

INTERNAL ONLY
ISLHD PROCEDURE
COVER SHEET



Health
Illawarra Shoalhaven
Local Health District

NAME OF DOCUMENT	Health Service Manager (HSM) Salary Increases within the Band
TYPE OF DOCUMENT	Procedure
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AUTHOR	Performance & Recognition Coordinator Workforce Relations & Legal Manager
KEY TERMS	Health Manager / Health Service Manager (HSM) Salary increase Within the HSM Band
FUNCTIONAL GROUP OR HUB	District Wide
NSQHS STANDARD	Standard 1
SUMMARY	This Procedure outlines the process for determining salary increases within the HSM band under the <i>Health Managers (State) Award</i> .

COMPLIANCE WITH THIS DOCUMENT IS MANDATORY

Feedback about this document can be sent to ISLHD-CorporateGovernance@health.nsw.gov.au

1. POLICY STATEMENT

This procedure provides Illawarra Shoalhaven Local Health District (ISLHD) with an opportunity to recognise and reward employees for overall performance that is outstanding or exceeding expectations. It outlines a standardised process to ensure a common understanding and promotes an equitable and consistent approach to salary increases for Health Service Managers (HSM's).

2. BACKGROUND

This procedure applies to all the HSM bands as provided for in the *Health Managers (State) Award*.

The purpose of this procedure is to outline the annual process for determining increases in salary within the HSM band as provided for in the *Health Managers (State) Award*.

This procedure only applies to salary increases within the salary band of the HSM level of the employee's position. This procedure does not cover movement from one HSM level to another, which is covered by *ISLHD OPS PD 37 Grading Procedure (Non-Nursing)*.

In line with this procedure, salary increase requests can only be initiated by management. **Employees cannot initiate a salary increase request on their own behalf.**

Leadership Levels referred to within this policy are as outlined in the ISLHD Delegations Manual

3. RESPONSIBILITIES

3.1 Level 3 Leaders will:

- Recommend HSM salary increases to their Level 2 Leader, when requested

3.2 Level 2 Leaders will:

- Decide employees within their Directorate to recommend to the Chief Executive for HSM salary increases
- Communicate approved HSM Salary Increases to relevant employees
- Advise Level 3 leaders of the rationale for any declined recommendations for HSM salary increases
- Submit approved salary increases to the relevant Workforce Support Team for processing via an Ezijob form.

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3.3 The Chief Executive will:

- Consider salary increase submissions received from Level 2 Leaders and approve if appropriate;

3.4 Workforce Support Teams will:

- Process approved salary increases within the relevant HSM band;
- Ensure that approved requests are recorded appropriately.

4. PROCEDURE

4.1 Criteria for Eligibility

The following criteria is to be satisfied for an employee to be eligible for a salary increase:

- An employee must have been receiving their current salary for at least 12 months (excluding standard Award based increases);
- Performance must have been consistently of an outstanding level;
- The salary increase is justified based on additional factors and a wider view of overall performance (refer to section 4.2 Factors for Consideration below).

4.2 Factors for Consideration

Salary increases within the HSM band are not automatic, and must be well evidenced. Increases are at the discretion of the Chief Executive. Managers should consider a range of factors to determine whether a salary increase is warranted for an eligible employee.

Some examples of factors for consideration may include but are not limited to:

- Outstanding or exceeding expectations as evidenced by previous PED reviews;
- PED Development Plan with areas of growth being successfully addressed;
- Professional achievements over the past 12 months;
- Staff and Volunteer Recognition Award (SAVR) nominations;
- Consistently demonstrates behaviour aligned to the CORE Values;
- Recognised potential for career advancement;
- Recognised as a leader in their area of work;
- Feedback from managers, stakeholders, customers and patients;

The assessment of the employee's performance and decision to approve a salary increase needs to be made with consideration of the full context of the operational environment, overall performance and any supporting documentation / evidence. Where factors out of an individual employees control have adversely affected their level of achievement those factors need to be taken into consideration and wherever possible alternate measures of performance used in lieu so as not to disadvantage the employee concerned.

4.3 Salary Increase

Subject to performance outcomes the Level 2 Leader should recommend a % salary increase anywhere between 0.1% and 2.5% to the Chief Executive. Increases greater than 2.5% will only be considered by the Chief Executive in exceptional circumstances, and must be requested following the ad hoc process.

Regardless of the percentage of the approved increase, the employee's salary cannot extend beyond the top of the relevant HSM band.

4.5 Process – Annual Salary Increases (up to 2.5%)

Step 1

In March of each year, Level 2 Leaders are to make recommendations for salary increases of HSM staff from within their Directorate to the Chief Executive. They may choose to identify staff themselves, or request their Level 3 Leaders to make input to submissions. The list of recommendations from each Level 2 leader must be submitted on the template in Appendix 2.

Step 2

The Chief Executive considers and discusses the rationale for all recommendations for HSM salary increases with the Core Executive (Level 2 leader group), and determines whether these should be approved. Once a decision has been made, this should be communicated to the Level 2 leader, including the rationale for the decision. The Chief Executive has the final decision.

Decisions are to be made by 30 April of each year.

Step 3

If approved, the Level 2 Leader is to communicate any approved salary increases to relevant employees using the Letter to Staff Member Advising of Salary Increase (Appendix 4).

The Level 2 Leader is to provide advice to relevant Level 3 Leaders on the outcome of all recommendations.

Step 4

The Level 2 Leader (or delegate) is to submit all approved salary increases using the HSM Salary Increase Spreadsheet (Appendix 2) to the relevant Workforce Support Team for processing in the first 2 weeks of May each year via an Ezijob form.

Step 5

By the end of May, Workforce Support Teams are to submit approved salary increases to HealthShare for processing.

Step 6

Approved pay increases are to take effect on 1 July of each year. These are not backdated. StaffLink will provide employees with an automated advice via email when their salary is changed.

4.6 Process – Ad Hoc Increases

Step 1

Level 2 Leaders must submit a briefing note to the Chief Executive (Appendix 1), for request in excess of 2.5% and/or outside of the annual salary increase process, seeking a request for a salary increase within the relevant HSM band for an employee. A strong case must be presented for such a request, evidencing the value of the employee's contribution to ISLHD.

Step 2

The Chief Executive is to determine whether the requested increase should be approved. Once a decision has been made, this should be communicated to the Level 2 leader, including the rationale for the decision.

Step 3

If approved, the Level 2 Leader is to communicate any approved salary increases to relevant employees using the Letter to Staff Member Advising of Salary Increase (Appendix 4).

The Level 2 Leader is to provide advice to relevant Level 3 Leaders on the outcome of all recommendations.

Step 4

The Level 2 Leader (or delegate) is to submit the approved salary increase to the relevant Workforce Support Team for processing within 1 week via an Ezijob form.

Step 5

The Workforce Support Teams are to submit the approved salary increase to HealthShare for processing.

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Step 6

The approved pay increase will take effect from the first pay period following HealthShare processing. These are not backdated. StaffLink will provide the employee with an automated advice via email when their salary is changed.

5. DOCUMENTATION

- [Appendix 1 – ISLHD CORP F 07 - Brief to Seek Approval for HSM Salary Increase](#)
- [Appendix 2 – ISLHD CORP F 08 - HSM Salary Increase Spreadsheet](#)
- Appendix 3 – Flowchart: HSM Salary Increase Approval Process
- Appendix 4 – Letter to staff member advising of salary increase

6. AUDIT

Not required

7. REFERENCES

- Health Managers' (State) Award
- [ISLHD Delegations Manual](#)

8. REVISION & APPROVAL HISTORY

Date	Revision No.	Author and Approval
Sep 2017	0	Performance & Recognition Coordinator Workforce Relations & Legal Manager
November 2017	1	Performance & Recognition Coordinator Workforce Relations & Legal Manager
November 2017	1	Approved by Director People, Safety & Culture

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9. APPENDIX 1 – [ISLHD CORP F 07 - Brief to Seek Approval for HSM Salary Increase](#)



Health Briefing Note
for Chief Executive

Illawarra Shoalhaven Local Health District
Self-Initiated Brief
[Insert Facility/Unit/Service]
Brief Ref: XXX/XXXXX Letter: XX/XXXXX
Related: XX/XXXXX

**SALARY INCREASE WITHIN HEALTH SERVICE MANAGER BAND –
<INSERT EMPLOYEE NAME>**

Recommendation:

That the Chief Executive approves a <insert %> salary increase within the band of Health Service Manager Level <insert level>, equating to <insert annual \$ figure>, for <insert employee name>:

Key Issues

This section requires analysis and discussion of the key issues involved, implications should be considered and advantages and disadvantages of proposed recommendations outlined.

- <insert employee name, position and unit, employment status (ie permanent, temporary or casual), and FTE (ie full-time, part-time)> satisfies the eligibility criteria for consideration of a salary increase:
 - <insert employee's name> has been receiving <insert current salary> for <insert time period provided that 12 months or more>, and
 - Personal Effectiveness & Development (PED) review has rated the overall performance as <insert level of performance; ie "outstanding" or "exceeds expectations">;
 - Additional factors and a wider view of <insert employee's name> performance has been reviewed and taken into consideration.
- Performance indicators and evidence to support a salary increase include:
 - <Insert quantifiable details of performance achieved, key highlights to justify salary increase, any strategic retention considerations, and attach relevant sources of evidence>.
- <Insert risk or possible consequences of increase being declined>.

Consultation: include all areas/senior staff that have contributed to the brief

Impact on Patients: Yes/No

New Impact on Finances: Yes/No

Delegation No.: (if applicable)

If yes, details are to be included under key issues

IIMS Reference: Ref No. or N/A

Risk Number: No. or N/A **Risk Rating:** X or N/A

Author: include name and title

Tel:

Date: DD/MM/YY

1. Level 2 Leader *insert title*

Date:

2. Chief Executive

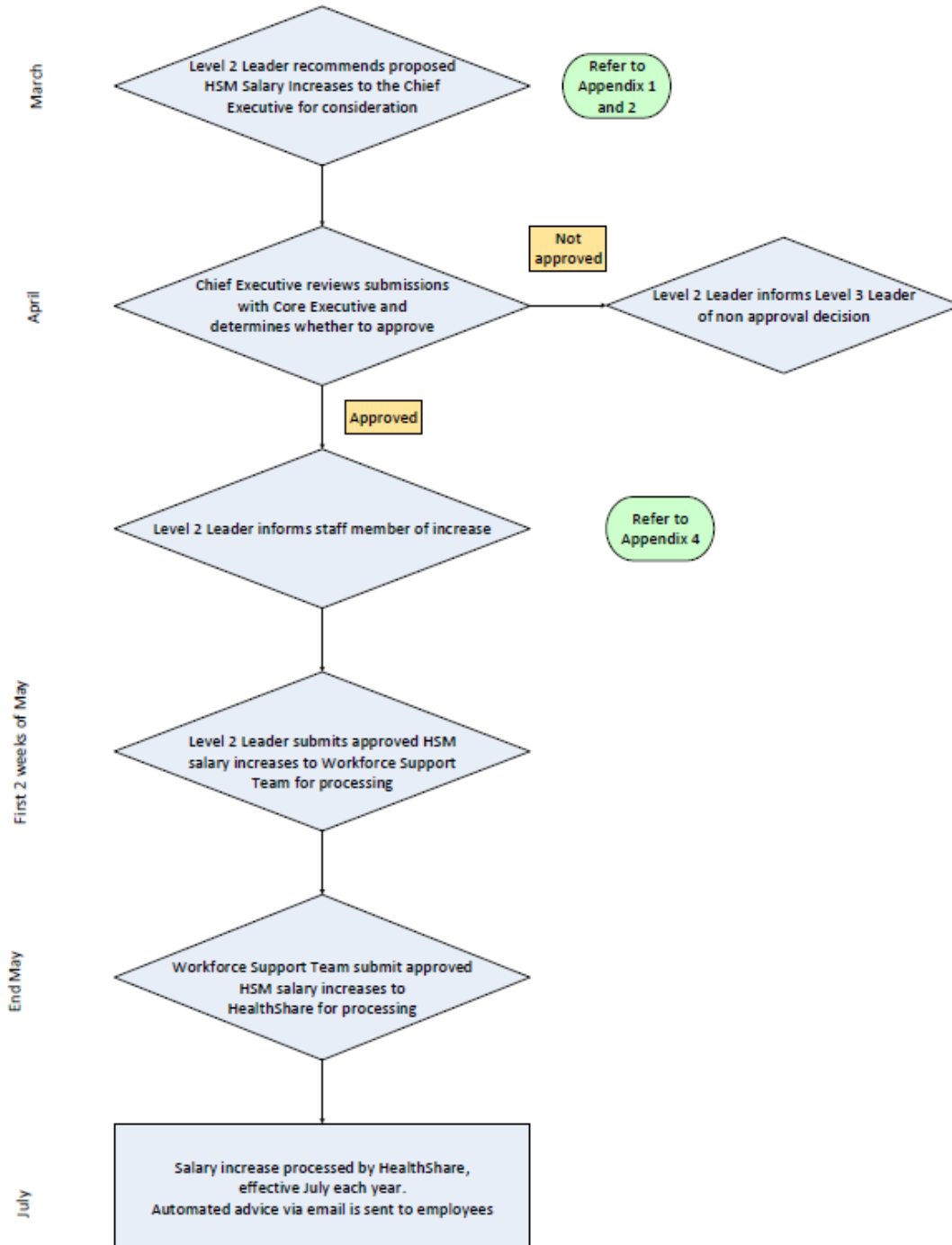
Date:

3. Return to Level 2 Leader PA for noting/file/dispatch/return to author

REMOVE ALL COLOURED TEXT BEFORE PROGRESSING THE BRIEF

10.

12. Appendix 3 – Flowchart: HSM Salary Increase – Annual Process



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13. Appendix 4 – Letter to Staff Member Advising of Salary Increase



Ref: DTX0XXXXXX

[Title Fname Lname]
[Address]
[SUBURB STATE POSTCODE - only if sending via post - two spaces between suburb, state and pcode]
[Email preferred, eg name@emailaddress.com – if sending via post, insert Postal address]

Dear [Title Lname]

In recognition of your ongoing exceptional performance and contribution to the Illawarra Shoalhaven Local Health District, I am pleased to advise that the Chief Executive has approved a recommendation from me to grant you an increase in salary within the Health Services Manager band.

An increase of [insert percentage value of increase]%, or \$[insert dollar value of increase] has been approved.

Your new salary will be \$[insert dollar value of new salary], effective 1 July [insert year].

Thank you once again for your contributions and dedication to improving the health and wellbeing of people within the Illawarra and Shoalhaven communities.

Yours sincerely

[Insert Name]
Executive Director [Directorate Name]

Date: