

NHS Wales

[2018-21 Pay Proposals and draft Framework Agreement](#)

Frequently Asked Questions

1. About the 2018 contract

1.1 How did we get here and why was a deal negotiated?

Agenda for Change was introduced in 2004 which brought together several pay arrangements in to one overall pay structure underpinned by Job Evaluation. While its success is well recognised, the NHS Trade Unions and employers agreed the need for change to modernise Agenda for Change in a number of areas. This was taken forward, initially in England and NHS trade unions and employers in Wales have jointly developed these proposals for NHS Wales.

1.2 Will ESR be ready for implementation of the changes to pay and terms and conditions in 2018?

We are working with colleagues from ESR to ensure that the system will be prepared and ready to support the changes to pay, terms and conditions as part of any implemented deal. ESR colleagues have advised us (subject to agreement on the overall package of changes) that the system will be ready to pay staff the new pay rates in the autumn and we are working closely on a timetable that will allow the new rates to be paid in October, with arrears in November.

1.3 What will happen at the end of the three year period?

The NHS Pay Review Body will retain its standing remit. Subject to any advice requested and received from the NHS Pay Review Body regarding any pay award for 2021/2022, it will then be for Welsh Government to decide how to respond to any recommendations as part of its agreed budget for public sector pay.

1.4 What is happening to employee NHS pension contributions?

This deal is about contract reform and annual pay awards only. The agreement did not consider changes to pension contributions. There is however, a review of employee contributions which is currently taking place alongside the NHS Pension Scheme valuation exercise. If there are any changes to the contribution rates these won't be implemented before 1 April 2019.

The current contribution rates and tier thresholds are fixed in the NHS Pension Scheme regulations until 31 March 2019. The scheme has a tiered contribution structure where employee contribution rates are based on the member's whole time equivalent pensionable pay.

1.5 Does the additional funding take in to account the reduction in the number of pay points and the faster progression?

Yes, the impact of the structural reforms have been fully considered in the cost modelling of the proposed deal.

1.6 Are there any changes to the NHS job evaluation system?

No. The partners agreed that the underpinning NHS Job Evaluation scheme will remain unchanged. Jobs will continue to be evaluated to determine the appropriate pay band.

2. Pay

2.1 Will staff, under each of the three years of the multi-year deal, be better off under this agreement than they would have been under the 1 per cent pay cap?

The deal has been constructed in such a way that real gains for staff will be seen. However, in the unlikely event that a combination of circumstances prevent this, a secured clause in the Framework Agreement confirms a “no detriment” approach which would protect any such individuals. Staff are encouraged to use the ready reckoner tables to assess their individual pay journey during the three-years of the pay deal. This will allow them to understand the impacts on their base salary across the length of the multi-year deal. There are some specific circumstances for staff in band 8c, 8d and 9 where the “no detriment” principle may apply and staff in these bands are advised to look at the [on line calculator](#) to assess whether there is any impact.

2.2 Will any increases to 2018/19 pay be retrospectively applied?

Yes, pay will be backdated to 1 April 2018.

2.3 What happens to incremental dates under the proposed deal? Will these be changed?

No, everyone will retain their existing incremental dates. For new entrants to the NHS, their incremental date (or pay step date), will be the date that they join the NHS.

2.4 Why does the pay structure appear to show a reduction in year 3 for some staff in bands 8 and 9?

The pay structure i.e. the pay scales for each of the three years of the agreement is different from the individual pay journeys that people currently in post who will experience transition to the new pay structure. The pay structure table shows what the AfC pay scales will be through the three years of transition. Due to the way these have been constructed, there is a need for the application of consolidated one off payments for some people in bands 8 and 9. These are not shown in the pay structure, which is why the values in the pay structure decrease in year 3. These consolidated one off payments are shown in the table below and are shown in the Individual pay journeys – 2018 to 2021 section of the [draft Framework Agreement](#) which shows the individual pay journeys, and they are also included in the [pay calculator](#), which both show that pay for staff on these points will not reduce and that they will be no worse off than under the current system.

Band	Years of experience	Basic pay as per the pay structure in year 3	One off consolidated payments in year 3	Total pay in year 3 for existing staff
8a	4	45,753	765	46,518
	5	45,753	2,766	48,519

8b	4	53,168	2,282	55,450
	5	53,168	5,215	58,383
8c	4	63,751	1,180	64,931
	5	63,751	5,534	69,285
8d	4	75,914	1,949	77,863
	5	75,914	5,907	81,821
9	4	91,004	3,209	94,213
	5	91,004	7,732	98,736

2.5 How does the pay calculator work out the increases over the proposed deal?

The pay calculator works out the individual journey a member of staff will go on in their particular band. It takes in to account the structural reform of the pay structure, the increases to pay points, and the progression of the individual through pay step points, to give an overall individual picture for every pay point. This methodology was agreed with the NHS trade unions.

The pay journey chart in the draft Framework Agreement shows the total pay during any given year of the deal, with pay changing at two points during the year, once on 1 April through the cost of living increase (and any reform to the pay scales), and once on the individuals pay step date if individuals progress to the next pay point. A separate Pay Journey calculator is being developed which staff will be able to use to assess pay across the three years of the deal and into the year following the agreement. This Pay Journey tool is based on the pay journey calculator developed by NHS Employers in England and will be available in early September.

3. Pay progression

3.1 Is it compulsory for organisations to implement the new pay progression system?

All employers will be expected to implement a new pay progression system from 1 April 2019 in line with a revised NHS Wales pay progression policy.

3.2 What benefits are there to employers and their staff?

The framework document sets out the agreement covering the three years from 2018 – 2021. It also sets out the pay investment and the reforms that will be implemented over the term of the agreement. These include:

- guarantee three fully funded years of a pay award where organisations are not left to absorb any funding shortfalls

- guarantee certainty of pay in uncertain times
- support the attraction and recruitment of staff by increasing starting pay in every pay band
- support the retention of staff by increasing basic pay for the 50 per cent of staff who are at the top of pay bands whilst speeding up progression to the top of the pay band
- increase staff engagement by putting appraisal and staff development at the centre of pay progression. This will be achieved by ensuring staff are supported to develop their skills and competences. Through delivering this, the greatest possible contribution to patient care can be made.
- supporting the health and wellbeing of NHS staff by looking at ways to improve attendance levels in the NHS.

3.3 Why has annual pay progression been removed?

In 2015, a new Pay Progression Policy for NHS Wales was agreed by the Welsh Partnership Forum. The approach taken was to set a high level facilitative policy with some common parameters but to allow individual NHS organisations and their managers the scope to implement the policy in line with local requirements. The new policy allowed employers to link pay progression to their appraisal processes so that it is no longer automatic. The new agreement would see the pay progression policy reviewed and implemented from April 2019. The importance of good appraisals, line management and staff development will be strengthened allowing greater staff engagement and a tighter focus on the training and skills staff need to deliver the best patient care.

3.4 Is it expected that staff will successfully progress through their pay-step review?

Yes. Employers should plan and budget on the basis that all staff are expected to progress on time. The exception will be where an individual has not met the criteria for progressing to the next step point. Employers will work jointly with local partnership fora to develop policies which ensure that staff receive the training and support they need to meet appraisal requirements. Joint national guidance will be produced to cover situations where progression may be delayed.

3.5 Can individuals be appointed to any pay point in the new system?

The expectation would be that new appointees start at the bottom of their pay band, as now. Further guidance on the new pay progression system will be issued by the NHS Staff Council should the deal be agreed.

3.6 Will there be a national model appraisal framework to ensure consistency between organisations?

No, there is no intention to define how appraisal works at a local level, it is recognised that there are many organisations with good appraisal processes. The framework agreement states that additional standards for local appraisal processes could be agreed in partnership with local trade unions. The Staff Council will produce further guidance and this guidance will be considered by the Welsh Partnership Forum with aspects included, as appropriate in the revised NHS Wales Pay Progression Policy or future versions of the policy.

3.8 What happens if someone is off on sick leave or maternity leave when their pay step date is due?

Guidance will be issued in time for the new progression system going live on 1 April 2019. Clearly, the law prevents anyone from being treated less favourably in certain circumstances, for example if they are on maternity leave.

3.9 What will happen to the knowledge and skills framework (KSF)?

The new pay progression framework is designed to ensure staff progress to the next pay step point only when they have met the required standards, which includes local personal or organisational objectives, including behaviours.

All staff must of course have the knowledge and skills they need to carry out their role. Employers remain free to use the existing national KSF or their own local frameworks.

3.10 Could organisations let people get to top of the pay band more quickly than the minimum periods set out?

No. The intention of minimum periods at each pay point is a critical element of the design of the new pay structure. Allowing people to progress more quickly would undermine the principles of the pay system and place additional unfunded costs on to the employer.

3.11 How will the new progression system work when people move employers?

The Electronic Staff Record (ESR) will ensure relevant information is recorded on to the system and included in Inter-authority transfer (IAT) information.

3.12 Will the new progression system be linked to individual, department, team, or organisational performance?

The new progression system is linked to individual standards, part of which is the appraisal process. Individuals may have objectives related to the wider organisation as part of their individual appraisal objectives. The system also allows any local standards agreed in partnership to be included in the process.

3.13 How does pay progression work during the three years of the deal?

Pay progression is not automatic under existing Agenda for Change arrangements. Since 2015 employers have been able to introduce arrangements that allow progression to be withheld if staff do not meet required standards. Because there is significant structural reform to the pay structures over the three years, numerous pay points are being removed. These pay points will be removed in April 2018, April 2019, and April 2020. Staff who are already on a pay point at the time it is to be removed will be immediately moved to the next available point, even where this does not coincide with their existing incremental date. These staff will not receive a further increase on their incremental date, because they will have received their pay increase early.

In 2018/19, this will only be the case for those who were previously on the bottom pay point. In the subsequent two years it will affect more pay points.

Staff will retain their existing incremental date throughout transition. On their incremental date, (if they have not already benefited from deletion of a pay point) it is expected that all staff will move to the next pay point reflecting their additional complete year of experience. Where employers have arrangements in place as a result the current Pay Progression Policy, progression can be withheld where staff are not meeting the required standards,

however the expectation is that all staff will meet the required standards and therefore be able to progress.

3.14 How would the new progression system affect me during the three years of the pay deal?

If you are already employed in the NHS, the pay point you are on will move as set out in the Individual pay journeys - 2018 to 2021 table in Annex A of the Framework agreement. These movements happen as part of the pay restructuring process. It is expected that during transition, employees will progress to the next pay point, subject to any required standards that are in place within their employer. **The expectation is that all staff will meet the required standards and therefore be able to progress.**

For example, if you are on pay point 14 in Band 4, your journey would be as follows:

Now: £21,263

On: 1 April 2018: £21,582 In year increment: £22,238

On: 1 April 2019: £22,482 In year increment: £22,707

On: 1 April 2020: £24,157 – you would be at the top of the band.

Roughly 14 per cent of the staff currently employed in the NHS would not reach the top of their band by the end of the three-year deal. If you end the three-year deal on one of the pay points noted below, you will move to the next point up on 1 April 2021.

Band	Pay on 31 March 2021	Pay on 1 April 2021*
5	£27,416	£30,615
6	£33,779	£37,890
7	£41,723	£44,503

* These are pay values for 2020/21 and will be increased if there is a pay award agreed for the 2021/22 financial year.

4. Terms and conditions

4.1 What changes have been made to sick pay and unsocial hours?

Following the ending of the three-year agreement, the sick pay provisions for staff working in NHS Wales changed on 1 January 2018 to those which are referenced in the handbook (Section 14) as applying to Scotland and Northern Ireland. However, it has been agreed that should the annual rolling sickness absence level be above the agreed target (4.5%) by December 2018 then the arrangements as set out in Section 14 for England, will automatically apply in NHS Wales on a permanent basis from 1 April 2019. However, Section 14 will be amended for staff working in NHS Wales to reinstate the payment of enhancements for any continued absence following a period of three months' continuous sickness absence. Also, where an individual receives a diagnosis that they have a time specified terminal illness, any allowances or payments linked to working patterns or additional work commitments will be paid/backdated to the first day of sickness absence.

4.2 Is anything changing with recruitment and retention premia (RRP)?

The deal does not propose any changes to RRP, but does say that the NHS Pay Review Body will be asked to consider the role of RRP.

4.3 Is there any change being proposed to injury allowance provisions?

No changes to injury allowance were agreed as part of these talks.

4.4 Some staff are worried about the minor adjustments to unsocial hours in bands 1 – 3, why are these changing?

The adjustments have been carefully designed so that no one can be worse off, even if individuals in these bands work all of their time in unsocial hours periods. Effectively what is happening is that the amount of money paid for each unsocial hour is being frozen in these bands for the periods of the deal, whilst at the same time basic pay increases. So on 1 April 2020 pay will have increased to £19,337 for all current band 2 staff in post and to £21,142 for all current staff in band 3.

Whilst the agreement states that the new percentages will preserve “the value of the current payment tiers”, in some cases the application of the new percentages results in a reduction in the amount of money paid for working unsocial hours.

To address this payroll will ensure that if the new percentage rates would result in a lower payment than the 2017/18 enhancement value, then the 2017/18 enhancement value will be paid instead on top of the new hourly rate. The table below reflects the salaries where the enhancement values will be adjusted to ensure that the 2017/18 enhanced rate of pay is maintained.

Enhancement Table Band 2 2018/19			Enhancement Table Band 2 2019/20			Enhancement Table Band 2 2020/21		
Salary (£)	Saturdays/ Weekdays 8 pm - 6 am	Sundays/Public Holidays	Salary (£)	Saturdays/ Weekdays 8 pm - 6 am	Sundays/Public Holidays	Salary (£)	Saturdays/ Weekdays 8 pm - 6 am	Sundays/Public Holidays
17460	43%	85%	17652	42%	84%	19337	41%	83%
17460	43%	85%	17652	42%	84%	19337	41%	83%
17460	43%	85%	17652	42%	84%	19337	41%	83%
17460	43%	85%	17652	42%	84%	19337	41%	83%
17460	43%	85%	17983	42.30%	84.70%	19337	41%	83%
17787	43%	85.60%	19020	42%	84%	19337	41%	83%
18702	43%	85%	19020	42%	84%	19337	41%	83%
Enhancement Table Band 3 2018/19			Enhancement Table Band 3 2019/20			Enhancement Table Band 3 2020/21		
Salary (£)	Saturdays/ Weekdays 8 pm - 6 am	Sundays/Public Holidays	Salary (£)	Saturdays/ Weekdays 8 pm - 6 am	Sundays/Public Holidays	Salary (£)	Saturdays/ Weekdays 8 pm - 6 am	Sundays/Public Holidays
17787	36%	72%	18813	35%	70%	21142	35%	69%
17787	36%	72%	18813	36%	71%	21142	35%	69%
18429	36%	72.20%	18813	36%	72.15%	21142	35%	69%
18608	36%	72.80%	19332	36%	72.10%	21142	35%	69%
19122	36.40%	72.90%	19917	36%	72%	21142	35%	69.55%
19700	36.55%	73.00%	20795	35.40%	70.75%	21142	35%	69.55%
20448	36%	72%	20795	35.40%	71%	21142	35%	69.55%

The key outcome is that individuals will either receive the same level of enhanced pay for working a Saturday, during Nights, on a Sunday or a Bank Holiday or if the new percentage rate results in a higher level of enhanced pay then that percentage will be used. This will be

in addition to the increased basic hourly rate based on the new salary rates in each of the three years of the deal.

5. Implementation

5.1 What happens now?

Individual trade unions are consulting their respective members about the details of this deal and will be collectively meeting to determine whether there is an overall acceptance across all TUs on an agreement. It is expected that this outcome will be known in mid-September. If agreement to implement is reached staff should be paid the new rates of pay in October pay with backdated pay to 1 April 2018 paid in November.

Band 1 will close to new entrants from 1 December 2018. The new pay progression system will come in to force from 1 April 2019.

5.2 Will there be guidance on the closure of Band 1?

The NHS Staff Council will provide guidance on upskilling roles from Band 1 to Band 2. Band 1 would be closed to new entrants from 1 December 2018, and the expectation would be that staff would be moved to Band 2 (if they are able to) by the end of the three year deal in 2020/21.