



Royal College
of Nursing

Fair pay in the independent sector

RCN guidance





This publication is due for review in June 2016. To provide feedback on its contents or on your experience of using the publication, please email publications.feedback@rcn.org.uk

RCN Legal Disclaimer

This publication contains information, advice and guidance to help members of the RCN. It is intended for use within the UK but readers are advised that practices may vary in each country and outside the UK.

The information in this booklet has been compiled from professional sources, but its accuracy is not guaranteed. Whilst every effort has been made to ensure the RCN provides accurate and expert information and guidance, it is impossible to predict all the circumstances in which it may be used. Accordingly, the RCN shall not be liable to any person or entity with respect to any loss or damage caused or alleged to be caused directly or indirectly by what is contained in or left out of this website information and guidance.

Published by the Royal College of Nursing, 20 Cavendish Square, London W1G 0RN

© 2015 Royal College of Nursing. All rights reserved. No part of this publication may be reproduced, stored in a retrieval system, or transmitted in any form or by any means electronic, mechanical, photocopying, recording or otherwise, without prior permission of the Publishers. This publication may not be lent, resold, hired out or otherwise disposed of by ways of trade in any form of binding or cover other than that in which it is published, without the prior consent of the Publishers.

Fair pay in the independent sector

RCN guidance

Contents

Introduction	4
How the RCN can help you secure fair pay	5
What is fair pay?	5
Pay structure	5
Comparing employment terms and conditions	6
Working hours	6
Paid holiday	6
Occupational sick pay	6
Occupational pensions	6
Market forces supplements	7
Career development, training and education	7
Healthy workplace	8
Making a pay claim	8
Appendix 1:	
Agenda for Change band outlines	10
Appendix 2:	
Pay claim pro-forma	13

Introduction

The Royal College of Nursing (RCN) believes that all nurses and health care assistants should receive fair pay, good terms and conditions, career development in a safe working environment, wherever they work.

There is a growing body of evidence to show that better staff experiences are associated with better outcomes for patients. The RCN contends that the provision of fair pay for all nursing staff is fundamental to creating a positive working environment, which correlates with a positive experience for patients.

For this reason the RCN is a supporter of the Living Wage, and believes this should underpin all pay rates. It's also why the RCN calls for fair pay for all nursing and care staff, and asks that this requirement should be taken into account by health and social care commissioners.

The RCN also believes that all employers need to have a pay system that is competitive with the NHS. Although each UK country has differing NHS pay rates, the maintenance of a fair pay system through the Agenda for Change system acts as an important national benchmark for pay, terms and conditions for all health care staff.

Around 30 per cent of RCN members are employed in the independent and wider public sector. While some of these employers base their pay rates on NHS pay structures, many set their pay rates independently. In some instances pay rates are dictated by commissioners' budgets, and pay rates for health care assistants in particular are often set at the national minimum wage or a few pence above it.

Results from recent annual RCN membership surveys highlight that while members feel valued in their work, many cite pay as being a primary reason for changing employers; this represents a clear indicator of why some employers experience recruitment and retention difficulties.

Furthermore, the workforce in the independent sector is typically older. With many of these workers now seeking retirement, employers will need to look to the development of retention strategies for existing staff alongside the establishment of attractive employment packages to recruit staff.

This document provides advice on how to compare your current arrangements with market rates, particularly in the NHS, and contains guidance to help you start thinking about how to raise these matters with your employer.

A pay claim can be used as a mechanism to facilitate discussions with an employer on the wider aspects of pay; specifically, increased benefits in employment terms and conditions. If the matter is shared by a group of nurses and/or health care assistants, a claim can be taken forward collectively.

How the RCN can help you secure fair pay

While the RCN does not have the same relationship with independent and other public sector employers, it is recognised by a number of independent employers who work in partnership with the RCN over pay, terms and conditions.

Examples of our success in this field of work include the achievement of uplifts to pay for members who work for Four Seasons Health Care, the UK's largest independent health and social care employer. We've also enabled developments to the pay systems of Sue Ryder, Marie Curie Cancer Care and BMI hospitals, and negotiated improvements to terms and conditions for members working for The Huntercombe Group.

If the RCN is not recognised by an employer, we can still provide local advice and support you on seeking fair pay arrangements with your employer.

What is fair pay?

Pay structure

Key to fair and effective pay is a commitment to equal pay for work of equal value. This requires a robust and transparent process that allows for the comparison and evaluation of job skills and responsibilities, and that supports career development.

If your employer relies on the NHS job evaluation scheme to determine your pay, you will find your job is a likely match for common job band profiles developed from job evaluations undertaken for Agenda for Change. Details of these job profiles can be found on the NHS Job Evaluation web pages.

Details of Agenda for Change bands and current levels of pay can be found on the RCN's website, but you should be aware that using the NHS job evaluation scheme does not commit your employer to paying NHS pay rates unless this is stipulated in your contact of employment. It is also important to note that grades are determined on the basis of the requirements of the job, not the qualities of the job holder.

Your employer may already have a job evaluation scheme on which it bases grading decisions. If so, then ranking jobs by the level of skill and responsibility required should be fair, transparent and equitable across the organisation.

Alternatively, all jobs may be matched against Agenda for Change common job profiles or fully evaluated. In order for this to be effective you will need to update your job description so that it accurately reflects your current role and responsibilities, and either seek a match to a profile or ask for it to be evaluated against the scheme.

Comparing employment terms and conditions

In addition to basic pay, your employment benefits may include a number of different elements that together add up to the overall package you take home. Key benefits may include enhanced pay for working unsocial hours and overtime, paid holiday, occupational sick pay and employer pension contributions. This section provides information on the terms and conditions offered in the NHS under Agenda for Change.

Working hours

Overtime

The standard working week on which Agenda for Change salaries are based is 37.5 hours, although your employer may use a different baseline. If your employer's base working week differs from 37.5 hours, this will affect the hourly rate of pay. Agenda for Change treats additional hours as overtime that is paid at time-and-a-half, except for bank holidays which are paid at double time. Working through an unpaid break, undertaking mandatory training in addition to contracted hours or time spent travelling between workplaces could be considered working time and may also be included in the calculation of overtime.

Unsocial hours

The RCN believes a supplement should be paid for shift working. Working at night or at weekends is deemed as working unsocial hours, for which some employers pay an extra flexibility supplement. Agenda for Change arrangements enhance basic pay at night and Saturdays to time +30 per cent, and on Sundays and public holidays to time +60 per cent.

Sleep-ins

It is recognised that many staff have to be on-call or sleep-in to provide continuity of service. Covered by the

Working Time Directive, these hours may be considered as working time but, and this is especially relevant for lower paid staff, the amount paid for sleep-ins must be sufficient to ensure that average pay is maintained above the national minimum wage level.

Paid holiday

The RCN believes that sufficient rest time away from work is important for members' health and wellbeing. The entitlements set out by Agenda for Change are dependent on length of service:

- on appointment – 27 days leave + eight general public holiday days
- after five years' service – 29 days leave + eight days general public holiday days
- after ten years' service – 33 days leave + eight days general public holiday days.

However, all workers are entitled to a minimum of 5.6 weeks paid annual leave, which includes public holidays. Pay during a holiday should be an average of all your recent earnings which includes unsocial hour enhancements and any regular overtime you are required to work. Further details about holiday pay can be accessed on the RCN website.

Occupational sick pay

Occupational sick pay is a discretionary amount that employers may pay over minimum statutory entitlements. These payments are seen as beneficial in preventing financial hardship and supporting staff in their recovery from ill health and return to work. Agenda for Change entitlements are dependent on length of service, and details of sick pay entitlements can be viewed on the RCN website.

Occupational pensions

From 2017 all employers will have to offer a basic auto-enrolment pension scheme, to which they contribute a minimum of three per cent. Organisations contracted to provide NHS services can also access the NHS pension, with employer contribution rates up to 14 per cent.

These are tax free contributions that an employer can invest in your retirement. More detailed information regarding auto-enrolment and pensions can be found at the RCN website.

Market forces supplements

Employers may have particular difficulty recruiting or retaining staff in a geographical area due to competition with other similar employers locally, or the high cost of living related to a location. Equal pay legislation allows for additional supplements to be made to basic pay rates to offset these difficulties, provided these are regularly reviewed and are identified as a separate payment. Agenda for Change allows for anything up to an extra 30 per cent to be paid in additional recruitment and retention supplements. You may be experiencing circumstances where you can make the case for an extra supplement in your area.

Career development, training and education

The Agenda for Change pay system supports the premise of ongoing personal development and career progression. Most pay systems include an element of incremental progression to reward increasing skills and experience. Under Agenda for Change, pay or incremental progression within a band is underpinned by annual appraisal review of knowledge, skills and competencies.

It is important that you receive an annual appraisal and have a personal development plan which not only supports your knowledge and skill acquisition, but also provides evidence for professional revalidation and for the Care Certificate in England; registration with Scottish Social Services Council (SSSC); Northern Ireland Social Care Council (NISCC); or Care Council for Wales (CCW).

Further guidance regarding appraisal can be gained from the RCN guidance *The Knowledge and Skills Framework and appraisal guidance for members and employers outside the NHS*, which can be downloaded from the RCN website.

Healthy workplace

Employers have a legal and moral duty to provide a safe, secure and healthy working environment for staff, which in turn has a positive impact on patient outcomes.

Healthy working environments are characterised by high quality employment practices and procedures which:

- promote a good work-life balance
- enable dignity at work
- protect employees' health and safety at work
- design jobs which provide employees with a degree of autonomy and control
- provide access to training and development opportunities for all employees.

You can learn more about improving the health of your work environment through the RCN's advice on healthy workplaces.

Making a pay claim

To make an effective claim, you will need to present your request in a concise manner with a clear rationale for your claim.

You will need first to gather information and consider your current employment terms, and compare these against what you expect to receive. The following checklist may help you to do this.

- Check if your employer has a pay structure and/or uses a job evaluation scheme.
- Update your job description to reflect the experience, knowledge, skills and responsibilities required for the job.
- Have job expectations grown? If so, how, and can you highlight what is new?
- Identify and match your job to an appropriate Agenda for Change job profile (see band outlines at Appendix 1); this profile will link you to an AfC pay band. To identify which increment or pay level is appropriate, compare your current pay against the next highest pay point.
- Use your employer's standard working week – and your hours – to calculate your hourly rate.
- Gather details of payment for any other employment conditions:
 - overtime payments
 - unsocial hours worked
 - travel time between workplaces or clients
 - on-call/sleep-ins
 - holiday entitlement
 - occupational sick pay.
- What is the level of employer contribution offered by their occupational pension scheme?

- Is there a recruitment or retention difficulty, and can you make a case for an additional supplement?
- Do you have an annual appraisal and support in the form of study time for training and development?

With these details you can formulate what it is you wish to claim for and form a rationale for a pay review and improvements to your wider terms and conditions package.

Your rationale for a claim will be to maintain competitive parity with the NHS; improving recruitment and retention and linking pay to a fair and transparent reward structure. See the claim example set out in Appendix 2.

For further detailed information and advice regarding specific terms and conditions, RCN members can log into the membership section of the RCN website at www.rcn.org.uk.

For support in making a pay claim or reviewing your terms and conditions, contact RCN Direct by telephone on 0345 772 6100.

Appendix 1: Agenda for Change band outlines

The following information gives a broad outline of responsibilities for nursing roles within the NHS. Further information can be found on the NHS job evaluation website.

Band 2

Current job titles: clinical support worker nursing, health care assistant, nursing auxiliary.

Key responsibilities include:

1. undertakes personal care duties for patients in the community, in hospital or in other settings.
2. records patient information.

These job holders are required to have training in a range of personal care and related procedures and N/SVQ2 or equivalent experience.

Band 3

Current job titles: clinical support worker higher level nursing, health care assistant, nursing auxiliary.

Key responsibilities include:

1. undertakes a range of delegated clinical health duties in hospital, in the community or in other settings.
2. records patient/client information.

These job holders are required to have a knowledge of care and related procedures, clinical observations with a base level of theoretical knowledge and N/SVQ3 or equivalent experience.

Band 4

Current job titles: associate practitioner, nursery nurse.

Key responsibilities include:

1. implements care packages under the supervision of registered clinical practitioners in a range of settings.
2. carries out nursing care programmes; for example, clinical observations, participates in social inclusion and/or parenting support activities.
3. may supervise/assess clinical support workers.
4. may participate in case conferences and case review meetings; for example, safeguarding.

These job holders are required to have a diploma or equivalent appropriate qualification, foundation degree or N/SVQ3 qualification, plus short courses or relevant experience to diploma level.

Band 5

Current job titles: staff nurse, registered nurse, registered practitioner.

Key responsibilities include:

1. assesses, plans, implements and evaluates programmes of care of patients, provides advice and maintains associated records.
2. carries out nursing procedures.
3. may provide clinical supervision to other staff and students.
4. may provide health promotion information

These job holders may work within a specialism such as mental health, learning disability or palliative care, but their particular role, while requiring some additional post-basic training within the specialist area, does not require specialist training equivalent to Band 6 – as there will be a specialist nurse for support or leadership in that specialism. Band 5 nurses do not have any formal management responsibilities for staff.

Band 6

Current job titles: specialist nurse, senior staff nurse, nurse specialist.

Key responsibilities include:

1. assesses patients, plans, implements and monitors care, provides specialist advice and maintains associated records. This may be carried out in a specialist area and/or using specialist nursing skills.
2. carries out specialist nursing procedures; for example, symptom, toxicity management.
3. provides clinical supervision to other staff and students.
4. may undertake research and lead clinical audits in own specialist area.

These job holders require specialist knowledge across range of procedures, underpinned by theory. This can be gained through nurse registration supplemented by diploma level specialist training, experience and short courses.

Current job titles: nurse team leader, deputy ward/unit manager, ward team leader, senior staff nurse.

Key responsibilities include:

1. assesses patients, plans, implements care, provides advice, and maintains associated records.
2. carries out nursing procedures.
3. provides clinical or managerial supervision to nursing and support staff; may ensure effective running of ward/unit in the absence of a nurse team manager.

Band 7

Current job titles: nurse team manager, ward manager, sister, charge nurse, clinical manager.

Key responsibilities include:

1. provides leadership and manages specialist and associated staff, including appraisal, rotas, recruitment and selection; supervises students, allocates duties to nursing staff, care assistants and staff development.
2. assesses patients, plans, implements care, provides specialised advice, and maintains associated records.
3. carries out nursing procedures.
4. may liaise with other agencies in planning programmes of care and/or health and education programmes.
5. may hold and manage budgets.

Job holders may have professional knowledge acquired through nurse registration supplemented by specialist clinical and managerial training.

Current job titles: nurse advanced, lead specialist, clinical nurse specialist, senior specialist nurse.

Key responsibilities include:

1. assesses patients, plans, implements care in a variety of settings.
2. develop specialised programmes of care/care packages; provide highly specialised advice; maintains associated records.
3. lead specialist in a defined area of nursing care.
4. provides specialist education and training to other staff, students and/or patients/clients and relatives.
5. undertakes research and leads clinical audits in own specialist area.

Job holders have professional knowledge acquired through degree/diploma supplemented by specialist training, experience and short courses to master's level equivalent.

Band 8

Current job titles: modern matron.

Key responsibilities include:

1. manages and provides leadership for managers and specialist nurses/midwives and other staff
2. ensures patient/client/carer involvement in development of services; for example, promoting better health, standards of cleanliness, social care and medicines management.
3. provides specialist education and training to other staff.
4. maintains compliance with, and develops, policies, procedures and guidelines.

Job holders have professional knowledge acquired through degree supplemented by postgraduate diploma specialist training, experience, short courses plus further specialist training to master level equivalent.

Appendix 2: Pay claim pro-forma

The RCN believes that staff should have a pay system which delivers fair pay, good terms and conditions of employment and supports career development. There is a growing body of evidence that better staff experiences are associated with better outcomes for patients, lower staff turnover and improved efficiency and performance.

It makes business sense to offer competitive rates of pay and working conditions in order to attract well-trained, motivated staff, who feel valued and engaged by their employer. A stable committed workforce supports continuity of care, safer practice and improved patient care.

The RCN has a significant number of members who work in the *[insert independent or public sector]*. However, the majority of nursing staff in the UK are employed by the NHS, and their terms and conditions of employment under Agenda for Change (AfC) covers pay, terms and conditions, career development (through the Knowledge and Skills Framework) and equal pay through an equality-proofed job evaluation system. The RCN believes the AfC package is attractive to employers as it supports improvements in patient and client care. To compete with local employers, *[insert employer name]* will do better in retaining and attracting staff if it adopts NHS pay rates and their key terms.

Results from the RCN membership survey show that while nurses in the independent sector are much more likely to report feeling valued in their work than NHS nurses:

- 70 per cent think that they could be paid more for less effort outside of nursing

- 90 per cent think they are not well paid in comparison to other professions
- and are more likely to cite pay as the reason for changing employers than NHS nurses.

The workforce in the independent sector is also older and therefore much more likely to retire over the next 10 years – the average age of an independent sector nurse is 46 compared to 40 in the NHS. *[insert Employer name]* therefore, needs to be developing a retention strategy for existing staff, but will also need to be recruiting significant numbers into their nursing workforce over this period.

The RCN recommends a review of current pay and introducing a fair pay structure for all employees. There are additional incentives that, paid at competitive rates, would be key to producing efficiencies and improving productivity and quality of care through attracting and retaining good substantive staff, and reducing the use of agency staff. In order to facilitate a review *[I/we]* identify possible changes to pay and conditions as follows:

[Please complete and add details as appropriate and delete those that do not apply.]

Name/s _____

Job title/s _____

Employer _____

Workplace _____

Employment start date/s _____

Current pay rate/s _____

Equivalent pay rates that reflect appropriate AfC or employer JE banding

Suggested new base salary for job:

Enhanced pay for unsocial hours

Propose new enhancements rates:

Enhanced pay for working overtime

Proposed overtime arrangements:

Incremental reward for continuity of service

Propose incremental pay point and future mechanism for annual pay progression

Annual Leave

Propose annual leave entitlement
days/year

Market force supplements

There are significant recruitment and retention problems because

Propose a pay supplement of

A knowledge and skills framework that supports personal development and career progression

Which includes annual appraisal and support for
days/hours of study time

Other benefits

- Travel time and expenses.
- On-call/sleep-ins.
- Occupational sick pay.
- Special/carers leave.
- Pensions.
- Healthy workplace benefits.



Royal College
of Nursing

The RCN represents nurses and nursing, promotes excellence in practice and shapes health policies

June 2015

Review date: June 2016

RCN Online

www.rcn.org.uk

RCN Direct

www.rcn.org.uk/direct

0345 772 6100

Published by the Royal College of Nursing

20 Cavendish Square

London

W1G 0RN

020 7409 3333

Publication code: 004 836

ISBN: 978-1-910672-18-1