Department of Health

Agenda for Change

Final Agreement

December 2004

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DH INFORMATION READER BOX

Policy	Estates
HR/Workforce	Performance
Management	IM & T
Planning	Finance
Clinical	Partnership Working

Document Purpose	Policy
ROCR Ref:	Gateway Reference: 3614
Title	Agenda for Change – Final Agreement
Author	Agenda for Change Project Team
Publication Date	December 2004
Target Audience	PCT CEs, NHS Trusts CEs, SHA CEs, Care Trusts CEs, WDC CEs, Special HA CEs, Directors of HR, Directors of Finance, Communications Leads, Payroll Leads, Staff Representatives Chair, Staff Representatives Secretary
Circulation List	
Description	The text of the final agreement, negotiated by NHS employer and staff representatives, on the new pay system for NHS non-medical staff.
Cross Ref	NHS Job Evaluation Handbook Second Edition, The NHS Knowledge and Skills Framework (NHS KSF) and the Development Review Process, NHS Terms and Conditions of Service Handbook.
Superseded Docs	Agenda for Change – Provisional Agreement (March 03)
Action Required	For dissemination within organisations in support of implementation of new pay system from 1 December 2004
Timing	
Contact Details	AfC Project Team Room 2N35D Quarry House, Leeds LS2 7UE
For Recipient's Use	

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Introduction

(i) This document sets out the agreement between the UK Health Departments, NHS Confederation, Unions and Professional Bodies to modernise the NHS pay system.

(ii) The agreement is divided into three sections. The first sets out the new pay system, the second deals with implementation and the third the arrangements for operating the new pay system.

(iii) This agreement will apply in full to all staff directly employed by NHS[1] organisations, except very senior managers and staff within the remit of the Doctors' and Dentists' Review Body. Staff on contracts which incorporate national agreements will assimilate to the new system, and staff on local contracts will be offered the opportunity of transferring to it under the timetable it sets out.

(iv) This is the second stage of implementation, following testing in early implementer sites.

(v) Annex A contains the lists of NHS organisations which will implement the new system on national roll-out from 1 December 2004, with an effective date of 1 October 2004, together with the list of the early implementer sites.

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1 Including Health and Personal Social Services organisations in Northern Ireland. (References to the NHS throughout this document should be read as including these organisations where appropriate).

Partnership Approach to Pay and Service Modernisation

(i) All parties agree to work in partnership to deliver a new NHS pay system which supports NHS service modernisation and meets the reasonable aspirations of staff. The signatories to this agreement will accordingly work together to meet the reasonable aspirations of all the parties to:

- Ensure that the new pay system leads to more patients being treated, more quickly and being given higher quality care;
- Assist new ways of working which best deliver the range and quality of services required, in as efficient and effective a way as possible, and organised to best meet the needs of patients;
- Assist the goal of achieving a quality workforce with the right numbers of staff, with the right skills and diversity, and organised in the right way;
- Improve the recruitment, retention and morale of the NHS workforce;
- Improve all aspects of equal opportunity and diversity, especially in the areas of career and training opportunities and working patterns that are flexible and responsive to family commitments;
- Meet equal pay for work of equal value criteria, recognising that pay constitutes any benefits in cash or conditions;
- Implement the new pay system within the management, financial and service constraints likely to be in place.

Local Partnership

(ii) All parties to this agreement will make every effort to continue to support, encourage and promote a partnership approach to the implementation of the new pay system at local level. The agreement to work in partnership to deliver a new NHS pay system which supports NHS service modernisation and meets the reasonable aspirations of staff should, therefore, be replicated at local level. Working examples of staff involvement and partnership working are in the resource pack *Staff involvement – Better decisions, better care* available at:
www.dh.gov.uk/PolicyAndGuidance/HumanResourcesAndTraining/ModelEmployer/StaffInvolvementAndPartnerships

(iii) To this end employers should ensure that the representatives of trades unions and other staff organisations recognised for purposes of collective bargaining at local level are released appropriately to participate in the partnership process, and that nominated officers of local staff representatives can be fully involved in the local partnership arrangements. The adequacy of facilities arrangements will be monitored by the NHS Staff Council.

Wider Human Resources Issues

(iv) Pay modernisation is an integral part of the human resource strategies of the NHS in England, Scotland, Wales and Northern Ireland. All parties to this agreement therefore recognise that it should be implemented in a way which is consistent with the wider human resource policies set out in the relevant strategies.

Monitoring

(v) Monitoring of implementation will be carried out by the Executive Committee of the NHS Staff Council. Any issue requiring amendment or reinterpretation of any part of this agreement must, however, be endorsed by the NHS Staff Council.

(vi) The criteria against which progress in implementation will be monitored are set out in Annex E.

New Pay System

1. Pay Structure

Pay Spines

1.1 The NHS pay system as a whole will have three pay spines or series of pay bands: one for staff within the remit of the Doctors' and Dentists' Review Body; one for staff within the extended remit of the Pay Review Body for Nursing and Other Health Professions; and one for other directly employed NHS staff, with the exception of the most senior managers. This agreement introduces new, single pay spines for the second and third of these groups, replacing the large number of separate occupational pay spines currently in existence. Chapter 13 sets out an agreement on extending the coverage of the Pay Review Body for Nursing and Other Health Professions.

1.2 Both the second and third pay spines will be divided into nine pay bands. All staff covered by this agreement will, on assimilation, be assigned to one of these pay bands on the basis of job weight as measured by the NHS Job Evaluation Scheme. To assist this process a set of NHS jobs have been evaluated, and national job profiles drawn up where the job evaluation score is agreed. Staff whose jobs match these profiles will assimilate on the basis of the profile score. Other jobs will be evaluated locally on a partnership basis.

1.3 The NHS Job Evaluation Handbook[2] sets out the basis of job evaluation, which underpins the new pay system, and includes the factor plan, the weighting and scoring document, and a guide for matching posts locally. The process for assimilation is set out more fully in Chapter 9.

1.4 The nine pay bands and their corresponding job evaluation scores are set out in Table 1 below. Within this structure pay band 8 is sub-divided into four ranges.

Table 1: Pay Bands and Job Weight

Review Body Spine		Non Review Body Spine	
Pay Band	Job Weight	Pay Band	Job Weight
1	0 – 160	1	0 – 160
2	161 – 215	2	161 – 215
3	216 – 270	3	216 – 270
4	271 – 325	4	271 – 325
5	326 – 395	5	326 – 395
6	396 – 465	6	396 – 465
7	466 – 539	7	466 – 539
8a	540 – 584	8a	540 – 584
8b	585 – 629	8b	585 – 629
8c	630 – 674	8c	630 – 674
8d	675 – 720	8d	675 – 720
9	721 – 765	9	721 – 765

2 Available, together with the nationally evaluated job profiles, on the Agenda for Change web site at: www.dh.gov.uk/PolicyAndGuidance/HumanResourcesAndTraining/ModernisingPay/AgendaForChange/fs/en

1.5 There are separate arrangements for Chief Executives and directors at board level. These may also apply to other senior manager posts with a job weight over 720 points.

1.6 Within each pay band there will be a number of pay points to allow pay progression in post. Staff will progress from point to point on an annual basis to the top point in their pay band or pay range, provided their performance is satisfactory and they demonstrate the agreed knowledge and skills appropriate to that part of the pay band or range. Staff joining pay band 5 as new entrants will have accelerated progression through the first two points in six monthly steps (i.e. they will move up one pay point after six months and a further point after twelve months) providing those responsible for the relevant standards in the organisation are satisfied with their standard of practice. This twelve month period will be referred to as "Preceptorship".

1.7 Chapter 6 sets out in more detail how the new system of career and pay progression will work, and Chapter 7 sets out details of the NHS Knowledge and Skills Framework which underpins it.

1.8 Table 2 at the end of this Chapter sets out the pay spines in full effective from 1 October 2004. The pay spines effective from 1 April 2005 are set out in Annex I. For some staff whose new pay band minimum is significantly above their current pay there are special transitional pay points which apply during the assimilation period (see Chapter 9).

Leads and Allowances

1.9 Within the new pay structure all leads and allowances will be replaced by higher basic pay for the majority of staff. This supports simplification of the pay system and is consistent with the principle of equal pay for work of equal value. Employers may use their discretion, subject to partnership arrangements, to reward staff undertaking statutory, regulatory duties performed outside of those required by the job description and/or measured by the NHS Job Evaluation Scheme. Current examples of such statutory, regulatory duties include midwifery supervision.

1.10 The current value of national leads and allowances or other special payments, which compensate staff for elements of their work which are valued within the NHS Job Evaluation Scheme, have been taken into account in setting levels of basic pay in the new system. The allowances it is agreed fall in this category are listed at Annex B.

1.11 The current value of national leads and allowances and other special payments which reflect continuing special recruitment and retention needs, such as London allowances, the chaplains' accommodation allowance, the special hospital lead and the regional secure unit allowance, have been taken into account in either new payments in high cost areas or in new recruitment and retention payments (see Chapter 3 and Annex B).

1.12 Local allowances and other special local payments intended to enable NHS employers to respond to high market wages for staff in particular occupations or with particular skills will be reviewed under the rules for recruitment and retention premia in this agreement. Where they continue to be justified, the resources concerned will be taken into account in new recruitment and retention premia under the new system. See Chapter 4 and Annex B.

1.13 All other leads and allowances paid when staff are assimilated onto the new system, whether agreed nationally or locally, will cease. The value of any such payments made as part of regular pay before assimilation will, however, be taken into account in assimilation and in the calculation of any pay protection for the minority of individual staff whose regular pay may otherwise be lower under the new system. See Chapter 9.

Trainees

1.14 The arrangements for the pay and pay banding of trainees are set out at Annex L.

Bonus Payments

1.15 This agreement does not preclude bonus schemes, provided they are related to genuinely measurable targets (and not part of regular pay), and provide fair and equal opportunities for all staff in the organisation or unit or work area concerned to participate. However it is agreed that most existing bonus schemes/performance agreements are unlikely to be compatible with these principles. All existing schemes, excepting any local schemes that do meet these requirements, will therefore cease at the date of assimilation. If they cease then the value of the bonus payments should be included in the calculation of regular pay for assimilation purposes or, if agreement can be reached locally, the resources reinvested in a properly constituted scheme offering fair access to all staff.

Other Recruitment and Retention Issues

1.16 The use of job evaluation to ensure fair pay between NHS jobs has identified a number of jobs with relatively high levels of pay in relation to job weight which appear to reflect past responses to external labour market pressures. In some cases these market pressures require continuing special measures. Staff in these jobs will be paid a long-term recruitment and retention premium (see Chapter 4) sufficient to maintain the position of the NHS in relation to the relevant external labour market.

Table 2: Pay Bands and Pay Points on Second and Third Pay Spines at 1 October 2004

Point	Band 1	Band 2	Band 3	Band 4	Band 5	Band 6	Band 7	Band 8				Band 9
								Range A	Range B	Range C	Range D	
1	11,135	11,135*										
2	11,508	11,508	11,668*									
3	11,827	11,827										
4	12,147	12,147	12,147*									
5		12,520										
6		12,893	12,733*									
7		13,266	13,266	13,479*								
8		13,745	13,745									
9		14,278	14,278	14,278*								
10			14,598									
11			15,024	14,811*								
12			15,504	15,504								
13			15,877	15,877	15,877*							
14				16,463	16,516*							
15				17,049	17,049*							
16				17,581								
17				18,114	18,114							
18				18,647	18,647	18,913*						
19					19,180							
20					19,819	19,819*						
21					20,458							
22					21,044	20,778*						
23					21,630	21,630						
24					22,483	22,483	22,057*					
25					23,442	23,442	23,442*					
26						24,401						
27						25,253	24,827*					
28						26,106	26,106					
29						26,958	26,958					
30						27,917	27,917					
31						29,302	29,302					
32							30,155	30,155*				
33							31,114	31,114*				
34							32,179	32,179*				
35							33,298	33,298				
36							34,417	34,417	34,417*			
37								35,802	35,802*			
38								37,187	37,187*			
39								38,786	38,786			
40								39,958	39,958	39,958*		
41									41,982	41,982*		
42									44,326	44,326*		
43									46,671	46,671		
44									47,949	47,949	47,949*	
45										50,080	50,080*	
46										52,425	52,425*	
47										55,941	55,941	
48										57,539	57,539	57,539*
49											59,937	59,937*
50											62,867	62,867*
51											66,063	66,063
52											69,260	69,260
53												72,584
54												76,068
55												79,720
56												83,546

* Pay rates in italic are special transitional points which apply only during assimilation to the new system. They are shown here for convenience. They are explained more fully in Chapter 9.

2. Working or Providing Emergency Cover Outside Normal Hours

Working outside normal hours

2.1 Pay enhancements will be given to staff whose work in standard hours, excluding overtime and work arising from on-call duties, is carried out in unsocial hours. Standard hours are defined as those detailed in paragraph 5.1 of Chapter 5 and in Tables 9 and 10 in Chapter 9.

2.2 From 1 October 2004 until 31 March 2006 the definition of unsocial hours and the enhancement payable will be as set out in the interim regime below.

2.3 The NHS Staff Council will review and devise new harmonised arrangements to apply with effect from 1 April 2006, based on further monitoring of experience in early implementer sites and evidence from national roll out. The review will ensure that these new arrangements are consistent with equal pay for work of equal value. Agreement will be subject to the provisions of paragraph 6 of the terms of reference set out in Annex M.

Interim Regime

2.4 Unless otherwise provided below, staff will continue to be paid for work in standard hours, excluding overtime and work arising from on-call duties, carried out in unsocial hours using the mechanism described within the relevant current Whitley Council provisions for each staff group, using Agenda for Change pay rates.

2.5 Basic salary for this purpose will include any long-term recruitment and retention premia. It will not include short-term recruitment and retention premia, high cost area payments or any other payment.

2.6 Nurses and midwives above pay band 6 will have their unsocial hours payments calculation based on the maximum pay point in pay band 6, or their actual salary if that is lower. Staff covered by the Ancillary Staffs Council who work unsocial hours will be paid in accordance with the standard ancillary provisions except for the arrangements for alternating and rotary shifts. These will be converted into allowances which are added to basic pay. The value of these allowances will be included for the purposes of calculating other unsocial hours payments. The two payments are £535 and £915 per annum respectively and will be uprated annually in line with pay awards. Those maintenance staff within the remit of the Maintenance Staff Management Advisory Panel who work unsocial hours will be covered by the provisions in the maintenance staff handbook, including the provisions for shift allowances.

2.7 In the case of staff on contracts which are a combination of Whitley basic pay with locally determined unsocial hours provision, upon assimilation to the Agenda for Change package they will continue to receive unsocial hours payments in accordance with their existing local arrangements.

2.8 Ambulance staff (i.e. those staff who would have been subject to the provisions of the Ambulance Whitley Council had they been employed on Whitley contracts) who are employed by Ambulance Trusts and work unsocial hours will receive unsocial hours payments in accordance with Annex N and Annex O. Other staff employed by Ambulance Trusts will be subject to the relevant provisions of their old Whitley Council. (In Scotland the employers are Ambulance Boards).

2.9 Staff employed on Whitley terms and conditions where there is no provision for unsocial hours payments or equivalent will be entitled to unsocial hours payments on the basis of the rules applicable to nurses and midwives. For staff in pay bands 1 to 4 the applicable percentages are 33.33% and 66.66%. For all other staff the applicable percentages are 30% and 60%.

2.10 Staff on local contracts who accept the Agenda for Change package will receive unsocial hours payments in accordance with the relevant Whitley provisions for that occupational group, or if there are none on the basis of the rules applicable to nurses and midwives.

2.11 The agreed early implementer sites with the exception of Ambulance Trusts (which are covered by paragraph 2.8 above) may retain their current unsocial hours provisions for some or all staff by local agreement. Otherwise they will adopt the arrangements set out in paragraphs 2.1 to 2.10 above, with effect from 1 October 2004.

On-call and other extended service cover

2.12 From 1 October 2004 groups of staff will be able to either retain their current on-call provisions (both national and local) where agreed locally, as set out in paragraph 2.27, or to use the on-call provisions set out below. Staff for whom there is no on-call provision currently will be entitled to the arrangements set out below. Those staff previously covered by the PTA Whitley Council on the new pay band 5 who were paid at a higher grade for unsupervised work on-call should be paid as a minimum on the fourth point of pay band 5 (spine point 20) when on-call.

2.13 The NHS Staff Council will review and may devise new harmonised arrangements during the four year period of protection for on-call, based on further monitoring of experience in early implementer sites and evidence from national roll out.

Interim Regime

2.14 An employee who is required to be available to provide on-call cover outside their normal working hours will be entitled to receive a pay enhancement. This enhancement recognises both their availability to provide cover and any advice given by telephone during periods of on-call availability.

2.15 Subject to the provision for retention of current on-call provisions under the protection arrangements set out in paragraph 2.27, this enhancement will be based on the proportion of on-call periods in the rota when on-call cover is required. The on-call period in each week should be divided into nine periods of at least twelve hours. The enhancement for an individual staff member will be based on the proportion of these periods in which they are required to be on-call, as set out in paragraphs 2.16 to 2.21 below.

Pay enhancements for on-call cover

2.16 An enhancement of 9.5% will be paid to staff who are required to be on-call an average of 1 in 3 of the defined periods or more frequently.

2.17 An enhancement of 4.5% will be paid to staff who are required to be on-call an average of between 1 in 6 and less than 1 in 3 of the defined periods.

2.18 An enhancement of 3% will be paid to staff who are required to be on-call an average of between 1 in 9 and less than 1 in 6 of the defined periods.

2.19 An enhancement of 2% will be paid to staff who are required to be on-call an average of between 1 in 9 and less than 1 in 12 of the defined periods.

2.20 For these purposes, the average availability required will be measured over a full rota, or over a thirteen week period if no standard pattern is applicable. The reference period will not include any periods when the employee is absent from work on either annual leave or sickness absence.

2.21 Where on-call cover is limited or very irregular (averaging less than 1 in 12) pay enhancements will be agreed locally. These may be fixed or variable, and based on actual or estimated frequencies of on-call work worked, subject to local agreement. To ensure fairness to all staff qualifying under the national rules set out above, locally agreed payments may not exceed the minimum percentage in the national provisions.

Table 3

Frequency of On-Call	Value of Enhancement as Percentage of Basic Pay
1 in 3 or more frequent	9.5%
1 in 6 or more but less than 1 in 3	4.5%
1 in 9 or more but less than 1 in 6	3.0%
Between 1 in 12 or more but less than 1 in 9	2.0%
Less frequent than 1 in 12	By local agreement

On-call payments for part-time staff or other staff working non standard hours

2.22 For part-time staff and other staff working other than 37½ hours a week excluding meal breaks, the percentage added to basic pay on account of on-call availability will be adjusted to ensure that they are paid a fair percentage enhancement of salary for on-call working. This will be done by adjusting the payment in proportion to their part-time salary so that they receive the same payment for the same length of availability on-call as full-time staff.

Employees called into work during an on-call period

2.23 Employees who are called into work during a period of on-call will receive payment for the period they are required to attend, including any travel time. Alternatively staff may choose to take time off in lieu. However if, for operational reasons, time off in lieu cannot be taken within three months the hours worked must be paid for.

2.24 For work (including travel time) as a result of being called out the employee will receive a payment at time and a half, with the exception of work on general public holidays which will be at double time. Time off in lieu should be at plain time. There is no disqualification from this payment for pay bands 8 and 9 as a result of being called out.

2.25 By agreement between employers and staff, there may be local arrangements whereby the payment for hours worked during a given period of on-call is subject to a fixed minimum level, in place of separately recognising travel time.

2.26 In addition, where employers and staff agree it is appropriate, the amount paid for work and travel time during periods of on-call may be decided on a prospective basis (e.g. for a forward period of three months) based on the average work carried out during a prior reference period (e.g. of three months). Where these arrangements are agreed, the actual work carried out during a given period would be monitored and, if the average amount assumed in the calculation of the payment is significantly different, the level of payment should be adjusted for the next period; there should be no retrospective adjustment to the amount paid in the previous period.

2.27 Where agreed locally, all current on-call arrangements may be protected for groups of employees for up to four years from the effective date of assimilation irrespective of whether they were nationally or locally agreed. This extended protection will apply to existing staff and new staff during the period of protection.

2.28 On-call payments made under such arrangements should be excluded from the pre and post assimilation pay used in the calculation of any protected level of pay (see Chapter 9).

Other arrangements to provide extended service cover

2.29 Some staff are required to be on the premises to provide emergency cover but are allowed to rest except for the times when they are required to carry out emergency work. Where employers consider this an essential arrangement to provide service cover, there should be an agreed local arrangement, at least equivalent to on-call payments, to recognise the type of cover provided.

2.30 A further group of staff, often in community services such as learning disabilities, have ‘sleeping-in’ arrangements, where they sleep on work premises but are seldom required to attend an incident during the night. In these circumstances, appropriate arrangements should be agreed locally.

3. Pay in High Cost Areas

3.1 The current system of London weighting and Fringe allowances will be replaced by a new category of 'high cost area' supplement.

3.2 High cost area supplements will apply to all NHS staff groups in the areas concerned who are covered by this agreement. The supplements will be expressed as a proportion of basic pay (including the value of any long-term recruitment and retention premium), but subject to a minimum and maximum level of extra pay.

3.3 High cost area supplements will be pensionable. They will not count as basic pay for the purposes of calculating the rate of overtime payments, unsocial hours payments, on-call availability payments or any other payment excluding sick pay.

3.4 The level of high cost area payments effective from 1 October 2004 and 1 April 2005 will be as set out in Table 4A and Table 4B below. Beyond 2005 the value of the supplement will be reviewed annually, based on the recommendations of the Pay Review Body for Nursing and Other Health Professions and the Pay Negotiating Council.

3.5 The definitions of Inner London, Outer London and Fringe zones for high cost area payments are set out in Annex J. Where staff who were previously entitled to extra-territorially managed (ETM) payments do not fall within the inner, outer or fringe definitions these payments should be converted into long-term recruitment and retention premia. If staff working in the designated inner, outer or finge zones were previously in receipt of ETM payments which have a higher value than the new high cost area payment applicable the difference should be converted into a long-term recruitment and retention payment.

Table 4A

Area	Level (1 October 2004)
Inner London	20% of basic salary, subject to a minimum payment of £3,197 and a maximum payment of £5,328.
Outer London	15% of basic salary, subject to a minimum payment of £2,664 and a maximum payment of £3,729.
Fringe	5% of basic salary, subject to a minimum payment of £799 and a maximum payment of £1,385.

Table 4B

Area	Level (1 April 2005)
Inner London	20% of basic salary, subject to a minimum payment of £3,300 and a maximum payment of £5,500.
Outer London	15% of basic salary, subject to a minimum payment of £2,750 and a maximum payment of £3,850.
Fringe	5% of basic salary, subject to a minimum payment of £825 and a maximum payment of £1,430.

3.6 Current payments for London weighting, Fringe allowances and Cost of Living Supplements in these areas will be discontinued once the new arrangements are in force.

3.7 Employers who employ staff in more than one high cost area zone can agree locally a harmonised rate of payment across their organisation, provided they agree with neighbouring employers if the proposed rate would exceed the average rate payable in their area.

3.8 Current entitlements for Cost of Living Supplements in areas outside London and Fringe will continue but will be re-expressed as long-term recruitment and retention premia.

3.9 It will be open to the Pay Review Body for Nursing and Other Health Professions and/or the Pay Negotiating Council to make recommendations on the future geographic coverage of high cost area supplements and on the value of such supplements.

3.10 It will be open to NHS employers or staff organisations in a specified geographic area to propose an increase in the level of high cost area supplement for staff in that area – or (in the case of areas where no such supplement exists) to introduce a supplement. But this can only be implemented where:

- There is evidence that costs for the majority of staff living in the travel to work area covered by the proposed new or higher supplement are greater than for the majority of staff living in the travel to work area of neighbouring employers and that this is reflected in comparative recruitment problems;
- There is agreement amongst all the NHS employers in that area;
- There is agreement with staff organisations;
- There is consultation with Strategic Health Authorities and Workforce Development Confederations in England.

3.11 The payment of a high cost area supplement will not impinge on the ability of local NHS employers in that area, in consultation with staff representatives, Strategic Health Authorities and Workforce Development Confederations, to award recruitment and retention premia for particular staff groups in particular localities (see Chapter 4).

4. Recruitment and Retention Premia

4.1 A recruitment and retention premium is an addition to the pay of an individual post or specific group of posts where market pressures would otherwise prevent the employer from being able to recruit staff to and retain staff in sufficient numbers for the posts concerned at the normal salary for a job of that weight.

4.2 Subject to the provisions below, NHS employers may apply a recruitment and retention premium to posts of a specific class or type. They may also be applied to individual posts where the post is unique within the organisation concerned (such as the head of a department or service).

4.3 Recruitment and retention premia may also be awarded on a national basis to particular groups of staff on the recommendation of the Pay Review Body for Nursing and Other Health Professions and/or the Pay Negotiating Council, where there are national recruitment and retention pressures. The Review Body and the Pay Negotiating Council must seek evidence or advice from NHS employers, staff organisations and other stakeholders in considering the case for any such payments. Where it is agreed that a recruitment and retention payment is necessary for a particular group the level of payment should be specified or, where the underlying problem is considered to vary across the country, guidance should be given to employers on the appropriate level of payment. Guidance on the application of nationally agreed recruitment and retention premia is set out at Annex H.

4.4 Recruitment and retention premia will be supplementary payments, over and above the pay that the post holder receives by virtue of their position on their pay band, any high cost area supplements, or any payments for unsocial hours or on-call cover.

4.5 Recruitment and retention premia will apply to posts. Where an employee moves to a different post that does not attract a recruitment and retention premium, either within the same organisation or elsewhere in the NHS, their entitlement to any previous recruitment and retention premium will cease.

4.6 NHS employers and staff representatives, in partnership, will follow the procedure set out in Annex D in deciding the award of a recruitment and retention premium.

Long-term and short-term recruitment and retention premia

4.7 The body responsible for awarding a recruitment and retention premium shall determine whether to award a long-term or short-term premium.

4.8 Short-term recruitment and retention premia will apply where the labour market conditions giving rise to recruitment and retention problems are expected to be short-term and where the need for the premium is expected to disappear or reduce in the foreseeable future.

4.9 Long-term recruitment and retention premia will apply where the relevant labour market conditions are more deep-rooted and the need for the premium is not expected to vary significantly in the foreseeable future.

4.10 Short-term recruitment and retention premia:

- May be awarded on a one-off basis or for a fixed term;
- Will be regularly reviewed;
- May be withdrawn or have the value adjusted subject to a notice period of six months; and
- Will not be pensionable, or count for purposes of overtime, unsocial hours payments or any other payments linked to basic pay.

4.11 Long-term recruitment and retention premia:

- Will be awarded on a long-term basis;
- Will have their values regularly reviewed;
- May be awarded to new staff at a different value to that which applies to existing staff; and
- Will be pensionable, and will count for the purposes of overtime, unsocial hours payments and any other payments linked to basic pay.

4.12 Both long-term and short-term recruitment and retention premia will be expressed as cash sums and will be separately identifiable from basic pay, any high cost area supplement and any other component of pay.

4.13 The combined value of any nationally awarded and any locally awarded recruitment and retention premium for a given post shall not normally exceed 30% of basic salary. It will be the responsibility of employers to ensure that any premia awarded locally do not normally result in payments in excess of this amount, taking into account any national awards for the posts in question. See also the provisions concerning earned autonomy in Chapter 8.

Nationally agreed recruitment and retention premia

4.14 Table 5 below lists a number of jobs for which there is prima facie evidence from both the work on the job evaluation scheme and consultation with management and staff representatives that a premium is necessary to ensure the position of the NHS is maintained during the transitional period.

Table 5

Job	Job
Chaplains	Payroll Team Leaders
Clinical Coding Officers	Pharmacists
Cytology Screeners	Qualified Maintenance Craftspersons
Dental Nurses, Hygienists, Technicians and Therapists	Qualified Maintenance Technicians
Estates Officers/Works Officers	Qualified Medical Technical Officers
Financial Accountants	Qualified Midwives (new entrant)
Invoice Clerks	Qualified Perfusionists
Biomedical Scientists	

4.15 Initial guidance to employers in setting appropriate levels of premia in these cases and the arrangements for their review is included at Annex H. It requires the level of premium payable to be set locally on assimilation in cash terms at a level at least sufficient to ensure that at assimilation an existing member of staff will be no worse off than now, and that these premia should be uprated by 3.225% in April 2005. The guidance may be revised by the NHS Staff Council and any uprating of these premia beyond 2005 will be by agreement at national or local level.

5. Terms and Conditions of Service

Hours of the working week

5.1 The standard hours for all full-time NHS staff covered by this agreement will be 37½ hours excluding meal breaks, subject to the protection and assimilation arrangements set out in Chapter 9. Working time will be calculated exclusive of meal breaks except where individuals are required to work during meals in which case such time should be counted as working time.

5.2 The standard hours may be worked over any reference period e.g. 150 hours over four weeks or annualised hours, with due regard for compliance with employment legislation such as the Working Time Regulations.

5.3 Part-time workers will suffer no detriment either in terms of pay or pension rights. Where the full-time equivalent hours increase under the assimilation to new conditioned hours arrangements as set out in Chapter 9 staff have the right to move to a new number of weekly hours that equates to the same proportion of the standard full-time hours as before assimilation (see also Chapter 9).

Overtime payments

5.4 All staff in pay bands 1 to 7 will be eligible for overtime payments. There will be a single harmonised rate of time-and-a-half for all overtime, with the exception of work on general public holidays, which will be paid at double time.

5.5 Overtime payments will be based on the hourly rate provided by basic pay plus any long-term recruitment and retention premia.

5.6 Part-time employees will receive payments for the additional hours at plain time rates until their hours exceed standard hours of 37½ hours a week.

5.7 The single overtime rate will apply whenever excess hours are worked over full-time hours unless time off in lieu is taken, provided the employee's line manager or team leader has agreed with the employee to this work being performed outside the standard hours.

5.8 Staff may request to take time off in lieu as an alternative to overtime payments. However staff who, for operational reasons, are unable to take time off in lieu within three months must be paid at the overtime rate.

5.9 Senior staff paid in pay bands 8 or 9 will not be entitled to overtime payments (see Chapter 2, paragraph 2.24).

5.10 Time off in lieu of overtime payments will be at plain time rates.

Annual leave and general public holidays

5.11 Staff will receive the entitlement to annual leave and general public holidays as set out in Table 6 below:

Table 6

Length of service	Annual leave + General Public Holidays
On appointment	27 days + 8 days
After 5 years service	29 days + 8 days
After 10 years service	33 days + 8 days

5.12 Local arrangements to consolidate some or all of the general public holidays into annual leave may operate, subject to agreement at local level.

5.13 These leave entitlements include the two extra-statutory days available in England and Wales in the past, and therefore any local arrangements to add days on account of extra-statutory days will no longer apply. In Scotland this entitlement includes the two additional days that could previously be designated as either statutory days or annual leave. In Northern Ireland this entitlement also contains the two extra-statutory days, however there are ten general public holidays.

5.14 Staff required to work or to be on-call on a general public holiday are entitled to equivalent time to be taken off in lieu at plain time rates in addition to the appropriate payment for the duties undertaken (see Chapter 2).

5.15 Where staff work standard shifts other than 7½ hours excluding meal breaks, annual leave and general public holidays entitlements should be calculated on an hourly basis to prevent staff on these shifts receiving greater or less leave than colleagues on standard shifts.

5.16 Part-time workers will be entitled to paid bank holidays no less than pro-rata to the number of bank holidays for a full-time worker, rounded up to the nearest half day.

5.17 Part-time workers' bank holiday entitlement shall be added to their annual leave entitlement, and they shall take bank holidays they would normally work as annual leave.

5.18 An existing part-worker who, prior to 1 October 2004, was in receipt of a bank holiday entitlement in excess of pro-rata to a full-time worker shall have their excess entitlement protected for a period of five years from the date of assimilation onto the new system.

5.19 Pay during annual leave will include regularly paid supplements including any recruitment and retention premia, payments for work outside normal hours and high cost area supplements. Pay is calculated on the basis of what the individual would have received had he/she been at work, but during the interim regime (as described in Chapter 2):

- Existing arrangements will be undisturbed for staff groups who already receive payments for working outside normal hours in respect of annual leave;
- Staff groups who do not currently receive full payment will do so by an adjustment of the standard formula based mechanism currently used to pay unsocial hours in respect of the statutory leave entitlement, pending the outcome of the review. In respect of annual leave the formula will be adjusted to 11.59% instead of 8.33% of the unsocial hours payments in each pay period.

Sickness absence

5.20 Sickness absence entitlements will be harmonised on the normal Whitley provisions with a maximum of up to six months full pay and six months half pay, and the separate qualifying period for workers previously covered by the Ancillary Staff Council will be abolished.

5.21 The definition of full pay will include regularly paid supplements including any recruitment and retention premia, payments for work outside normal hours and high cost area supplements. Sick pay is calculated on the basis of what the individual would have received had he/she been at work. During the interim regime (as described in Chapter 2) existing arrangements will be undisturbed for staff groups who already receive payments for working outside normal hours in respect of sick absence; staff groups who do not currently receive payment will do so by a calculation based on average pay in a reference period. This would be based on the previous three months at work or any other reference period that may be locally agreed.

5.22 Full pay needs to be inclusive of any statutory benefits (so as not to make sick pay greater than normal working pay). The combined addition of statutory sick pay to half pay must not exceed full pay.

5.23 To aid rehabilitation there will be provision to allow staff in some circumstances to return to work on reduced hours or be encouraged to work from home without loss of pay. Any such arrangements need to be consistent with statutory sick pay rules.

5.24 Employers will have the option to terminate employment before exhausting the contractual paid sick leave period after investigation, consultation and consideration of other alternative posts and where there is no reasonable prospect of the employee returning to work.

5.25 Staff will not be entitled to an additional day off if sick on a statutory holiday.

5.26 Notification procedures and payment of sick pay when injuries are connected with other insured employment will be for local determination.

Other national terms and conditions

5.27 The following terms and conditions will remain NHS wide:

- maternity and paternity provisions;
- redundancy provisions;
- pensions.

5.28 Existing national mileage and subsistence arrangements will apply as set out in the NHS Terms and Conditions of Service Handbook. However, where locally staff and employer representatives agree arrangements which provide benefits to staff beyond these national arrangements, or are agreed as operationally preferable, those local arrangements will apply.

5.29 An employee's continuous previous service with an NHS employer covered by this agreement counts as reckonable service in respect of NHS agreements on redundancy, maternity, sick pay and annual leave.

5.30 There will be local discretion to allow employers to take into account any period or periods of employment with employers outside the NHS where these are judged to be relevant to NHS employment.

5.31 On returning to NHS employment, a previous period or periods of NHS service will be counted towards the employee's entitlement to annual leave.

5.32 On returning to NHS employment, a previous period or periods of NHS service will be counted towards the employee's entitlement to sick leave where there has been a break or breaks in service of twelve months or less.

Other terms and conditions of service

5.33 Other terms and conditions will be determined locally following consultation with staff representatives with a view to reaching agreement on the changes proposed. The same terms and conditions should apply to all staff groups unless there are significant reasons why this is not appropriate.

5.34 The existing national conditions of service in the General Whitley Council Handbook and the other Functional Council arrangements will continue to apply to staff on national contracts who have not assimilated to the new terms and conditions, until they are replaced by new arrangements.

6. Career and Pay Progression

Development review process

6.1 All staff will have annual development reviews against the NHS Knowledge and Skills Framework (KSF) (see Section 7) which will result in the production of a personal development plan. Similar to current practice, development reviews will take place between staff and their manager or, where appropriate, their supervisor, a professional adviser or another appropriately trained senior team member. Development review procedures should be jointly agreed by management and staff representatives locally.

6.2 The main purpose of the development review will be to look at the way a member of staff is developing with reference to:

- How the duties and responsibilities of the job are being undertaken based on current agreed objectives;
- The application of knowledge and skills in the workplace;
- The consequent development needs of the individual member of staff.

6.3 The primary outputs of a development review for an employee will be a record of the above against the relevant KSF post outline and an individual personal development plan, which links to the needs of the employee in the post. During the development review process, discussion should cover the duties and responsibilities of the job that is being undertaken as outlined in paragraph 6.2 above. This will help to define future objectives and learning needs.

6.4 The review of learning achievements demonstrated in the workforce will be demonstrated by reference to the current personal development plan.

6.5 Development will primarily focus on helping members of staff to carry out their current job to the standard specified in the KSF outline for the post, although personal interests and opportunities for career progression will also be taken into account. Approaches to development will not just consist of courses but will also involve distance learning, private study, opportunities to participate in particular projects or work areas, short secondments, work shadowing, peer review and other continuous professional development activities.

6.6 Development plans will distinguish between goals for the year ahead and those applying to the longer term. There will be a commitment from both parties to make all reasonable efforts to meet the developmental goals for the year ahead in that year, and elements not completed through force of circumstance will be carried over to the following year unless agreed otherwise.

6.7 Managers and staff will work together to fulfil agreed development plans. Employers will encourage staff members to progress and develop, and where training and/or development needs have been identified and agreed, employers will ensure sufficient financial support is provided. Where appropriate, employers should ensure that staff have appropriate time to fulfil training and/or development needs related to their current job and appropriate financial and other support. If an employer fails to do this, they cannot

defer pay progression. Wherever possible employers will also provide similar encouragement and support for elements of the personal development plan which reflect personal interests or help staff prepare for a more senior role or transfer to a different area of work within the NHS.

6.8 Staff members will contribute to undertaking the agreed personal development plan through their personal effort. They may individually choose, where appropriate, to commit personal time and resources, especially in those areas relating to longer-term career development. Where development needs essential to the post are agreed with the employer there will not normally be any requirement for the employee to use his or her unpaid personal time.

6.9 Local development review processes must be designed to ensure that part-time staff and those working outside normal hours have equal access to them.

Gateways

6.10 Gateways are points on a pay band where assessment of the application of knowledge and skills necessary to progress will be made. There are two gateway points: the foundation gateway and the second gateway.

Foundation gateway

6.11 The foundation gateway applies no later than twelve months after appointment to the pay band regardless of the pay point to which the person is appointed.

Second Gateway

6.12 The foundation gateway will be followed by a second gateway that will vary between pay bands as follows:

Table 7

Pay band	Position of second gateway
Pay band 1	Before final point
Pay bands 2-4	Before first of last two points
Pay bands 5-7	Before first of last three points
Pay band 8, ranges A-D	Before final point
Pay band 9	Before final point

6.13 The review at the foundation gateway will be based on the agreed subset as specified in the KSF outline for the post. The review at the second gateway will be based on the relevant dimensions, levels and indicators as specified in the full KSF outline for the post.

6.14 The gateway review should take place in time for staff to progress on their normal incremental date. Robust jointly agreed local arrangements must be in place to deal with cases where this is not possible (for example because the relevant manager is ill). These should ensure there is no incentive to abuse the process.

Pay progression

6.15 Newly appointed or promoted staff joining a pay band under the new system will serve an initial foundation period of up to twelve months. During this initial period all staff will have at least two discussions with their manager (or the person acting as their reviewer) to review progress, guided by the KSF foundation outline for the post. The first of these discussions should normally be during the induction period. The aim of these discussions and any resulting support and development will be to help staff make a success of the new job and confirm as quickly as possible that they are applying the basic knowledge and skills needed for the job and can pass through the foundation gateway and commence progression up their pay band (see Annex K, Development of Professional Roles, paragraph 3.

6.16 Once progression has been agreed, a member of staff will normally progress to the next point on their pay band twelve months after appointment and to subsequent points every twelve months thereafter subject to meeting the criteria for progression when they pass through the second gateway point.

6.17 Before moving through the second gateway, there will be an assessment as part of the process of development review, against the full KSF outline for the post. Staff will normally expect to move through the second gateway at this point but, subject to the safeguards set out below, progression may be deferred if the review indicates that they are not yet applying the full range of knowledge and skills required for the post.

6.18 The gateway system will become fully operational when an employer has put in place reasonable arrangements to ensure that staff have access to development reviews, personal development plans and appropriate support for training and development to meet the applied knowledge and skills required at the gateway concerned. This must be done for all posts covered by this agreement no later than October 2006.

6.19 Existing staff with at least twelve months experience in post will be assumed to have met the criteria for passing through the foundation gateway. Where the gateway system is operational, they will however be subject to the normal operation of the new system at the second gateway.

6.20 The following safeguards will also apply:

- There will be a normal expectation of progression and no national or local quotas will apply. All staff must have an equal opportunity to demonstrate the required standard of knowledge and skills to progress through the gateways and pay points;
- The applied skills and knowledge required at the foundation and second gateways should be clearly stated during recruitment;
- The KSF outlines may be changed subsequently by local agreement within the work area concerned where changes apply to a number of posts, or with the individual where they apply only to a single post. They may also be changed where that is necessary to reflect a change in professional standards as agreed by the relevant professional body or authority;
- The demonstration of knowledge and skills must be that used within each dimension, level and indicators in the KSF;
- Employers must ensure there is a robust jointly agreed process for checking managers' decisions and reviewing disagreements with an agreed timescale for re-review;
- Pay progression cannot be deferred unless there has been prior discussion between the individual and the person undertaking their review, which should be recorded, about the knowledge and skills that the individual needs to develop and apply and the member of staff has been given the opportunity to achieve the necessary development;

- Employers and staff representatives, acting in partnership, will monitor decisions on pay progression to ensure that there is no discrimination or bias in relation to race or ethnicity, gender, sexual orientation, disability, religion, age or trade union membership, or pattern of employment e.g. part-time, flexible and night workers.

Development of professional roles

6.21 Guidance on the development of professional roles for health care professionals on pay band 5 is set out at Annex K.

Exceptional grounds for deferral of pay progression

6.22 Where significant weaknesses in performance in the current post have been identified and discussed and documented with the staff member concerned and have not been resolved despite opportunities for appropriate training/development and support, exceptionally pay progression may be deferred at any pay point until the problems are resolved.

6.23 Significant weaknesses are those which prevent a staff member from continuing to apply consistently, across a recognised normal workload, the knowledge and skills specified under the KSF foundation post outline for the foundation gateway or, for staff above the second gateway, the full range of knowledge and skills specified under the full KSF post outline, without continued supervision and support inappropriate to the post.

Career development moves

6.24 Where a member of staff moves to another job in the NHS covered by this agreement, where the necessary arrangements to support the operation of the gateways are in place, pay progression will normally depend on demonstrating the knowledge and skills specified in the KSF outline for the post within the first twelve months of appointment.

6.25 Where, however, an individual re-trains in a different area of work for wider service or operational reasons with the explicit agreement of the employer concerned, their existing level of pay should be protected. Once protection is agreed, it may not be withdrawn until the person concerned has had a reasonable opportunity to complete their re-training and progress to a point where pay protection is no longer required. Explicit employer agreement in this context cannot however be deemed to have been given solely because they have agreed to re-employ someone following redundancy.

Temporary movement into a higher pay band

6.26 Individuals may be moved into a higher pay band where it is necessary to fill a post on a temporary basis when a vacancy is unfilled, but being advertised, or the post is being held open for someone who is due to return, e.g. from long-term sick leave, maternity leave, or from extended training.

6.27 Pay should be set either at the minimum of the new pay band or, if this would result in no pay increase (by reference to basic pay plus any recruitment and retention premium if applicable), the first pay point in the band which would deliver an increase in pay. Temporary movement into a new pay band should not normally last more than six months or less than one month except in instances of maternity leave or

long-term sick leave where a longer period may be known at the outset. In circumstances where the individual is not required to carry out the full responsibilities of the post, pay will be determined by job evaluation.

6.28 Where temporary movement into a higher pay band results in only one extra pay point the incremental date remains the same. Where temporary movement results in more than one extra pay point the incremental date for the period of the temporary movement becomes the date the movement began.

Pay on promotion

6.29 Pay on promotion should be set either at the minimum of the new pay band or, if this would result in no pay increase, the first pay point in the band which would deliver an increase in pay (by reference to basic pay plus any recruitment and retention premium if applicable).

7. NHS Knowledge and Skills Framework

7.1 A new NHS Knowledge and Skills Framework (KSF)[3] will be applied to all NHS jobs covered by this agreement no later than October 2006.

7.2 The output from the KSF for an individual job is a KSF post outline for that job and a subset of the full post outline known as the KSF foundation post outline. KSF post outlines identify the KSF dimensions, levels, indicators and areas of application that are required for the holder of that post to undertake it effectively. KSF post outlines will provide prompts for action by individuals and their managers to update or develop their knowledge and skills, or address areas for development in the application of knowledge and skills. Development review and grievance processes should be jointly agreed by management and staff representatives.

7.3 The KSF will continue to be developed so that it:

- is simple, easy to explain and understand;
- is operationally feasible to implement;
- can use current and emerging UK or national externally quality assured standards or competencies;
- is NHS wide and applicable to all staff covered by this agreement;
- supports the delivery of NHS plans;
- links with professional regulatory standards.

7.4 The KSF post outlines within an organisation will be available to all staff members to help them identify the knowledge and skills requirements likely to be needed for future career steps and identify the development needed to support them. These requirements are not, however, fixed and will be reviewed in partnership when posts become vacant or changes need to take place for service development and other reasons.

7.5 The NHS Staff Council will have long-term responsibility for maintaining the KSF.

3 Available on the Agenda for Change web site at: www.dh.gov.uk/PolicyAndGuidance/HumanResourcesAndTraining/ModernisingPay/AgendaForChange/fs/en

8. Additional Freedoms for NHS Foundation Trusts and Other Trusts with Earned Autonomy in England

8.1 The new pay system set out in this agreement will be implemented in all NHS organisations, giving extra local freedoms within the new system compared to current national agreements. But where NHS organisations acquire earned autonomy or Foundation Trust status in England they will have greater autonomy in relation to the use of specified local freedoms under this agreement. In these areas:

- NHS Foundation Trusts will be able to act independently, consistent with their licence and any contractual agreements with PCTs;
- Three-star NHS organisations will be able to act independently, but will be required to consult with local or neighbouring employers before final decisions are taken on the use of these freedoms;
- All other NHS organisations will be able to act only as permitted by guidelines agreed through the NHS Staff Council and where appropriate with the explicit agreement of their Strategic Health Authority.

8.2 The specified local freedoms which can be exercised with greater autonomy are as follows:

Freedoms which require good management

- The ability to offer alternative packages of benefits of equivalent value to the standard benefits set out in this agreement, among which the employee can make a personal choice (e.g. greater leave entitlements but longer hours);
- The ability to negotiate local arrangements for compensatory benefits such as expenses and subsistence which differ from those set out in the Terms and Conditions of Service Handbook;
- The ability to award recruitment and retention premia above 30% of basic pay where that is justified without prior clearance by the NHS Staff Council or Strategic Health Authority.

Freedoms which must be part of a properly constituted reward scheme for individual, team or organisational performance related to genuinely measurable targets, offering equal opportunities for all staff in the relevant organisation, unit or work area to participate

- The establishment of new team bonus schemes and other incentive schemes;
- The establishment of schemes offering additional non-pay benefits above the minimum specified elsewhere in this agreement;
- Accelerated development and progression schemes.

Implementation

9. Assimilation and Protection

9.1 Staff on national contracts and other contracts which incorporate, or permit employers to incorporate, national agreements on pay and conditions of service will assimilate to the new pay system on the effective date determined below.

9.2 Staff on local contracts not incorporating national agreements on pay and conditions of service will be offered the opportunity to assimilate to the new pay system with the same effective date, subject to them giving their employer reasonable notice of their decision. If these staff do not exercise this right within the initial notice period, they may:

- do so later and the effective date of assimilation will be the start of the next pay period after they have notified the employer of their decision;

or

- defer their decision on moving to the new pay system until the outcome of the review of unsocial hours payments is known, and providing they have given their employer reasonable notice their effective date of assimilation will be the effective date of the new arrangements.

9.3 Staff on local contracts may move on to the new pay system after this when their effective date will be the start of the next pay period after they have notified the employer of their decision.

9.4 Where organisations have normally adopted Senior Manager Pay contracts, these should be regarded as "national agreements" for the purposes of this provision.

9.5 Newly appointed or promoted staff should be appointed or promoted on the new terms. However if, during the implementation phase, employees are recruited after 1 October 2004 on pre-Agenda for Change terms and conditions pending assimilation of their posts to the new pay system, then the protection arrangements set out in this agreement will apply.

Effective dates and operational dates

9.6 The operational date for national roll out will be 1 December 2004, with an effective date for any changes in pay and conditions of 1 October 2004, except for hours of the working week where staff will retain their existing hours until 30 November 2004 after which the new hours will apply subject to the transitional arrangements set out in paragraphs 9.29 to 9.31 below.

9.7 For staff returning from secondment to their substantive post on the same contract of employment after the time of assimilation the protection arrangements set out in this chapter will apply. For example staff currently working less than 37½ hours will have their hours protected for a phased protection period as set out in Table 10 below.

9.8 To support the smooth transfer of staff onto new contracts employers may agree locally, through their joint negotiating machinery, a series of operational dates for staff to move in practice to the new system. These operational dates may vary for different categories of staff. Where this provision is used locally, the aim should be to have matched most staff to their new pay bands by 31 March 2005 and to have

completed the assimilation of staff no later than the end of September 2005. Any member of staff whose assimilation to the new system is deferred for operational reasons under this provision will have any pay increase and any other improvement in terms and conditions back-dated to the effective date, subject to the qualification in relation to the retention of existing hours until 30 November 2004 set out in paragraph 9.6 above.

Assimilation to new pay spines and bands

9.9 An employee's current pay for the purpose of assimilation to the new pay spines and bands, referred to below as "basic pay before assimilation", is their annual full-time equivalent basic pay on the effective assimilation date plus the annual value of any job evaluation related allowances (see Annex B) plus the average value of any bonus payments under schemes which are discontinued (see Chapter 1).

9.10 Where the employee's basic pay is already subject to protection at the point of assimilation the protected level of basic pay should be used in this calculation.

9.11 For staff returning from career breaks, maternity leave, or other special leave, current pay shall be calculated as in paragraph 9.9 above but by reference to the current values of the pay and allowances received in the post they held prior to the break.

9.12 The rules for assimilating staff to the new pay bands are as follows:

- Where basic pay before assimilation is between the new minimum and maximum of the new pay band, staff will assimilate to the next equal or higher pay point in the new pay band.
- In pay band 1, where basic pay before assimilation is below the new minimum, staff in pay band 1 will all move straight onto the minimum. Most staff in other pay bands will assimilate either at the new minimum or, if they are significantly below the minimum, on to special transitional points. Staff will then progress automatically through the special transitional points in annual steps until they reach the minimum of their new pay band, when the normal rules on pay progression will apply, subject to the special provision in paragraph 6.18. Special arrangements are however set out below for staff approaching retirement.
- In a minority of cases, basic pay before assimilation will be above the maximum of the new pay band. In some instances, this situation has been addressed by agreeing that it is appropriate to pay a recruitment and retention premium (see Chapter 4 and Annex H) from the outset. Where a difference remains, pay protection will apply.
- In the case of staff with an incremental date of 1 October 2004 under their pre-Agenda for Change pay arrangements, their basic pay for the purpose of any assimilation calculation will include the incremental increase payable on that date.

9.13 The special transitional points referred to above are set out in Annex I. These special transitional points can only be used during assimilation and will be removed once assimilation is complete.

9.14 Subject to paragraph 9.15 below, special transitional points will be available for use as follows:

- for staff in early implementer sites the minimum transitional points available are:
  - From 1 June 2003 to 31 May 2004 the lowest point;
  - From 1 June 2004 to 31 May 2005 the second lowest point;
  - From 1 June 2005 to 31 May 2006 the highest transitional point.

- For all other NHS staff the dates are as follows:
  - From 1 October 2004 to 30 September 2005 the lowest point;
  - From 1 October 2005 to 30 September 2006 the second lowest point;
  - From 1 October 2006 to 30 September 2007 the highest transitional point.

9.15 During any period when the special transitional points are in use in respect of any member of staff in a given unit or equivalent work area, new appointees to the same pay band in that unit or work area, who would normally join at the minimum pay for the job, should be appointed on the lowest special transitional point currently in use.

9.16 Where a special transitional point is in use:

- All new appointees appointed on it during the year will move up a point on the 1 October following appointment, and their incremental date will be 1 October regardless of when in the year they were appointed.
- Where existing staff assimilate to a special transitional point, they will progress on their normal incremental date to the next point.

Staff approaching retirement age

9.17 During the period of assimilation the following rules will apply for staff approaching retirement age[4] whose basic pay before assimilation is below their new minimum:

- Assimilation for staff two years or less from their normal retirement age on the effective date of assimilation should be no lower than the normal minimum;
- For staff three years or less from their normal retirement age on the effective date, assimilation should be to a point no lower than the highest special transitional point;
- For staff four years or less from their normal retirement age on the effective date, assimilation should be to a point no lower than the second highest special transitional point;
- For staff five years or less from their normal retirement age on the effective date, assimilation should be to a point no lower than the lowest special transitional point.

Pay protection

Calculating pay before and after assimilation

9.18 In the case of the minority of individual staff whose regular pay might otherwise be lower under the new system the following arrangements will apply to ensure that any such staff will be no worse off on assimilation.

9.19 The level of pay before and after assimilation should be calculated taking account of the payments set out in Table 8 below, subject to the qualifications set out in paragraph 9.20.

4 In accordance with the relevant NHS pension provisions, including those relating to any special classes.

Table 8

Payments Before Assimilation	Payments After Assimilation
Basic pay, including any contractual overtime: ***plus***	Basic pay, including any contractual overtime: ***plus***
Leads and allowances measured in the Job Evaluation Scheme, or taken into account in any recruitment and retention premia (see Annex B): ***plus***	Recruitment and retention premia: ***plus***
London weighting, fringe allowances and cost of living supplements: ***plus***	High cost area supplements: ***plus***
Shift allowances and other payments related to unsocial hours (see Annex B): ***plus***	Shift allowances and other payments related to working outside normal hours (see Chapter 2 and Annex B): ***plus***
On-call payments (unless special transitional arrangements are in force – see paragraph 2.27)[5]: ***plus***	On call payments (unless special transitional arrangements are in force – see paragraph 2.27)[3]: ***plus***
Bonus payments from schemes discontinued following implementation of the new pay system: ***plus***	Any new bonus schemes authorised under the new system
Other leads and allowances paid as part of regular pay which will cease on assimilation (see paragraph 1.13)	
Total	**Total**

9.20 The level of pay before assimilation for the purpose of this calculation will be the average level of the payments in the left hand column of Table 8 above over a reference period of twelve weeks or three months ending at the assimilation date except:

(i) Where this period includes the annual pay award due in April 2005, or an annual increment, the protected amount should be adjusted as if that award or increment had applied throughout the reference period;

(ii) Where the shift allowances or payments for working outside normal hours vary over a rota which is longer than three months, the average over the full rota should be used;

(iii) Where bonuses are paid less frequently than monthly an average over the last twelve months should be used.

Accelerated progression for staff in high cost areas

9.21 In the case of staff in high cost areas as defined in Chapter 3, where the combined value of the payments before assimilation is greater than the combined value of payments after assimilation the latter should be recalculated using the first or second available higher pay point within the pay band to that indicated in paragraph 9.12 if that will obviate the need for protection. In such cases the employee's next incremental increase will be payable on 1 October 2005 and 1 October will be the employee's incremental date.

5 i.e. where it is agreed locally to retain existing on-call arrangements for a transitional period of up to four years from the effective date of assimilation. In such cases, on-call payments should be excluded from the calculation.

Pay protection arrangements

9.22 Where the combined value of the payments before assimilation remains greater than the combined value of the payments after assimilation, the former level of pay will be protected. These protection arrangements apply to the combined value of payments before and after assimilation, not to individual pay components, excepting the provisions relating to retention of existing on-call arrangements (see Table 8 above and paragraph 2.27).

9.23 The level of protected pay will be recalculated for staff assimilating after April 2004 taking into account the 3.225% cent uplift in April 2005 in respect of all payments to which it applies.

9.24 If standard hours change during the period of protection, other than under the rules for assimilation to new standard hours below (for example where a member of staff changes from full-time to part-time employment), or if a staff member reduces their hours of work or level of unsocial hours working, the protected level of pay will be recalculated.

9.25 The period of protection will end when the total level of payments under the new system exceeds the level of protected pay, or when the protected person changes job voluntarily, or at the latest on 30 September 2009 for staff in early implementer sites and 31 March 2011 for staff in national roll-out.

9.26 As soon as possible during the period of protection, the skills, knowledge and role of staff subject to protection will be reviewed to establish whether they could be reassigned to a higher weighted job or offered development and training to fit them for a higher weighted job.

9.27 Staff with pay protection arising from changes unrelated to this agreement who are also eligible for protection under this agreement may, at the time of assimilation, elect either to continue with their existing protection agreement or to move to this protection agreement. When the agreement concerned expires they will move onto the normal terms and conditions under this agreement.

Incremental dates

9.28 Subject to the special provisions set out in paragraph 6.28 relating to temporary movement into a higher pay band, paragraph 9.16 for staff on special transitional points, and paragraph 9.21 in relation to accelerated progression for staff in high cost areas, incremental dates will be determined as follows:

- For existing staff on spot salaries (i.e. in posts with a single salary rate and no increments) or staff who are on or above the maximum of their current pay scale the incremental date will be the anniversary of the effective date of assimilation.
- For newly appointed or promoted staff the incremental date will be the date they take up their post.
- All other staff will retain their current incremental date.

Assimilation to new conditioned hours

9.29 For staff who currently work more than 37½ hours, excluding meal breaks, there is a two year transitional period during which the new contracted hours will be phased in, as set out in Table 9 below, and during which staff may be required to work up to their old contracted hours with overtime payable for any hours in excess of their standard hours. Pro-rata arrangements will apply to part-time staff.

Table 9. Assimilation of working hours for those currently working more than 37½ hours

Current standard hours	New standard hours
Up to 39	37½ from 1 December 2004
More than 39, up to 41	39 from 1 December 2004 37½ from 1 December 2005
More than 41	40½ from 1 December 2004 39 from 1 December 2005 37½ from 1 December 2006

9.30 Staff currently working less than 37½ hours, excluding meal breaks, will have their hours protected for a phased protection period as set out in Table 10 below. These protection arrangements will continue to apply where staff move to a post with the same hours under the old pay system during the protection period.

9.31 Part-time staff whose hours of work change under Agenda for Change may opt to either retain the same number of hours they currently work or have their part-time hours altered to represent the same percentage of full time hours as is currently the case.

Table 10. Assimilation of working hours for those currently working less than 37½ hours

Current full-time standard hours	New Standard Hours (Years from 1 December 2004)
37 hours	• Three years on 37 hours
36½ hours	• Three years on 36½ hours • One year on 37 hours
36 hours	• Three years on 36 hours • Two years on 37 hours
35 hours	• Four years on 35 hours • Two years on 36 hours • One year on 37 hours
33 hours	• Four years on 33 hours • Two years on 35 hours • One year on 37 hours

Assimilation to new annual leave arrangements

9.32 Any additional leave entitlements set out in Chapter 5 will begin to accrue from the effective date of assimilation. This will be 1 October 2004 for national roll-out sites. If the staff member remains in post for the remainder of the leave year, the additional leave available in that year will be calculated pro-rata to the proportion of the leave year falling after the date of assimilation.

9.33 Any member of staff whose leave entitlement is reduced under this agreement will have their existing entitlement protected for five years from the date of assimilation onto the new system. During this period staff may continue to claim existing entitlements.

10. Monitoring, Reviews and Appeals

10.1 A national framework will be agreed by the NHS Staff Council for national roll out, supported by the learning gathered during early implementation, to ensure that consistent information will be collected on:

- The use of the job evaluation scheme and job profiles;
- The use of the unsocial hours system;
- The use of recruitment and retention premia against the criteria identified in Chapter 4 of this agreement;
- The use of the KSF and development reviews;
- The provision of support for training/development (including funding and protected time);
- The progression of staff through payband gateways.

10.2 This information will be gathered locally in such a way as to enable analysis by occupational group, age, pay band, ethnicity, disability, gender and community in Northern Ireland, including both full-time and part-time staff.

10.3 Employers and staff representatives, in partnership, will use the results of the monitoring exercise to ensure best practice is being followed. The information will also be used by the NHS Staff Council to ensure the equity of the system and provide support to employers and local staff representatives.

Local reviews

10.4 The information will also be used locally to identify problems.

10.5 Where common problems arise for a group of staff in an organisation, the employer and staff representatives, working in partnership, should review the problem in order to try to identify a common solution which can be applied to as many of the cases as possible.

10.6 Where the issue appears to have implications beyond the organisation concerned, and in particular where the issue is the interpretation of this agreement, the matter should be referred to the NHS Staff Council and may be so referred at the request of either party.

10.7 The results of a review and the reasons for them will be made available to all those concerned. Where a matter has been dealt with by review, and remedial action instituted, no further right of appeal will exist, unless the staff member concerned can show a material difference in their case which was not considered by the review.

National reviews

10.8 As outlined in paragraph 10.6, the NHS Staff Council can be consulted by local employers or staff representatives on the interpretation of the agreement where there is an issue that may have wider applicability. Additionally the NHS Staff Council will have a monitoring role in the identified areas, and where inconsistencies are emerging recommendations and advice will be given to local employers and staff representatives.

Appeals

10.9 Every effort will be made to ensure that locally managers and staff are able to resolve differences without recourse to formal procedures. They should agree in partnership a procedure to resolve differences locally, based on the framework attached at Annex F within six months or, in the case of disagreements over decisions on job profile matching or local job evaluations, based on the protocols set out in the NHS Job Evaluation Handbook (see paragraph 10.11 below) within three months.

10.10 Where appeals are upheld the associated pay or benefits will normally be backdated to the date the appeal was lodged. But in the case of appeals relating to decisions in relation to assimilation they will be backdated to the effective date of assimilation provided the appeal was lodged within six months of the date on which the person was notified or could otherwise have reasonably been expected to be aware of the decision giving rise to the appeal.

Job Evaluations

10.11 The NHS Job Evaluation Handbook sets out protocols for resolving disagreements in relation to matching of jobs against national job evaluation profiles, or in relation to local job evaluations. There is a right to a review on the grounds that the post does not match the national profile but not on the grounds that the national profile is incorrect.

10.12 Decisions in relation to assimilation will be backdated to the effective date of assimilation.

Operating the New System

11. New Bodies and Procedures

11.1 This agreement provides for revised Pay Review Body terms of reference, and a new set of partnership structures to oversee and negotiate changes to the new system of modernised pay and conditions of service in place of the present Whitley Councils, as set out in the following Chapters.

11.2 Following ratification of this agreement no unilateral proposals will be made to the Pay Review Body or the Pay Negotiating Council to alter the new Agenda for Change pay structures until the 2006/07 pay round.

12. The NHS Staff Council

12.1 An NHS Staff Council will be established to replace the relevant functions of the General Whitley Council and the separate functional Whitley Councils and have overall responsibility for the pay system set out in this agreement.

12.2 Its remit will include:

(i) Maintenance of the new pay system, including any variation in this agreement;

(ii) The negotiation of any variations in the harmonised national core conditions of service across the NHS as defined in Chapter 5 of this document;

(iii) The negotiation of any enabling agreements or variations in any enabling agreements in respect of conditions of service which are not harmonised;

(iv) The interpretation of this agreement and the general operation of the modernised NHS pay system including any concerns about equal pay for work of equal value across the three pay spines;

(v) The discussion of any other general issues of common concern on pay and terms and conditions of service.

12.3 The NHS Staff Council will not consider individual cases, which will continue to be resolved at individual employer level.

12.4 The NHS Staff Council will not negotiate pay settlements. However, the Government, employers' representatives or staff organisations may initiate consultation in the Council where they believe recommendations by the Review Bodies or agreements of the Pay Negotiating Council may have brought pay out of line across the NHS for jobs of broadly equal weight in a way which may not be justifiable under the relevant legislation. The NHS Staff Council may then draw this to the attention of the Review Bodies or the Pay Negotiating Council to consider corrective action.

12.5 The four UK Health Departments, all organisations representing NHS employers and all the nationally recognised staff organisations should have the right to be represented in this forum.

12.6 The NHS Staff Council will operate in a spirit of social partnership and will have joint chairs, one from representatives of staff organisations and one from representatives of employers. When both chairs are present, the functional chair will alternate each year.

12.7 There will be sufficient permanent members to ensure representation of all the groups described in paragraph 12.5. (Irrespective of the number of permanent members, decisions may only be reached by agreement between the two representative groups.) There will be a joint Executive. Meetings of the Council will be hosted by agreement between the two representative groups, and the expenses of individual members will be borne by the organisations nominating them.

12.8 The employer representatives will include the employer representatives' chair and representatives of the UK Health Departments, the NHS Confederation, the Ambulance Services Association, and other employer representatives including a primary care representative, a Health Authority or Health Board

nominee and a representative of NHS Foundation Trusts. The employer representatives may invite one or more additional persons who appear to them to have special expertise or locus in any of the items under discussion to attend for the discussion of those items.

12.9 The staff representatives should both reflect membership in the NHS but also make some provision to ensure that smaller staff organisations have a voice in the new system. The weighting of membership among the staff representatives will be a matter for them to determine. The staff representatives may invite one or more additional persons who appear to them to have special expertise or locus in any of the items under discussion to attend for the discussion of those items.

12.10 The Council should be scheduled to meet at least twice yearly, but meetings may be cancelled by agreement if there is not enough business to justify a meeting.

12.11 The Council may form sub-groups to discuss analysis, evidence and issues with significant implications for a particular group, or to oversee particular parts of the system, and make recommendations on them to the Council.

12.12 Decisions of the Council will be reached by agreement of both employer and staff representatives. All decisions of the Council will require the formal agreement of the Secretary of State for Health and the Ministers of Health for Scotland and Northern Ireland and the National Assembly for Wales.

12.13 An Executive Committee of the NHS Staff Council will meet at least four times a year or more frequently if agreed necessary to take forward the day to day business of the Council and to hear reports from any technical working groups that may be established.

12.14 The staff organisations with national recognition for the purposes of the NHS Staff Council currently are:

- UNISON;
- The Royal College of Nursing (RCN);
- The Royal College of Midwives (RCM);
- Amicus;
- GMB;
- The Transport and General Workers Union (TGWU);
- The Union of Shop, Distributive and Allied Workers (USDAW);
- The Chartered Society of Physiotherapy (CSP);
- The Community and District Nursing Association (CDNA);
- The Society of Radiographers (SoR);
- The Federation of Clinical Scientists (FCS);
- The British Association of Occupational Therapists (BAOT);
- The Union of Construction Allied Trades and Technicians (UCATT);
- The British Orthoptic Society (BOS);
- The Society of Chiropodists and Podiatrists (SoCP);
- The British Dietetic Association (BDA).

13. NHS Review Bodies

13.1 This Chapter describes the changes that have been made to the terms of reference of the NHS Pay Review Bodies and the pay review process that are intended to:

- help ensure that the Review Bodies' recommendations do not result in different rates of pay for jobs of equal value except where this can be objectively justified by material factors, and
- extend the staff coverage of the Review Body for Nursing and Other Health Professions to other health professional groups and their support staff.

13.2 These changes have been approved by the Prime Minister, the Secretary of State for Health and the First Ministers for Scotland and Wales.

13.3 These changes will continue to ensure the independence of the Review Bodies.

Changes to help ensure consistency with equal pay principles

13.4 Changes have been made to the Review Bodies' terms of reference so that:

(i) The Review Bodies are formally asked to take into account the principle of equal pay for work of equal value in formulating their recommendations;

(ii) The Review Bodies objectively justify any recommendation to make an award that is likely to result in different levels of pay for staff groups with comparable job weights, whether the staff groups in question are within the same Review Body remit or in different Review Body remits;

(iii) The Review Body Chairmen may consult each other where the evidence suggests there is a need to address equal pay considerations affecting staff groups in different remits.

13.5 It will be open to the Government, the organisations representing staff or employer organisations to make a case for awarding differential pay increases to staff with comparable job weights, or national recruitment and retention premia, where they consider that this can be justified by differential labour market pressures and their impact on recruitment and retention. It will also be open to the Government, the organisations representing staff or employer organisations to make a case for adjusting the differentials between pay bands.

13.6 Where, based on material factors, the Review Body recommends differential awards of these kinds, it should make explicit in its report the reasons for such recommendations.

13.7 Where higher awards to particular groups are justified by reference to material factors, the additional award should be separately identifiable and may typically take the form of a recruitment and retention premium. Any such additions should be periodically reviewed by the Review Body and may over time be adjusted or withdrawn to reflect changes in the relevant material factors, for instance in the scale of labour market pressures and their impact on recruitment and retention.

Changes to the remit of the Nursing and Other Health Professions Review Body

13.8 The terms of reference for the Nursing and Other Health Professions Review Body has been extended to include all staff employed in the NHS belonging to professions which:

- have a minimum entry requirement of three years education study (or equivalent) to diploma level or higher in a health specific area (other than medicine or dentistry);
- are state registered; and
- have a substantial majority of members employed in healthcare.

13.9 It is proposed that staff belonging to professional groups that meet the majority but not all of the above criteria should be considered for addition to the remit of the Review Body on a case by case basis.

13.10 The following NHS professional staff groups have been added to the remit of the Review Body:

(i) those staff defined as Allied Health Professions who are not already within the existing remit of the Review Body;

(ii) Healthcare Scientists;

(iii) Healthcare Pharmacists, Hospital Optometrists, Clinical Psychologists, Adult and Child Psychotherapists;

(iv) Family Therapists with a minimum training requirement of at least three years to diploma level or equivalent in family therapy;

(v) Operating Department Practitioners.

13.11 The extended remit will also include staff employed in the NHS who support the professional staff described in paragraphs 13.8 and 13.10 and who have a direct connection with those staff similar to that between nursing auxiliaries and registered nurses, provided this does not change the predominantly professional status of the remit of the Review Body.

13.12 The following clinical support workers and technicians will be added to the remit of the Nursing and Other Health Professions Review Body:

- Nursing Auxiliaries, Health Care Assistants and Maternity Assistants (supporting Nurses, Midwives and Health Visitors);
- Assistant Psychologists and Child Psychotherapists (supporting Clinical Psychologists and Child Psychotherapists);
- Dental Nurses, Hygienists, Technicians and Therapists;
- Medical Laboratory Assistants, Assistant Technical Officers, Senior Assistant Technical Officers (supporting Healthcare Scientists);
- Operating Department Assistants (supporting Operating Department Practitioners);
- Pharmacy Technicians and Assistants;
- AHP Helpers, AHP Assistants and Technical Instructors, Speech and Language Therapist Assistants and Ambulance Technicians.

13.13 A full list of staff groups covered by the Pay Review Body is at Annex G.

13.14 Where a new role is created which the NHS Staff Council agrees is analogous to roles already covered by staff within the remit of the Review Body or which otherwise meets the definitions in paragraphs 13.8, 13.9 or 13.11 above, the relevant posts may be attributed to the appropriate pay band on the second pay spine.

Ensuring effective partnership

13.15 The Health Departments, NHS employer representatives and the organisations representing staff within the remit of the Review Bodies will review arrangements for working in partnership on:

- providing joint evidence to the Review Bodies;
- implementation of Review Body recommendations;
- analysis of workforce issues.

13.16 The NHS Staff Council may, where appropriate, make arrangements to facilitate discussion between the Health Departments, NHS employer representatives and organisations representing particular staff groups within the remit of the Review Bodies to discuss analysis, evidence and/or recommendations with significant implications for those groups.

13.17 Final decisions on implementation of Review Body recommendations will remain a matter for the Prime Minister and relevant Health Ministers.

14. The Pay Negotiating Council

14.1 A Pay Negotiating Council (the Negotiating Council) will be responsible for negotiating and monitoring the pay awards of all staff on pay spine three.

14.2 The Negotiating Council will replace the relevant functional Whitley Councils and other related bodies with regard to negotiating pay awards.

14.3 There will be direct linkage between basic pay awards (excluding awards to deal with recruitment and retention or other special issues affecting particular groups) for staff on pay spine two and those in an equivalent position on pay spine three.

14.4 The Negotiating Council will negotiate any variation in these basic pay awards having regard to the same factors in relation to its remit group as the pay review bodies for their remit groups.

14.5 It will be open to the Government, the organisations representing staff or employer organisations to make a case for awarding differential pay increases, where these are justified by the impact of different labour markets, or to tackle recruitment and retention difficulties.

14.6 Where, based on material factors, the Negotiating Council judges differential awards are required, either at particular levels within the pay structure or in respect of particular groups, the Negotiating Council should be explicit about the reasons for such recommendations.

14.7 Where higher awards to particular groups are justified by reference to material factors, the additional award should be separately identifiable and may typically take the form of a recruitment and retention premium. Any such additions should be periodically reviewed by the Negotiating Council and may over time be adjusted or withdrawn to reflect changes in the relevant material factors, for instance in the scale of labour market pressures and their impact on recruitment and retention.

14.8 The Negotiating Council will operate in a spirit of social partnership. It will have joint chairs, one from representatives of staff organisations and one from representatives of employers. When both chairs are present, the functional chair will alternate each year.

14.9 There will be a joint Executive. The expenses of individual members will be born by the organisations nominating them.

14.10 The employer representatives will include representatives of the UK Health Departments, the NHS Confederation, the Ambulance Services Association and other employer representatives including a primary care representative, a Health Authority or Health Board nominee and representatives of NHS Foundation Trusts.

14.11 The staff representatives should reflect membership in the NHS but also make some provision to ensure that smaller staff organisations with national recognition for pay purposes have a voice in the new system. The weighting of membership among the staff representatives will be a matter for them to determine.

14.12 The Negotiating Council should meet at least twice yearly and may form sub-groups to discuss analysis, evidence and issues with significant implications for a particular group, or to oversee particular parts of the system, and make recommendations on them to the Council.

14.13 Decisions of the Negotiating Council will be reached by agreement of both employer and staff representatives. All decisions of the Negotiating Council will require the formal agreement of the Secretary of State for Health and the Ministers of Health for Scotland and Northern Ireland and the National Assembly for Wales.

14.14 The staff organisations with national recognition for pay purposes with staff who may be on pay spine three currently are:

UNISON;

GMB;

The Transport and General Workers Union (TGWU);

Amicus;

The Union of Construction, Allied Trades and Technicians (UCATT);

The Union of Shop, Distributive and Allied Workers (USDAW).

Annexes

Annex A. List of Bodies in Each Stage of Implementation

Early Implementer Sites – from Spring 2003

Aintree Hospitals NHS Trust

Avon and Wiltshire Mental Health Partnership NHS Trust

Central Cheshire Primary Care Trust

City Hospitals Sunderland NHS Trust

Guy's and St Thomas' Hospital NHS Trust

Herefordshire NHS Primary Care Trust

James Paget Healthcare NHS Trust

Papworth Hospital NHS Trust

South West London and St George's Mental Health NHS Trust

West Kent NHS and Social Care Trust

East Anglian Ambulance NHS Trust

North East Ambulance Service NHS Trust

National roll-out – from December 2004

England

All other NHS Trusts

All other Primary Care Trusts

Strategic Health Authorities

Special Health Authorities

Northern Ireland

HSS Health Boards

HSS Trusts

HSS Special Agencies

Scotland

Health Boards

Special Health Boards

Wales

NHS Trusts

Local Health Boards

Annex B. Classification of Leads and Allowances (Listed by Staff Group)

Leads and allowances which relate to job weight as valued in the NHS Job Evaluation Scheme are:

- **Maintenance Staff**

  Work in exceptional conditions

  Care of patients allowance

  Working with psychiatric patients allowance

  Use of special equipment allowance

  Smallpox and typhus

- **Ambulance Staff**

  Extended trained staff – paramedic allowances

- **Ambulance Officers and Control Room Assistants**

  Extended trained staff – paramedic allowances

- **Ancillary Staff**

  Care of patients allowance

  Foul linen payments

  Qualification allowances

  Instructional pay

  Local flexibility additions e.g. slaughtering, post mortem fees, boiler scaling and flue cleaning and stoving

- **Administrative and Clerical staff**

  ADP allowances

  Proficiency allowances

  Pricers' allowance (PPA staff only)

  Computer assisted pricing allowance (PPA staff only)

  Authorising clerks allowance (Dental Practice Board only)

- **Nursing and PAMs Staff**

  Treatment of sexually transmitted diseases (Nurses)

  Nursing of patients with infectious communicable diseases (Nurses)

  Student training allowance (PAMs)

  Radiation protection supervisors allowance (PAMs)

  Designated district physiotherapists

  Responsibility allowance for teacher principals in NHS schools of chiropody (PAMs)

  Blood transfusion team leaders allowance (Nurses)

  Geriatric lead (Nurses)

  Psychiatric lead (Nurses)

Allowances which relate to unsocial and flexible working patterns are:

- **Maintenance Staff**

  On-call

  Re-call to work

  Rotary shifts

  Alternating shifts

  Night duty allowance

- **Ambulance Staff**

  Stand-by

  Re-call to work

- **Ambulance Officers and Control Room Assistants**

  Stand-by (Ambulance Officers only)

  Re-call to work

Rotary shifts (Control Assistants only)

Alternating shifts (Control Assistants only)

Night duty allowance (Control Assistants only)

Weekend working (Control Assistants only)

Unsocial hours (Ambulance Officers only)

- **Ancillary Staff**

  On-call

  Re-call to work

  Rotary shifts

  Alternating shifts

  Night duty allowance

- **Administrative and Clerical staff**

  On-call

  Stand-by

  Shift payment

  Night duty allowance

- **Nursing and PAMs Staff**

  On-call

  Stand-by

  Special duty payments

  Sleeping in allowance (Nurses)

- **PTB and S&P Staff**

  On-call (PTB)

  Emergency duty commitment allowance (Pharmacists)

  S&P unsocial hours payments (locally determined)

Leads and allowances which relate to recruitment and retention premia are:

- Chaplains' accommodation allowance
- Special hospital lead
- Regional secure unit lead

Annex C. Good Practice Guidance on Managing Working Patterns

C1. An important aspect of managing the provision of emergency cover outside normal hours is ensuring good management practice and, where necessary, ensuring appropriate protocols are put in place. This should reduce the difficulties arising from the unpredictability within the system.

C2. Similarly, in line with good working practices, employers should ensure that staff are given adequate time to be made aware of their working patterns, as a guide at least four weeks before they become operational.

C3. Flexible working arrangements are a key element of the Improving Working Lives Standard and ensuring the effective management of the rostering process can impact on unexpected difficulties. The Improving Working Lives website at:

www.dh.gov.uk/policyandguidance/humanresourcesandtraining/modelemployer/improvingworkinglives

includes a good practice database, which details a raft of information and provides examples of how flexible working is used to cover both normal hours and the provision of care outside normal hours. There are comparable initiatives providing similar information in each of the other countries.

C4. A series of Improving Working Lives toolkits have been produced to provide guidance to both managers and staff covering the whole range of issues within Improving Working Lives, including flexible working. Specific toolkits have also been produced aimed at particular staff groups, for example allied health professionals and healthcare scientists. These documents can be downloaded from the Improving Working Lives website at the address indicated above.

Annex D. Local Recruitment and Retention Premium Criteria

D1. To ensure consistency in the application and payment of recruitment and retention premia, local employers should adhere to the following protocol.

Recruitment

D2. All new vacancies should be advertised in relevant local, regional, national and/or professional media.

D3. Where adverts have produced no suitable applicants, HR personnel, service/department managers and staff representatives should consider the reasons for this. Account should be taken of the number of applicants, relevant national vacancy data and local labour market information, the media used and any non-pay improvements which could be made to the employment package (e.g. training opportunities, childcare, relocation), or any expected increase in the supply of staff suitable for the post.

D4. If it could be reasonably assumed that vacancies could be filled through, for example, advertising in different media or by waiting for an expected increase in supply (for example from new trainees) then vacant posts should be re-advertised.

D5. However if, on the basis of paragraphs 2 and 3 above, it is decided that the vacancy problem can be addressed most effectively only through payment of a recruitment and retention premium, the employer should decide in partnership with local staff representatives whether the problem is likely to be resolved in the foreseeable future (in which case any premium should be short-term) or whether it is likely to continue indefinitely (in which case any premium should be long-term) (see Chapter 4 of this agreement).

D6. The employer should then consult with neighbouring employers, the Strategic Health Authority, Workforce Development Confederations, staff organisations and other stakeholders, before implementing any premium.

Retention

D7. Before consideration is given to paying recruitment and retention premia to increase retention of staff, HR personnel, service/department heads and relevant staff representatives should ensure non-pay benefits (e.g. childcare support, training and development) are sufficiently developed. Where possible local turnover rates should be compared with national rates. Employers are also advised to undertake regular exit surveys to assess how far pay is a factor in employees' decisions to leave the organisation.

D8. However if it is decided that a retention problem can be addressed most effectively only through payment of a recruitment and retention premium, the employer should decide whether the problem is likely to be resolved in the foreseeable future (in which case any premium should be short-term) or whether it is likely to continue indefinitely (in which case any premium should be long-term) (see Chapter 4 of this agreement).

D9. The employer should then consult with neighbouring employers, the Strategic Health Authority, Workforce Development Confederations, relevant staff organisations and other stakeholders.

Review

D10. Once recruitment and retention premia are awarded they should be reviewed annually. This review should be done by HR personnel, relevant service/department heads and staff representatives.

D11. The review should consider amongst other factors:

- how far the recruitment and retention premia have allowed the NHS organisation to reduce its vacancy rates and turnover;
- the likely impact on vacancies of removing or reducing a recruitment and retention premium;
- any changes in labour market circumstances.

D12. The principle consistent with equal pay for work of equal value should be that where the need for a recruitment and retention premium is reduced or has ended, short-term premia should be reduced or withdrawn as soon as possible consistent with the protection period in Chapter 4. Long-term premia should be adjusted or withdrawn for anyone offered a qualifying post after the decision to withdraw or reduce the premium has been made.

Annex E. Partnership Agreement Success Criteria

Criteria	General Approach to Measurement
More patients being treated more quickly – with pay reform contributing directly to delivery of shorter waiting times for patients in all aspects of NHS care.	Data provided to Boards on waiting times and trends.
Higher quality care – reforms should lead to higher average knowledge and skills levels and a reduction in both adverse incidents and patient complaints due to poor standards of service.	Data provided to Boards on complaints and adverse incidents. Data on progress on KSF outlines supplied to Strategic Health Authorities in England and equivalent arrangements in other countries.
Better recruitment and retention – reduced turnover and vacancy rates and reduced attrition from training.	Data provided to Boards on turnover, starters and leavers, and vacancy rates.
Better teamwork/ breaking down barriers – the creation of additional posts involving new roles, leading to shorter care pathways and fewer adverse incidents due to poor teamwork (such as cancellation of appointments).	Organisational data relating to: • Numbers of new roles facilitated by Agenda for Change; • Impact on care pathways; • Impact on cancellation rates.
Greater innovation in deployment of staff – extended availability of services for patients, more sharing of tasks between team members and more staff taking on wider roles.	Organisational data relating to: • Number/range of extended services; • Increased focus on new/extended roles; • Improved team working.
Fair pay – pay consistent with the principle of equal pay for work of equal value, conditions of service the same for staff in the same grades and the same length of service.	• Data on pay distribution by gender, ethnicity and pay band. • Exception reports relating to job matching and evaluation. • Data on reviews/appeals.
Improve all aspects of equal opportunity and diversity – including access to NHS careers, training and work patterns.	Data on equality and diversity policies, e.g. IWL in England, implementation of Disability Standard, development of childcare strategies and Race Equality Scheme, staff attitude surveys.
Better pay – higher NHS minimum wage, and the majority of staff having access to higher maximum pay rates under the new system.	Review of impact on staff earnings and prospective earnings compared with previous national and local systems.

Criteria	General Approach to Measurement
Better Career Development – appraisal and personal development plans for all staff, wider access to training opportunities, more staff progressing to new and more demanding roles.	Data on use of KSF and development reviews, and support for training and development.
Better morale – higher staff satisfaction with remuneration and careers, reduction in sickness absence, more staff actively involved in continuous service improvement in partnership with employers.	Data on: • improved recruitment and retention rates; • sickness absence trends; • staff survey outcomes; • service improvement activities/trends.

Criteria Relating to the Avoidance of Risk

Criteria	General Approach to Measurement
Implementation within available funding – the reforms should be delivered within the funding available to the Service.	Financial monitoring through Strategic Health Authorities in England and/or Health Departments.
Implementation within agreed management capacity – the reforms should be deliverable within an agreed timeframe in each employer with a minimal number of staff and managers involved in resolving subsequent disputes or appeals.	Achievement of implementation within the agreed timeframe, with minimal number of appeals.
Implementation within agreed service constraints – the reforms should be deliverable without deterioration in key performance indicators and with no reported problems in staffing key services.	Achievement of key performance indicators, with exception reports to Boards.
Implementation with only a small minority of staff with lower pay – no more than a small percentage of staff should require formal pay protection.	Remain within the agreed overall national forecast of 8% of staff requiring protection.
Implementation consistent with improving working lives – no increase in non-compliance with IWL in England and the equivalent policies in other countries.	No increase in non-compliance as a result of Agenda for Change.

Approach to any problems

E1. Where there is evidence of the expected benefits failing to emerge as a result of Agenda of Change, the appropriate action should be discussed in the NHS Staff Council. The appropriate actions may include any matter within the normal powers of the Council including new guidance on interpretation, implementation or if necessary agreed variations to particular systems or rules within the new pay system.

Annex F. Local Appeals Procedures

Model Local Appeals Procedures

F1. All employers should agree procedures with their local staff representatives for dealing with differences over the local application of the new national agreement to their individual pay and terms and conditions of service, including:

- the application of the unsocial hours system;
- the use of local recruitment and retention premia;
- the use of the NHS Knowledge and Skills Framework and Development Reviews;
- the provision of support for training/development;
- the progression of staff through pay band gateways.

F2. The procedure should provide that an employee who wishes to appeal must first attempt to resolve the issues of concern informally before recourse to these procedures. Therefore as a first step the problem should be discussed between the employee and management and, if wanted by the employee, a union representative.

F3. If during the informal stage it is agreed, after having considered the issues, that the matter can be resolved without recourse to the appeal procedure then they should confirm the agreement in writing. This agreement may include a recommendation that the case should be linked with a number of similar cases and dealt with by local review rather than by individual appeal.

F4. The informal review should establish in particular whether:

- The issue of concern is not based on incorrect information;
- The issue of concern is not based solely on opposition to the clear terms of the agreement;
- The issue of concern has already been determined (or is already under consideration) either by the NHS Staff Council, or on local review or in a preceding appeal in similar circumstances;
- Reasonable attempts have been made to first resolve the issue without recourse to an appeal.

F5. Appeals may not be lodged more than six months after the employee was notified or could otherwise have reasonably been expected to be aware of the decision giving rise to the appeal.

F6. Where an appeal proceeds it should commence with a statement in writing from the appellant. The appeal should then be heard using the locally agreed procedure. Organisations can use already established grievance procedures or develop a new system if deemed necessary.

F7. The decision of the local appeal procedure is final and there will be no further levels of appeal. The local appeal panel or equivalent body may however consult the NHS Staff Council on the interpretation of this agreement before reaching a decision, and should do so where an issue of interpretation is material to the case and has not already been clarified by the Council.

F8. The decision of a local appeals procedure does not establish any precedents beyond the organisation concerned.

Annex G. Coverage of Nurses and Other Health Professions Review Body

Nurses, Midwives and Health Visitors

Allied health professional groups

Art Therapists

Drama Therapists

Music Therapists

Chiropidists/Podiatrists

Dieticians

Occupational Therapists

Orthoptists

Orthotists

Prosthetists

Physiotherapists

Radiographers

Speech and Language Therapists

Ambulance Paramedics

The professions in healthcare science

Engineering and physical sciences

Clinical Engineers

Medical Physicists

Medical Physics Technologists

Nuclear Medicine Technologists

Critical Care Technologists

Radiotherapy Technologists

Rehabilitation Engineers

Clinical Measurement Technicians

Vascular Technologists

Medical Illustrators

Renal Dialysis Technologists

Technologists in Equipment Management

Physiological Sciences

Audiological Scientists

Hearing Therapists

Audiological Technicians

Cardiology Physiologists

Cardiographers

Clinical Perfusionists

Gastroenterology Technicians

Neurophysiologists

Respiratory Physiologists

Life Sciences

Biomedical Scientists

Cytology Screeners

Medical Laboratory Assistants

Phlebotomists

Clinical Biochemists

Clinical Cytogeneticists

Molecular Geneticists

Cytogenetics and Molecular Genetics Assistants

Clinical Embryologists

Clinical Microbiologists

Clinical Scientists (in haematology)

Clinical Scientists (in immunology and histocompatibility)

Post-mortem Technicians

Quality Assurance Scientists

Other healthcare professions

Healthcare Pharmacists

Hospital Optometrists

Clinical Psychologists

Adult and Child Psychotherapists

Family Therapists (with a minimum training requirement of at least three years to diploma level or equivalent in family therapy)

Operating Department Practitioners

Clinical support workers and technicians

Clinical support workers and technicians who directly support the work of the professions outlined above:

- Nursing Auxiliaries, Health Care Assistants and Maternity Assistants (supporting Nurses, Midwives and Health Visitors);
- Assistant Psychologists and Child Psychotherapists (supporting Clinical Psychologists and Child Psychotherapists);
- Dental Nurses, Hygienists, Technicians and Therapists;
- Medical Laboratory Assistants, Assistant Technical Officers, Senior Assistant Technical Officers (supporting Healthcare Scientists);
- Operating Department Assistants (supporting Operating Department Practitioners);
- Pharmacy Technicians and Assistants;
- AHP Helpers, AHP Assistants and Technical Instructors, Speech and Language Therapist Assistants and Ambulance Technicians.

Annex H. Guidance on the Application of Nationally Agreed Recruitment and Retention Premia

H1. This note provides initial guidance on setting the levels of long-term recruitment and retention premia which have been agreed in principle at national level under the new NHS pay system.

Background

H2. Recruitment and retention premia are additions to the pay of a post or group of similar posts where market pressures would otherwise prevent the employer from being able to recruit or retain staff in sufficient numbers at the normal salary for jobs of that weight. The new system provides for them to be awarded on either a national or local basis. But where it is agreed nationally that a recruitment and retention premium is necessary for a particular group the level of the payment should be specified or, where the underlying problem is considered to vary across the country, guidance should be given to employers on the appropriate level of payment.

H3 This guidance therefore covers the award of long-term recruitment and retention premia for staff in the limited number of posts for which the payment of a premium has been pre-agreed. This does not mean that other premia cannot be agreed locally, provided the correct procedure for determining a premium is followed as set out in Annex D, including consultation with staff representatives and other local NHS employers.

Posts to which this guidance applies

H4. The use of job evaluation to ensure fair pay between NHS jobs has revealed a number of jobs with relatively high levels of pay in relation to job weight which appear to reflect past responses to external labour market pressures. In some cases employers have used higher grades than would appear appropriate on the basis of a strict interpretation of grading definitions in order to recruit or retain staff. In other cases there have been national agreements to improve the pay of particular grades or groups because of concerns about recruitment and retention.

H5. Under normal circumstances, when the new pay system is fully operational, evidence would be sought that it is not possible to recruit or retain staff at the normal job-evaluated pay level before agreeing a recruitment and retention premium. However this process cannot be safely applied to the transitional period in which the new system is being implemented, because data on recruitment at the new pay levels cannot be sought until the new pay rates are in force. That could result in the withdrawal of all past local and national measures aimed at dealing with recruitment problems for a period of several months and possibly longer, while data on recruitment at the new pay levels was gathered, which could severely disadvantage the NHS in the labour market.

H6. The negotiators of this agreement have therefore agreed a list of jobs for which there is prima facie evidence from both the work on the job evaluation scheme and consultation with management and staff representatives that a premium is necessary to ensure the position of the NHS is maintained during the transitional period. The jobs concerned, which are also listed in Chapter 4 Table 5, are as follows:

Type of Post	Type of Post
Chaplains	Payroll Team Leaders
Clinical Coding Officers	Pharmacists
Cytology Screeners	Qualified Maintenance Craftspersons
Dental Nurses, Hygienists, Technicians and Therapists	Qualified Maintenance Technicians
Estates Officers/Works Officers	Qualified Medical Technical Officers
Financial Accountants	Qualified Midwives (new entrant)
Invoice Clerks	Qualified Perfusionists
Biomedical Scientists	

H7. Under these circumstances however it is difficult, and in most cases would be inappropriate, to determine a national rate for the premium. The agreement therefore provides in these cases only that the premium must be sufficient to ensure no loss (in line with the principle that the NHS should not be disadvantaged in the labour market during the transitional period), while requiring employers working in partnership with staff representatives to review the evidence available locally. The exception dealt with below is that of staff who require full electrical, plumbing or mechanical crafts qualifications, where there is a high degree of consistency in NHS rates and readily available published market rates, on the basis of which an initial rate for the premium has been set.

H8. The following paragraphs provide guidance on how the no loss guarantee should be interpreted, the constraints within the new system on the maximum level of premium that may be paid and specific guidance on some of the groups concerned where additional considerations apply, including the agreed rate in the case of staff who require full electrical, plumbing or mechanical crafts qualifications.

Minimum level of premium

H9. The level of premium payable should be set locally on assimilation in cash terms at a level at least sufficient to ensure that at assimilation an existing member of staff will be no worse off. The level of premium agreed locally should therefore be at least sufficient to ensure that the staff in these posts do not require protection under the separate protection arrangements.

H10. As set out in paragraph 4.2 of the agreement, employers may establish different premia for different classes or types of post provided there is evidence that the recruitment and retention position is different, for example because they have significantly different job descriptions and are in different pay bands under the new system.

Maximum level of premium

H11. Unless necessary to ensure no loss as described above, no premium may exceed 30% except as set out below.

H12. Premia in excess of 30% may be paid where justified under the criteria in Annex D of the agreement, subject in England to the additional procedure set out in Chapter 8.

Further guidance on specific cases

Qualified maintenance craftspersons and qualified maintenance technicians

H13. Given the high degree of consistency in NHS rates and the existence of published market rates, it is appropriate to specify a single level of premium for staff who require full electrical, plumbing or mechanical crafts qualifications of £2,808 a year. Premia should only exceed this rate, or the equivalent rate as uplifted under the provisions below, where that is necessary to ensure no loss under the rules in paragraphs 4 to 7 above.

H14. Premia may also be agreed locally for building crafts, subject to the guidance above on minimum and maximum rates.

Chaplains

H15. The agreement instituting the new pay system includes agreement that the chaplains' accommodation allowance should be replaced by a recruitment and retention premium. In the case of chaplains therefore any premium agreed, in addition to meeting the normal rules on the minimum level of allowance set out above, must not be less than the level of any accommodation allowance already in payment.

Qualified midwife (new entrant)

H16. Premia should be set at the level necessary to ensure that newly qualified midwives in post on assimilation to pay band 5 suffer no loss under the rules in paragraph 9 above. Trusts should then apply the same premium to other newly qualified midwives in pay band 5 appointed after the effective date for assimilation. No premium should be paid to midwives in more senior jobs at pay band 6 and above on the basis of this guidance. Employers are however free (as with all other jobs) to agree local recruitment and retention premia for other midwives locally under the new system, where the criteria are met.

Uprating of nationally agreed premia

H17. The agreement instituting the new pay system includes a provision that any premia agreed should be uprated by 3.225% in April 2005. Any premia paid prior to this date should be uplifted at that date by this amount. Any uprating of premia thereafter will be by either national or local agreement.

Review of this guidance

H18. This initial guidance on the level of nationally agreed recruitment and retention premia has been drafted to allow flexibility for the service during assimilation to the new system, taking account of the fact that the current grading of posts varies widely. Future reviews of the guidance should seek to introduce greater consistency in rates of premium for newly appointed staff, unless variation is justified by the evidence.

Annex I. Pay Bands and Pay Points on Second and Third Pay Spines

From 1 April 2005

Point	Band 1	Band 2	Band 3	Band 4	Band 5	Band 6	Band 7	Band 8				Band 9
								Range A	Range B	Range C	Range D	
1	11,494	_11,494*_										
2	11,879	11,879	_12,044*_									
3	12,209	12,209										
4	12,539	12,539	_12,539*_									
5		12,924										
6		13,309	_13,144*_									
7		13,694	13,694	_13,914*_								
8		14,189	14,189									
9		14,739	14,739	_14,739*_								
10			15,069									
11			15,509	_15,289*_								
12			16,004	16,004								
13			16,389	16,389	_16,389*_							
14				16,994	_17,049*_							
15				17,598	_17,598*_							
16				18,148								
17				18,698	18,698							
18				19,248	19,248	_19,523*_						
19					19,798							
20					20,458	_20,458*_						
21					21,118							
22					21,723	_21,448*_						
23					22,328	22,328						
24					23,208	23,208	_22,768*_					
25					24,198	24,198	_24,198*_					
26						25,188						
27						26,068	_25,628*_					
28						26,948	26,948					
29						27,828	27,828					
30						28,817	28,817					
31						30,247	30,247					
32							31,127	_31,127*_				
33							32,117	_32,117*_				
34							33,217	_33,217*_				
35							34,372	34,372				
36							35,527	35,527	_35,527*_			
37								36,957	_36,957*_			
38								38,387	_38,387*_			
39								40,036	40,036			
40								41,246	41,246	_41,246*_		
41									43,336	_43,336*_		
42									45,756	_45,756*_		
43									48,176	48,176		
44									49,496	49,496	_49,496*_	
45										51,695	_51,695*_	
46										54,115	_54,115*_	
47										57,745	57,745	
48										59,395	59,395	_59,395*_
49											61,870	_61,870*_
50											64,894	_64,894*_
51											68,194	68,194
52											71,494	71,494
53												74,925
54												78,521
55												82,291
56												86,240

* Pay rates in italic are special transitional points which apply only during assimilation to the new system. They are shown here for convenience. They are explained more fully in Chapter 9.

Annex J. High Cost Area Payment Zones

The zones for high cost area payments are defined as inner London, outer London and fringe areas. These zones are based on the current PCT geographical boundaries as set out below.

Inner London

SHAs	PCTs within SHAs
North West London SHA	Hammersmith & Fulham PCT Kensington & Chelsea PCT Westminster PCT
North Central London SHA	Camden PCT Islington PCT
North East London SHA	City & Hackney PCT Tower Hamlets PCT
South East London SHA	Lambeth PCT Lewisham PCT Southwark PCT
South West London SHA	Wandsworth PCT

Outer London

SHAs	PCTs within SHAs
North West London SHA	Brent PCT Ealing PCT Harrow PCT Hillingdon PCT Hounslow PCT
North Central London SHA	Barnet PCT Enfield PCT Haringey PCT
North East London SHA	Barking & Dagenham PCT Havering PCT Newham PCT Redbridge PCT Waltham Forest PCT
South East London SHA	Bexley PCT Bromley PCT Greenwich PCT
South West London SHA	Croydon PCT Kingston PCT Richmond & Twickenham PCT Sutton & Merton PCT

Fringe Area

SHAs	PCTs within SHAs
Kent & Medway SHA	Dartford Gravesham & Swanley PCT
Essex SHA	Basildon PCT Billericay, Brentwood & Wickford PCT Epping Forest PCT Harlow PCT Thurrock PCT
Bedfordshire & Hertfordshire SHA	Dacorum PCT Hertsmere PCT Royston, Butingford & Bishops Stortford PCT South East Hertfordshire PCT St Albans & Harpendon PCT Watford & Three Rivers PCT Welwyn Hatfield PCT
Thames Valley SHA	Bracknell Forrest PCT Slough PCT Windsor, Ascot & Maidenhead PCT Wokingham PCT
Surrey & Sussex SHA	East Elmbridge & Mid Surrey PCT East Surrey PCT Guildford & Waverley PCT North Surrey PCT Surrey Heath & Woking PCT

Annex K. Development of Professional Roles

K1. The NHS Job Evaluation Scheme recognises that all health care professionals who have, as a base level, graduate qualification evaluate at a similar level. Whilst there may be differences these are unlikely to be sufficient to justify a different pay band. This means that it is very likely that they will be placed on pay band 5. Thereafter most professionals will spend a period of several years in pay band 5 developing in their role.

K2. It is the case thereafter that for a minority of staff there is some divergence as different professions follow different career pathways. There are also often different organisational structures in place to deliver health care.

K3. There are groups of staff (such as midwives) who tend to move quickly to operate in roles that demand a level of autonomous decision making in the overall delivery of care that exceeds that normally associated with jobs allocated to pay band 5. Typically these roles operate without the influence of other professional groups. Where supervision operates, it is generally management supervision and does not normally impinge upon clinical practice. In such circumstances job size should be reviewed no earlier than one year and no later than two years from the date of qualification, using the NHS Job Evaluation Scheme. If the evaluation demonstrates that the post holder's job weight is of sufficient size to move to the next pay band (pay band 6), this should be effected without the need for application for a post at a higher level. It is not expected that the review will be widespread practice as the majority of staff will work in circumstances in which there is regular clinical supervision, and the delivery of care and treatment is subject to control or influence from other health care professionals. There is no facility for this provision to operate in any other part of the pay structure.

Annex L. Arrangements for Pay and Banding of Trainees

L1. The NHS has a wide range of people described as trainees working and studying within its services. The arrangements set out below describe how those trainees employed by the NHS should be dealt with under the Agenda for Change arrangements.

L2. Trainees fall into three broad categories:

(i) Trainees studying and/or working in the NHS who are already in possession of qualifications at a high level. Such staff are often studying for a higher level qualification and undertaking a role that can be assessed using the NHS Job Evaluation Scheme. An example of this category is a trainee psychologist;

(ii) Trainees who are undertaking a short period of learning on the job, usually less than twelve months. Typically these staff enter whilst already in possession of the basic skills and knowledge to undertake the role. This type of trainee can also be evaluated using the NHS Job Evaluation Scheme. If profiles for this role exist the lowest banded profile will be appropriate. During the period of traineeship the post holder should not move through the KSF foundation gateway. An example of this type of trainee is a trainee secretary;

(iii) Trainees who enter the NHS and undertake all their training whilst an employee. Typically these staff develop their knowledge and skills significantly during a period of time measured in years. Given the significant change in knowledge and skills during the training period the use of job evaluation is not appropriate. Pay should be determined as a percentage of the pay for qualified staff.

L3. For trainees covered by paragraph 2(iii) above, where periods of training last for between one and four years, pay will be adjusted as follows:

(i) up to twelve months prior to completion of training: 75% of the pay band maximum of the fully qualified rate;

(ii) more than one but less than two years prior to completion of training: 70% of the pay band maximum of the qualified rate;

(iii) more than two but less than three years prior to completion of training: 65% of the pay band maximum for the qualified rate;

(iv) more than three years from completion of training: 60% of the pay band maximum for the qualified rate.

L4. Starting pay for any trainee must be no less than the rate of the main (adult) rate of the National Minimum Wage. Where the calculation above results in the National Minimum Wage being payable for year two and beyond, an addition to pay should be made on top of the minimum wage. The addition should be equal to the cash value of the difference between the percentages of maximum pay in the year of payment and the previous year. For example, the supplement in payment in year two would be the value of 65% of maximum minus 60% of maximum pay for the band.

L5. On assimilation to the pay band following completion of training, the trainee should enter either on the first pay point of the appropriate pay band or the next pay point above their training salary.

Annex M. Terms of Reference for the Review of Unsocial Hours Payments

M1. In order to ensure that all aspects of the Agenda for Change system fully embody the principle of equal pay for work of equal value the NHS Staff Council will conduct a review of payment for staff whose work in standard hours, as outlined in paragraph 5.1 of Chapter 5 and in Tables 9 and 10 in Chapter 9 of this agreement, is carried out in unsocial hours with the agreed aim of introducing a harmonised system of payment with effect from 1 April 2006.

M2. The review will take as its starting point the interim regime set out in Chapter 2 introduced by this agreement as an interim measure to protect services and staff while more evidence is collected. The full harmonised payments for work outside normal hours to be paid from the effective date will be included in all annual leave and sick absence pay from that date.

M3. The Staff Council may delegate the day to day conduct of the review to its Executive or to such other group as the Staff Council may agree.

M4. The review will cover the arrangements described in paragraphs 2.4 to 2.11 of Chapter 2 of this agreement (the Unsocial Hours rules). It will consider data from:

(i) Early Implementer Sites that have undertaken testing of trial arrangements;

(ii) Any other test sites authorised by the Staff Council;

(iii) Information on national roll-out of Agenda for Change including the experience of the interim regime;

(iv) Information on current and expected future working practices within the NHS including the range of local arrangements in place.

M5. Preparatory work for the review will commence as soon as possible, and plans will be made for collection of evidence during national roll-out. The formal review will commence no later than 1 October 2005, and will make recommendations for a harmonised system of unsocial hours payments by 31 December 2005, which is consistent with the principle of equal pay for work of equal value, creates the incentives necessary for the provision of a high standard of service to patients, seeks to avoid the need for staff protection and is affordable.

M6. It is recognised that staff organisations will need to consult their members prior to final agreement.

Annex N. Provisions for Unsocial Hours Payments for Ambulance Staff and Available to Early Implementer Sites

Working outside normal hours

N1. The following provisions for unsocial hours payments will apply to ambulance staff employed by Ambulance Trusts. These provisions will also be available to the agreed early implementer sites (see paragraph 2.11 of Chapter 2).

N2. Pay enhancements will be given to staff whose working pattern in standard hours, but excluding overtime and work arising from on-call duties, is carried out during the times identified below:

- **For staff in pay bands 1 to 7** any time worked before 7.00 am or after 7.00 pm Monday to Friday, and any time worked on Saturdays, Sundays or Bank Holidays.
- **For staff in pay bands 8 and 9** any time worked before 7.00 am or after 10.00 pm Monday to Friday, any time worked before 9.00 am or after 1.00 pm on Saturdays and Sundays, and any time worked on Bank Holidays.

N3. The pay enhancement will be based on the average number of hours worked outside these times during the standard working week, and will be paid as a fixed percentage addition to basic pay in each pay period. The enhancement will be pensionable and count for sick pay, but will not be consolidated for the purposes of overtime or any other payment. Once the average has been agreed, the payment will not normally change because of small week to week variations in the shifts worked. It will therefore be payable during short periods of leave or training. It will however be re-calculated if there is a significant change in working pattern.

N4. This average will be calculated over a thirteen week reference period or over the period in which one cycle of the rota is completed, whichever most accurately reflects the normal pattern of working. For the purposes of the calculation short meal breaks taken during each work period will be included. An eight hour shift from 3.00 pm to 11.00 pm would therefore include four qualifying hours for staff in pay bands 1 to 7, irrespective of when in that period a meal break was taken.

N5. The enhancement will be paid as a percentage of basic salary each month, subject to a maximum of 25% for staff in pay bands 1 to 7 and 10% in pay bands 8 and above. Basic salary for these purposes will be regarded as including any long-term recruitment and retention premium. It will not include short-term recruitment and retention premia, high cost area payments or any other payment.

N6. Where the average exceeds five hours a week during the times set out above, there will be a banded system of pay enhancements. The payment will not vary unless the working pattern changes sufficiently to take the number of qualifying hours outside the band over the reference period as a whole.

Average Unsocial Hours	Percentage of Basic Salary	
	Pay Bands 1-7	Pay Bands 8 & 9
Up to 5	Local Agreement	Local Agreement
More than 5 but not more than 9	9%	9%
More than 9 but not more than 13	13%	10%
More than 13 but not more than 17	17%	10%
More than 17 but not more than 21	21%	10%
More than 21	25%	10%

N7. Where unsocial hours working is limited or very irregular (averaging no more than five hours a week over the reference period) pay enhancements will be agreed locally. These may be fixed or variable, and based on actual or estimated hours worked, subject to local agreement. To ensure fairness to staff qualifying under the national rules set out above, locally agreed payments may not exceed the minimum percentage in the national provisions.

Part-time staff and other staff working non-standard hours

N8. For part-time staff and other staff working other than 37½ hours a week excluding meal breaks, the average number of hours worked outside the normal hours will be adjusted to ensure they are paid a fair percentage enhancement of salary for unsocial hours working. This will be done by calculating the number of hours which would have been worked outside normal hours if they had worked standard full-time hours of 37½ hours a week with the same proportion of hours worked outside normal hours. This number of hours is then used to determine the appropriate percentage set out in the table above.

N9. For an example of the effect of this provision, see Annex O.

Staff working rostered overtime

N10. Where staff work shifts which always include a fixed amount of overtime (rostered overtime), the hours worked outside normal hours should be calculated as if they were working non-standard hours in excess of 37½ hours per week (paragraphs 8 and 9 above). For an example of the effect of this see Annex O.

Self rostering schemes

N11. Where staff have agreed self rostering arrangements with their employer, local provisions should be agreed to ensure that the enhancements payable under these types of provisions are shared fairly between members of the team.

N12. In these cases employers and staff representatives should agree the level of payment appropriate for the team, on the basis of the unsocial hours coverage needed to provide satisfactory levels of patient care. This should be based on the period covering a full rota, or where there is no fixed pattern, an agreed period of not less than thirteen weeks activity for that team and divided between team members subject to a formula that they agree.

N13. For an example of the effect of this provision see Annex O.

Annual hours and similar agreements

N14. Agreement should be reached locally on pay enhancements for staff on annual hours agreements who work outside normal hours. The agreement should respect the principles of this Annex to ensure that the arrangements for these staff are consistent with those for other staff working outside normal hours.

N15. For an example of the effect of this provision see Annex O.

Bank staff

N16. Work for a staff bank run by the employer should be treated as a separate contract for the purpose of these rules and any additional payment due calculated as a percentage of their bank earnings, based on the number of bank hours worked outside normal hours.

N17. For an example of the effect of this provision see Annex O.

Unforeseen changes to agreed patterns of working

N18. Local employers and staff representatives, working in partnership, should develop protocols which ensure sensible planning for unexpected absence (such as the use of first on-call rotas for overtime) and minimise the need for frequent or sudden changes to agreed normal working patterns.

N19. However, where it is necessary for employers to ask staff to change their shift within 24 hours of the scheduled work period, such staff should receive an unforeseen change payment of £15 for doing so. The payment is not applicable to shifts which a member of staff agrees to work as overtime, or which they swap with other staff members.

N20. Good management practice should ensure that this type of payment is not used where absence is predictable e.g. to cover maternity leave, long term sick leave, planned annual leave etc. Appropriate monitoring of these payments should be undertaken at both a local (e.g. ward) and strategic (i.e. board) level in the organisation to identify circumstances that would suggest excessive or unusual trends for such payments.

Annex O. Provisions for Unsocial Hours Payments for Ambulance Staff and Available to Early Implementer Sites

Examples of Special Cases Under the Provisions for Working Outside Normal Hours

Example of application to part-time staff

O1. A person in a job in pay band 1 works half-standard hours (18¾ hours a week) and regularly does three day shifts each week (including a half hour meal break) between 10 am and 4.45 pm on Thursdays, Fridays and Saturdays.

O2. In this case only the shift worked on Saturday is outside the normal hours set out in paragraph 2 of Annex N. The hours worked outside normal hours each week are therefore seven hours (including for this purpose the short meal break). Because the pattern is regular, this is also the average. If this person had worked full-time standard hours of 37½ hours a week, with the same proportion of hours outside normal hours, they would have worked double the number of hours outside normal hours. The figure of 14 hours a week is therefore used in the table in paragraph 6 of Annex N to determine that the appropriate enhancement to the part-time salary is 17%.

O3. The enhancement would only need to be re-estimated if the average number of hours outside normal hours increased by three hours a week to 17 hours or more, or fell by more than one hour a week to under 13 hours. Neither is likely however unless the shift pattern changes.

Example of application to a self rostering scheme (where the team agree to equalise enhancements)

O4. A team of staff provide services to patients in their homes. Most visits take place during the day, but a limited number of patients require an evening visit to settle them for the night. In the past this has been covered by a shift pattern of four weeks of early shifts and one week of late shifts.

O5. In this case the team, who work well together, ask their manager if they can agree among themselves each month who will cover the evening work. They also ask if they can control the timing of late shifts to better balance work and home life and allow more patients to be settled at a time they prefer, and if they can share the unsocial hours payments to avoid money being an issue in the rostering.

O6. In this case the employer and team agree that the previous shift pattern satisfactorily defines the degree of unsocial hours working necessary to provide a satisfactory level of patient care. The unsocial hours enhancement due under these rules would then be calculated on the basis that each team member worked the number of hours outside normal hours implied by the four-early one-late shift system, and a percentage enhancement is paid on that basis to each team member irrespective of the actual rostering provided the team continue to provide satisfactory levels of patient care.

Example of application to annual hours agreements

O7. A number of staff members ask if they can work variable hours to allow them to better combine work and care responsibilities, subject to working an agreed number of hours annually.

O8. In order to allow for the fact that standard hours are variable under this agreement, the employer and employee agree to estimate the average hours worked outside normal hours on the basis of the average for colleagues in the same role in the same work area, subject to a retrospective adjustment if there were evidence that the actual average hours worked outside normal hours over the year as a whole had varied significantly from this level.

Example of application to bank staff

O9. A member of staff in pay band 6 works full-time on alternate early and late shifts Monday to Friday. No hours are worked outside normal hours during the early shift. But four hours a day are worked outside normal hours during each late shift. This results in an average of ten hours a week being worked outside normal hours, and the staff member receives an enhancement of 13% of salary under the normal rules.

O10. However they also work an eight-hour bank shift once a fortnight on average during a weekend period. This is treated as a separate contract under these rules. So the enhancement for working outside normal hours for their bank work is calculated as if they were a part-time worker working all their hours outside normal hours.

O11. In this case the hours worked for the bank each week are four hours, all of which fall outside normal hours. Under the rule for part-time workers in paragraph 8 of Annex N, if the person had worked full-time for the bank with the same proportion of hours outside normal hours, they would have worked 37½ hours a week outside normal hours. This figure is therefore used to determine the appropriate enhancement to the income from the bank which in this case is 25%.

O12. In this case the enhancement to bank earnings does not need to be recalculated however many hours are actually worked for the bank at weekends, since they are all outside normal hours. If however the person started doing significant bank work in normal hours, the enhancement might need to be re-estimated if the proportion worked outside normal hours fell to 21 hours out of every 37½ or below as the enhancement would then fall into a different band.

Example of application to staff working rostered overtime

O13. A person works on a maintenance team which deploys staff on alternate weeks of early and late nine-hour shifts, 7.00 am to 4.00 pm and 1.00 pm to 10 pm Monday to Friday, with a half hour meal break. Their regular shift pattern therefore covers 42½ hours a week excluding meal breaks and always includes five hours of overtime.

O14. Because their shift pattern always includes a fixed amount of overtime, this is treated as rostered overtime within a non-standard working week. As a result all the hours may count towards the total of hours outside normal hours, but this is then adjusted for the longer week.

O15. In this example an average of 7½ hours a week are worked outside normal hours over the whole rota. If however they had worked the same proportion of hours outside normal hours in a standard week, the total would have been just under 6.7 hours a week. This qualifies for a payment of 9% of basic pay for working outside normal hours, in addition to the normal overtime payment for the overtime hours.