than those set out at section 2.1 (a) and (b) above or if you resign voluntarily you should be paid only up to and including the last day of service unless –

a. the notice of resignation expires on the last day of the calendar month;

or

b. there are exceptional circumstances which in the view of the Department justify payment for a non-working day.

2.3 Staff who conclude service on the last day of a calendar month will be paid up to and including that day.

2.4 If you conclude service other than on the last day of the calendar month you will be paid only up to and including the last day of service (in other words non-working days, week-ends, bank holidays and so on, at the end of the period should be excluded) unless the Department considers that the circumstances justify payment in accordance with the provisions of section 2.2 (b) above.

2.5 In all instances of payment in a broken month, Departments should ensure that when the hourly rate of pay for the hours actually worked is calculated, this should meet the statutory requirements of the National Minimum Wage (NMW). Where the hourly rate fails to meet the NMW threshold the hourly rate of pay must be brought up to this level.

2.6 It is not necessary for you to attend on your last day of service. You may determine the last day of service by adding any untaken annual leave to the last day of attendance. If, in exceptional circumstances, you have been prevented from taking your annual leave payment will be made for any earned annual leave remaining untaken at the last day of service but the period covered by such payment however will not be reckonable for superannuation purposes.

2.7 Calculation of untaken annual leave is based on the contractual terms for payment in a part month (see section 1.4 to 1.5 above for guidance on calculating untaken annual leave). The principles set out at section 2.5 above should also be applied to calculation of untaken annual leave in other words hourly rate should not be below the NMW level.

3 Payment of Pay for Part-Time Staff

3.1 Unless otherwise specified, gross pay for staff working on a part time basis will be a proportion of the full time rate of pay equivalent to the proportion of full time hours worked. This will be expressed as an annual amount.

3.2 The pay of part-time staff is calculated on the following basis:

$$\frac{\text{ANNUAL SALARY (FTE)} \quad \times \quad \text{HOURS WORKED (NET)}}{\text{CONDITIONED HOURS (NET)}}$$

3.3 Part-time staff will not qualify for overtime payment until they have completed the full conditioned hours of a full time officer. Accordingly where a part time officer works additional hours but within the full time officer's conditioned hours, the additional hours worked will continue to attract the normal plain time rate of payment only. Any additional hours worked outside the full time conditioned hours will be paid at overtime rates under the same conditions as for corresponding full time staff (see policy 8.08 Payment for Overtime). The Department of Finance and Personnel should be consulted if it is desired to extend this ruling to a member of a grade in which whole-time staff are not entitled to overtime.

3.4 The pay of officers who are allowed to recede from full-time to part-time employment is calculated on the basis set out in 3.2 above.

4 Term Time Working-Pay

4.1 Staff who are successful in an application for Term Time Working (TTW) will have their basic pay reduced in accordance with the number of weeks absence due to TTW. The reduced rate of pay will be paid over 12 monthly instalments.

4.2 An annual term-time working contract will be issued to you if your application for TTW is successful, together with an acceptance slip for you to complete in respect of the revised terms and conditions.

4.3 Detailed procedures for the payment of staff on Term Time Working are set out in Annex 1 of this chapter.

5 Normal Pay Dates

5.1 The normal pay date for all monthly paid staff is the third last working day of the month.

5.1 If the normal day of payment (or one or more of the ensuing days in the month) falls on a Saturday, Sunday or a public or privilege holiday, then the pay day will be advanced by the corresponding number of full working days.

6 Methods of Payment

6.1 Payment of pay will normally be through Bankers Automated Clearing Services (BACS).

6.2 Where it is not possible to pay via BACS and payment is made by cheque or payable order, any loss of the same after issue to the payee must be regarded as the responsibility of the payee. Should a payable order be lost, you should report this to HR Connect immediately.

7 Adjustments of Pay for Absences

7.1 Adjustment of pay for absences occurring within a period before pay day will normally be deferred until at least the month following. Departments will keep such deferments to a minimum where information is available to prevent them.

7.2 In the event of any overpayment however, if it is not possible to recover the amount overpaid by the adjustment of subsequent payments, normal recovery action will be taken (see policy [8.27 Recovery of Overpayments](#)).

8 Advance of Pay for Season Ticket Purchase

8.1 If you require financial assistance to purchase a season ticket for travel between home and office you may, at the discretion of your Department, be granted an advance within the limits of section 8.3 below.

8.2 Subject to the provisions set out in sections 8.3 – 8.9 an advance may be made to any non-industrial officer with at least two months' service.

8.3 An advance may be made to assist in the purchase of a quarterly or longer season ticket. A further advance will not be made until an existing advance has been fully recovered. Departments are required to satisfy themselves that the advance was used solely for the purpose of season ticket purchase in accordance with your application. Advances should normally be paid with salary.

8.4 In applying for an advance you must acknowledge your acceptance of the following conditions:

- a.** that the advance, which should be solely for the purchase of a quarterly or longer season ticket, will be payable on demand but that, without prejudice to

the Department's rights to demand repayment at any time, the intention is to allow repayment to be made over a prescribed period.

- b.** that in the event of your ceasing to be a civil servant, any outstanding balance of the advance will immediately become repayable without demand and may be set off against any pay and allowances, where appropriate, death gratuity, other pension benefits or other payments due to or in respect of you.

8.5 An application form is available from section 8.03 of the User Guides on the HR Connect portal .

8.6 An advance will be recovered within the life of the season ticket by deductions from your pay in equal monthly amounts commencing in the month in which the advance is made. The deductions will be calculated by dividing the amount of the advance by the length of the season ticket. Odd amounts may be rounded up with an appropriate adjustment to the first or final instalment.

8.7 Repayment of the outstanding amount of an advance will be required if you:

- a.** cease to be a civil servant (in which case it will be necessary to make special arrangements in order to obtain immediate recovery of an advance which can no longer be recovered by deduction from pay); or
- b.** surrender the season ticket for any reason.

8.8 Rules governing the recovery of overpayments are set out in policy [8.27 Recovery of Overpayments](#).

8.9 Income tax will be charged on the basis of gross pay due, ignoring the advance itself and the deduction in respect of the advance.

9 Staff Employed on a Casual or Fixed Term Basis

9.1 When you are employed in the NICS on a casual or fixed term basis and you are made permanent at any grade, your previous service should count as continuous service provided there is no break in service. A break in service may be defined as a period of at least one week.

9.2 Where there is a break in service of at least one week between the termination of the casual/fixed term contract and the start date of a permanent contract, on subsequent recruitment you should be placed on the minimum of the pay scale appropriate to your grade.

Term Time Working – Payment of Pay Arrangements

Overpayment Method

- 1 When an approved term-time application is received, the annual term-time reduction is calculated based on the approved period of term-time.

For example if you are on a full-time salary of £15,383, and request a period of absence from 8 August to 21 August.

Annual term-time reduction $£15,383 \div 52.2 \times 2 = £589.39$

- 2 The monthly deduction is calculated by dividing the annual reduction sum by 12 (rounded up to the nearest penny)

Monthly reduction $£589.39 \div 12 = £49.12$

- 3 This will then be scheduled as a taxable overpayment with Departments inputting both the annual term-time refund and the monthly deduction to payroll.

- 4 Revised annual leave entitlement will be calculated to reflect Term Time Working (TTW)

$(52.2 - 2) \div 52.2 \times 25 = 24.04$ rounded to become 24 ½ days

- 5 Revised public and privilege holiday entitlement will also be calculated to reflect TTW

$(52.2 - 2) \div 52.2 \times 12 = 11.54$ rounded to become 12 days

- 6 Effect of Pay Award - as the application of the annual pay award causes the payroll system to generate arrears, which will include arrears in respect of the term-time period, it is necessary to revise the monthly deductions for the remainder of the term-time year, based on your new rate of salary, taking account of the sum recovered to date.

Payment of Pay

ANNEX 1 (Cont'd)

For example your revised salary after pay award becomes £15,691 per annum

Revised annual term-time refund $£15,691 \div 52.2 \times 2 = £601.19$

Sum recovered to date: 8 months @ £49.12 = £392.96

Sum remaining outstanding $£601.19 - £392.96 = £208.23$

Revised monthly deduction: $£208.23 \div 4$ (Number of months remaining in the TTW period) = £52.06

Northern Ireland Civil Service
HR Policy

Northern Ireland Civil Service
HR Policy