NHS Wales

Agenda for Change – Pay agreement and contract refresh 2018

Following a period of consultation the Trade Unions have unanimously agreed to accept the new three year pay deal for staff employed in the NHS in Wales. This means that as well as the pay deal, there will be reform of the pay structure and changes to terms and conditions. The new pay structure will:

- increase starting salaries
- reduce the number of pay points
- shorten the amount of time it takes to reach the top of the pay band for most staff.

Colleagues in NHS Wales Shared Service Partnership are working with ESR to implement the pay deal with the revised payments being made in October with back pay to the implementation of the deal i.e. 1st April 2018 being made in November.

The NHS Terms and Conditions of Service handbook will be republished to reflect the changes agreed by the UK NHS Staff Council.


Pay

- Starting salaries increased across all pay bands.
- A new pay structure with fewer pay points – initially overlapping pay points will be removed followed by further pay points.
- A new system of pay progression.
- The top of pay band 2 will be increased by 7.7 per cent and the top of bands 3 – 8b to be increased by 6.5 per cent over the three years. Bands 8c, 8d and 9 will increase by 5.45/4.36/3.44 per cent respectively.
- Minimum rate of pay in the NHS to be set at £17,460 from 1 April 2018 – ahead of the Living Wage Foundation Living Wage rates.

Structural changes

- Band 1 will be closed to new starters from 1 December 2018. The NHS Staff Council is to agree a process for this including upskilling Band 1 jobs to Band 2 roles during the 3 years of the pay deal.
- Bands 2 to 4 and 8 to 9 will only have two pay points in the new structure. Bands 5 to 7 will have three.
- Staff below band 8 will have the opportunity to reach the top of their pay band more quickly than under the current pay system.
- The time it takes for bands 8 to 9 to reach the top remains unchanged.
- Re-earnable pay remains for those staff that have reached the top of their pay band in bands 8c to 9
- Revised unsocial hours percentage rates for Band 1 – 3 - which will to be adjusted in line with increases to basic pay.

**Pay progression**

A new NHS Staff Council progression framework will be put in place by 1 April 2019, so that within each pay band staff will be supported to make the best use of their skills. A partnership approach will be developed to implement the framework consistently in Wales building on the existing Pay Progression Policy.

The new pay progression system will help ensure that all staff have the appropriate knowledge and skills they need to carry out their roles. It will be underpinned by a commitment from employers to strengthen and improve the appraisal process. The new pay progression system will:

- enable staff in bands 2 to 7 to reach the top of their pay band more quickly
- describe expected minimum periods of time before progression to the next pay-step point
- not be automatic, it is expected that staff who meet the required standards by their pay step date will progress to their next pay step point.
- give staff the opportunity to demonstrate they have met the required standards, putting annual appraisals and continuous professional development at the centre of the process
- require line managers and staff to follow the pay-step submission process in order to access the next pay-step point
- require employers to provide information to enable the UK NHS Staff Council to undertake regular monitoring of pay progression and re-earnable pay as well as information pertaining to employees with protected characteristics

The key points of the required standards for pay progression are detailed below:

- a completed individual appraisal process that is in line with the organisation’s standards
- no live formal disciplinary action on the staff members record
- all statutory and/or mandatory training is fully complete
- any local standards, as agreed through partnership working have been met
- for line managers only – all appraisals for their staff must be complete.

**Supporting Materials**

The agreement has a number of complexities given that it is combining a three year pay deal with the structural reform of the pay system. To support the communication of the new arrangements a number of resources have been developed and these are:

**Pay Deal 2018**
The NHS Wales Employers web site contains a number of resources and further documents and links will be added to support communication of this pay deal. Included in these resources are:-

**Framework Agreement**

This provides the full detail of the agreement reached in partnership.

**Pay Journey tool**

This provides an individual outline of the pay progression journey across the three years of the agreement for all bands and pay points.

**Frequently Asked Questions**

This expands upon the detail of how the new arrangements will operate by answering a number of frequently asked questions.

**Other changes**

There will be further terms and conditions amendments which are still to be developed and agreed in partnership through the UK NHS Staff Council. These will then be added to the NHS Terms and Conditions of Service handbook.

These will include:

- enhanced shared parental leave
- child bereavement leave
- a national framework on buying and selling leave.

Specifically for NHS Wales there will be:

- a new approach to attendance management with a new policy to be agreed and implemented by 30 September 2018.
- the development of a NHS Wales Menopause Policy
- the continuation of unsocial hours payments (enhancements) while staff are off sick with a review at the end of the 2018/19 financial year. Continuation will be dependent on reaching a sickness absence target across NHS Wales of 4.2%.

**Future UK NHS Staff Council work programme**

It has also been agreed that there will be a programme of work undertaken in partnership through the UK NHS Staff Council. The areas to be considered are:

- to improve health and wellbeing, to support better attendance levels and reduce sickness absence.
- to explore the alignment between Agenda for Change and other senior NHS pay arrangements.
- to negotiate provisions for apprenticeship pay as a matter of urgency.
- to undertake work on exploring the scope for a collective framework agreement on bank and agency working.

The above will include representatives from NHS Wales and the progress and outcome of this work will be taken forward for NHS Wales through the Welsh Partnership Forum.