Changes to Enhanced pay during sickness absence from 1st October 2019

Part of the three year pay agreement (implemented from 1st April 2018) included a joint commitment to work to reduce the level of sickness absence across NHS Wales. A date was agreed for reducing sickness absence to a target level which was originally set for April 2019 but in March 2019 we agreed to change the date to September 2019.

The agreement set out that if the target is met then the current arrangement regarding payments during sickness absence will continue i.e. sick pay for the first three months would continue to include enhanced elements of pay. However, if the target is not met then for most staff any period of sickness absence for less than three months will be only be paid as basic pay.

We won’t know the September 2019 sickness absence figures until late November/early December 2019 as it takes approximately 8 weeks for the data on the level of sickness absence across NHS Wales to be known and so we won’t know until then whether the required level of reduction of sickness absence has been achieved. So, from 1st October 2019, the Welsh Partnership Forum partners have agreed that payments during occupational sickness absence of any “regularly paid enhancement” will be “held” pending the review of the targets.

What this means is that from 1st October 2019 payments for sickness absence will be paid as basic pay for absences of less than three months in length.

The exceptions to this are for staff who were employed before 30th June 2018 and have a basic salary of £18,160 or less. These staff will continue to receive all regularly paid enhancements in their occupational sickness payments. In addition, staff with a terminal condition will receive these regularly paid enhancements in their occupational sick pay.

When we consider September’s data in late November/early December we will know whether the target (set out in the amendment to the framework agreement) has been met. If the target has been met, then the “held” regularly paid enhancements will be paid and the current arrangement regarding occupational sick pay will continue i.e. occupational sick pay for the first three months, will include regularly paid enhancements. If the target has not been met the “held” regularly paid enhancements will not be paid and occupational sick pay will change as set out in the Framework Agreement (i.e. to basic pay only for the first three months of sick leave).

The variation to the Framework Agreement provides the full details of this change and we have developed a number of Frequently Asked Questions to assist in explaining this change.

Tracy Myhill
Helen Whyley

Joint Chairs Welsh Partnership Forum Business Committee
4th October 2019
Frequently Asked Questions

Q: Why is this change being made?
A: As part of the negotiations and consultation of the three year pay agreement, there were a number of other elements which formed part of the whole agreement. One of these was about reductions in sickness absence and this included a target reduction. We agreed at that time what would happen if the target was met and also if it was not met.

Q: Why aren’t payments carrying on rather than being “held”?
A: The original date to for assessing whether the target had been met was at the end of March 2019. Following discussions with trade union partners, employers agreed that the target should be extended to the end of September 2019, so as to allow the work on improving attendance at work and wider health and wellbeing initiatives more time to be successful. As part of this agreement employers felt that, if payments continued beyond the end of September, there would be a possibility that if the target reduction in sickness absence wasn’t met that individuals would be overpaid. We therefore agreed to put a system in place to hold payments to avoid overpayments.

Q: If the target is met, when would the “held” payment be made?
A: This will depend on the point at which we have certainty on the issue which is likely to be in early December. This would be too late for the December payroll and we would work closely with colleagues in payroll to ensure that payments are made as early as possible in 2020.

Q: If the target is not met, does that mean that the payment of enhancements in occupational sick pay stops?
A: Yes, for occupational sick pay for the first three months of sickness absence. We have however agreed that the wider health and wellbeing agenda is essential in supporting staff and joint work will continue. If we subsequently meet the target at a future date the WPF Business Committee will re-visit the cessation of enhancements during the first three months of sickness absence in occupational sick pay to enable their reintroduction.

Q: What happens if I have been on sickness absence for longer than three months?
A: If you are on long term continuous sickness absence which is longer than three months in duration then regularly paid enhanced elements of occupational sick pay will continue to be paid after 1st October. In addition, if you are currently absent and your absence subsequently extends into a fourth month then these regularly paid enhancements will be paid in occupational sick pay from the beginning of the fourth month. Enhancements will not be paid/backdated for the first three months of sickness absence.

Q: What happens if it is determined that I have an industrial injury?
A: Occupational sick pay during sickness absence will include regularly paid enhancements where staff are determined by their Health Board/NHS Trust to be eligible to receive injury allowance. This will be in circumstances where absence is due to an injury, diseases or other health condition sustained or contracted in the discharge NHS duties/employment.

Q: My basic full time salary is less than £18,160. Will I continue to receive enhancements when I am off sick?
A: The agreement is that staff who were employed, as at 30 June 2018, and have a basic salary of £18,160 or less will continue to receive regularly paid enhancements during sickness absence. If you were employed before 30 June 2018 and have moved to another post in NHS Wales with a salary of £18,160 or less, you will still be eligible to receive regularly paid enhancements during sickness absence.