After years of pay caps and freezes, campaigning by NHS trade unions finally paid off. In last November’s UK budget, the Chancellor announced there could be new money available for NHS pay and changes to pay structure if agreement could be reached with employers and the unions.

Agreement was reached in England in June, unlocking the opportunity and funding for Wales negotiations on whether and how the revised pay structure would be implemented for NHS in Wales’s staff. The Welsh Government gets a proportion of all public sector spending in England. This amount is worked out by the Barnett Formula. The Welsh Government has agreed that this additional funding will be used for NHS pay. Unfortunately due to flaws in the Barnett formula and due to high levels of outsourcing of services in England the additional monies would not fully fund the implementation of the English deal in Wales. Following extensive talks the Welsh Government has agreed to fund the same pay proposals as those accepted in England with some additional aspects.

The result of these negotiations between Welsh Government, employers and trade unions is a proposed framework agreement which includes:

- Major increases for staff below top of band through simplifying bands so most staff reach the full rate for the job quicker.
- Meaningful increases for top-of-band staff who already benefit from the full rate for the job.
- Removal of band overlaps to ensure promotion comes with a proper pay rise, and to lessen the risk of equal pay challenges.
- Consolidating the current supplements to the lowest pay bands into the salary rates with further increases for the lowest paid staff by the end of the deal
- Big improvements to starting salaries to help the NHS in Wales attract and retain new staff.
- Revised all Wales policies for occupational sick leave and pay progression, and the development of an all Wales Menopause Policy.

The proposed agreement would bring NHS in Wales’s pay scales into alignment with the improved England rates by the end of the deal. It would get members not at the top of their pay bands to the full rate for the job more quickly. And it would be a major step in permanently embedding current low pay supplements into pay scales.

Go to [www.nhspaycymru-wales.org](http://www.nhspaycymru-wales.org) and use our pay calculator to see what the changes would mean for you.

If union members in Wales agree to support the proposed agreement, it will be put forward to be ratified by the Welsh Partnership Forum and then the NHS UK Staff Council. Unions members of the Welsh Partnership Forum are British Association of Occupational Therapists, British Dietetic Association, British Orthotic Society, Chartered Society of Physiotherapy, Federation of Clinical Scientists, GMB, Managers in Partnership, Royal College of Midwives, Royal College of Nursing, Society of Chiropodists and Podiatrists, Society of Radiographers, UNISON, Unite.

Information about individual union consultation processes is available from your own union.
Changing the NHS in Wales pay system

A key aim of this proposed agreement is to make the whole pay system fairer and better for current and future NHS in Wales’s staff. All the changes relate to pay band design – the process for allocating roles to bands will continue to be through the current NHS job evaluation scheme.

The changes within this proposed agreement can’t be made in one hit, they need to be spread out over a full three year period. Some people do better than others in individual years, but the most important figure for you to look at is your total gain at the end of the three years.

All staff would get a meaningful pay rise. The proposals we have negotiated would provide a mixture of annual pay awards, a top-of-band lump sum, incremental progression and improvements to the pay structure.

For staff in bands 2-9 who are below top of band
This would mean:
- Improving starting salaries in each pay band by removing overlaps between bands. This would start in year one and be finished in year two.
- Deleting points in the mid-range of each band in years two and three of the deal.

In each year of the deal, if you benefit from the deletion of a pay point you will get all your uplift effective from April. Otherwise you will get some from April and the rest on your incremental date.

For those staff on points 41, 42, 45, 46, 49 and 50 there are ongoing discussions about the definition of the no detriment principle and its application. It is anticipated that these discussions will be concluded quickly with additional information for those on these pay points available via the web site.

For staff in Band 1
This would mean:
- Consolidation of the new NHS in Wales minimum rate of £17,460 into annual salaries
- Increasing Band 1 salaries to £18,005 by the end of the deal
- Closing Band 1 to new entrants in December 2018
- Re-profiling of all Band 1 jobs into Band 2 by March 2021 with staff getting training and support to move into these roles.

For staff at the top of Band 2
This would mean:
- 4.2% in 2018/19
- 1.7% in 2019/20 plus a lump sum worth 1.1% paid in April 2019
- 1.7% in 2020/21

This would amount to a total increase on basic pay of 7.7% over three years plus the extra lump sum in April 2019
For staff at the top of Bands 3-8b
This would mean:
- 3% in 2018/19
- 1.7% in 2019/20 plus a lump sum worth 1.1% paid in April 2019
- 1.7% in 2020/21

This would amount to a total increase on basic pay of 6.5% over three years plus the extra 1.1% lump sum in April 2019.

For staff at the top of Bands 8c, d and 9
This would mean:
- An increase of 5.5% at the top of 8c, 4.4% at the top of Band 8d and 3.4% for the top of Band 9 over the three years. These staff would also receive a lump sum worth about £800 in April 2019.

Other changes

The NHS in Wales unions have played a leading role in the detailed negotiations with employers and the government to get you a better pay deal. During those negotiations we were faced with a list of demands the other side were putting forward for discussion. Some of those demands were unacceptable and once we made that clear they were taken off the table. As a result most terms and conditions – including annual leave – would remain unchanged.

But there were a few areas where we were prepared to enter into talks around making certain terms and conditions more consistent and to address the knock-on effects of moving away from the current pay structure.

Deductions from occupational sick pay
Employers were keen to continue with the 2014-17 arrangements to deduct unsocial hour enhancement payments from occupational sick pay, as has been the case in England since 2013. It became clear that talks on the pay reforms we have been campaigning for would not proceed unless we were prepared to consider compromise. If joint partnership work can produce a reduction in sickness absence rates to an average of 4.5% by December 2018, no changes will be made and unsocial hour enhancements in occupational sick pay for all staff will continue for the duration of sickness. If sickness rates do not meet the targets, new sick pay provisions will apply for staff earning over £18,160 with effect from April 2019. This would mean unsocial hour enhancements and any other regularly paid supplements would no longer be included in occupational sick pay for these staff for the first three months of sickness.

The unions will be working with employers and government through the Welsh Partnership Forum on a number of measures to try to meet the sickness reduction targets. These include consideration of rapid access and early referral for treatment for NHS staff, temporary medical redeployment and better carer and flexible working policies.
Unsocial hour enhancement payments
There would be no fundamental changes to the system for unsocial hour enhancement payments. But there would be adjustments affecting some staff:

- For staff in Bands 4-9 unsocial hours payments would be completely unaffected and continue to be calculated using the current percentage rates.

- For Bands 1-3, unsocial hour enhancements would be calculated in a different way while pay reforms take place to preserve the current cash values, and move away from staff in lower bands earning more for the same unsocial hours shift than people in the next band up. The overall value of an unsocial hour enhancement will increase in each year of the proposed deal as basic pay goes up. The percentage rates that apply in year 3 will then become the new rates for the future.

Reimbursement of travel costs
Under the 2014-17 agreement reimbursement of travel costs for NHS in Wales’s staff is on the basis of HMRC Approved Mileage Allowance Payment (AMAP) rates, instead of Agenda for Change handbook mileage provisions. Under this proposed agreement the HMRC AMAP payments will continue to apply effective from 1 January 2018.

Pay progression
More than half of all current staff are already at the top of their band. Most others will have reached it by the end of the proposed three-year agreement through the effects of the pay increases outlined above.

For the proportion who haven’t – and for new starters and promoted staff in the future – incremental progression would work quite differently in the future. Most would progress to the top of their band more quickly than is possible now. Increments would no longer be annual, they would be further apart. But in a year where staff did get them, they would be worth more.

A revised All Wales Pay Progression Policy would be developed ready for use from 1 April 2019 and complemented by the new pay progression framework being developed by the NHS UK Staff Council for new starters. Many employers already link incremental progression to appraisals. In the new progression system, building on the existing policy, all employers would need to apply a process, linked to appraisals, before allowing staff to progress to the next pay point. The proposed system would be designed on the principle that staff should receive the support, training and line manager input they need to progress as soon as they are eligible.

Next steps
This leaflet only gives you a very brief outline of the changes contained in these proposals. You can find more detailed information about the proposals and see how they might affect you at www.nhspaycymru-wales.org
This deal, if agreed, will not come at the expense of jobs or patient care and it is supported by the employers and the Welsh Government.
What you should do is use our pay calculator and find out how these proposals affect you personally. You can find the calculator and lots more detail at www.nhspaycymru-wales.org

Every union will be talking to their members about this offer to see what they think – find out more by talking to your rep or visiting your union’s website.