

Agenda for Change

Key issues for employers

Agenda for Change is the most radical overhaul of the NHS pay system since its foundation in 1948. It applies to over one million directly employed NHS staff with the exception of doctors, dentists and the most senior managers.

This *Briefing* explains the role of NHS Employers in the Agenda for Change process, gives an update on the current position and future developments, and details the support and guidance available to employers for implementation.

Key points

Agenda for Change is based on the principle of equal pay for work of equal value. It will offer:

- **greater scope** to create new kinds of jobs, so bringing more patient-centred care and more varied and stimulating roles for NHS staff
- **fairer pay** based on job evaluation
- **movement** towards harmonised conditions of service for NHS staff
- **better links** between career and pay progression
- **improved** staff morale, recruitment and retention
- **improved** partnership working.

The role of NHS Employers

NHS Employers is responsible for:

- conducting any national negotiations that may be required
- supporting employers at the local level with appropriate support, advice and guidance
- articulating the aspirations and concerns of employers.

NHS Employers' Pay Negotiation Team, led by Gill Bellord, supports management representatives from the NHS and the devolved administrations on the NHS Staff Council and Executive. These are the bodies which 'own' the national Agenda for Change agreement and are responsible for negotiating any changes to the agreement (see box on

page 2). At present, the team's key task is to negotiate and agree new arrangements for unsocial hours payments.

The NHS Modernisation Agency's Pay Modernisation Unit, led by Peter Smith, became part of NHS Employers on 1 August 2005. As the NHS Employers Implementation Team, it continues to support NHS organisations in implementing Agenda for Change (see box on page 7).

Each of the Implementation Team's 'best practice facilitators' is responsible for assisting a number of strategic health authority (SHA) areas and special health authorities on a personal basis. The facilitators help deliver solutions in areas of concern, work in partnership with the SHA and trade unions to support individual trusts, and ensure their 'patches' are kept

The NHS Staff Council

The NHS Staff Council (“the Council”) was established as part of the Agenda for Change agreement, replacing the relevant functions of the General Whitley Council and the separate functional Whitley councils. It has overall responsibility for operating the new pay system and for related NHS-wide terms and conditions of service for non-medical staff employed in the NHS. The Council is also the forum for discussion of any other issues of common concern on pay and terms and conditions of service.

The Council operates in a spirit of social partnership. Its membership includes: representatives of NHS employing organisations; nationally recognised trade unions and professional organisations; and the Health Departments in Scotland, Wales and Northern Ireland.

The Council has established technical sub-committees on: job evaluation; the Knowledge and Skills Framework (KSF); occupational health and safety; equality and diversity issues.

The Council has met twice so far – on 14 April and 27 June 2005 – and is due to meet again on 22 November. An executive committee meets more frequently to take forward its day-to-day business. NHS Employers provides the secretariat to the Council, while the Department of Health has observer status on it.

informed of progress being made at the national level.

NHS Employers continues to provide advice on implementation based on the experiences of NHS organisations, and supports the work of the job evaluation and Knowledge and Skills Framework (KSF) sub-groups of the NHS Staff Council.

NHS Employers’ role is not to manage the performance of NHS organisations in

implementing Agenda for Change. This role remains with SHAs and, at a national level, with the Department of Health’s (DH) Recovery Support Unit (RSU). While the NHS Employers Implementation Team obviously liaises closely with SHA and RSU leads, it is our job to provide the support and advice that NHS organisations want. With limited resources available in terms of best practice facilitators, the NHS Employers

policy board has recognised it is sensible to direct support to those organisations facing the biggest challenges in implementing the new system.

NHS Employers also seeks to communicate the aspirations and concerns of NHS organisations over Agenda for Change to the DH. Our policy board has expressed its views on a number of issues and these have been taken up with the DH.

The current position

Implementation

At the end of August 2005 well over half a million (541,312) NHS staff had moved to Agenda for Change pay bands. This represents around 60 per cent of NHS staff covered by the Agenda for Change agreement. In addition, nearly 80 per cent (689,632) had been advised of their band matching outcomes.

NHS Employers recognises that this is a massive achievement in nine months, with management and staff representatives working flat out to complete job evaluations and agree KSF post outlines. We believe that the NHS should acknowledge its achievement in implementing the new system.

Trusts are aware that implementation of Agenda for Change is one of the DH’s seven key priorities and that it is

expecting trusts to continue to aim to complete the process of assimilation by the end of September 2005. It is clear, however, that progress in assimilation has been slower than originally anticipated and that some trusts feel they will not have completed the task by that date.

NHS Employers is monitoring progress closely and is in continual discussion with the DH as to how best to handle the implementation process. We are confident that the majority of staff will have been moved on to the new system by the target date.

The NHS Employers Implementation Team is specifically targeting its support at organisations facing the greatest challenge, and already some of these organisations are showing the greatest improvements.

However, there may be a minority of organisations that will not be able to finish the task by the end of September. In these cases, locally, the parties will be required to propose tight timetables to achieve completion of assimilation. Such plans will need to be agreed with the relevant external authority within a rigorous national framework. These plans will be performance managed by the DH. NHS Employers and trade unions will provide further

support to help organisations achieve completion.

Funding

Employers are becoming increasingly anxious about their financial position and the costs of pay modernisation. In a recent NHS Confederation survey of chief executives, over 90 per cent of respondents expressed concern about the affordability of pay reforms.

At present, concerns appear to be about general affordability in the current financial climate rather than specific problems with Agenda for Change costs being higher than anticipated. The DH and SHAs are at present carrying out research on the current financial cost of Agenda for Change in 28 organisations. This should give a detailed picture of the cost of the new pay system and identify any problem areas. In addition, the NHS Employers Implementation Team is in close contact with local organisations and is forwarding any specific concerns (for example, on costings for the annual leave provisions) to the DH.

Realising the benefits

There is anxiety that with efforts being concentrated on practical implementation, the wider benefits of pay reform will not be realised. NHS Employers has always argued that pay reform is an enabler and a tool to support

service modernisation rather than simply an end in itself. It is, however, important that assimilation is delivered without compromising the quality or integrity of the process. Otherwise, it is likely that organisations will face difficulties in delivering these benefits in the future. Equally, it is unrealistic to expect that those benefits are going to be realised across whole organisations at one time, as this is unlikely to match the organisation's own service modernisation programme. It is, however, important that organisations utilise the benefits of pay reform as appropriate and that learning and examples of good practice are shared across the service.

NHS Employers will work with local organisations and the DH to ensure that such learning is made available.

National job profiles

There are now 335 national job profiles available on the Computer Aided Job Evaluation (CAJE) system, to which every trust has access. Employers should be aware of the position statement issued by the Executive of the NHS Staff Council at the end of June:

"...It is important at this stage to explain that, where possible, agreement is being sought on profiles by the end of June 2005, which

will result in their publication for use. Job evaluation leads in partnership may wish to consider the local evaluation process in order that the September deadline is met.

"The job evaluation guidance remains unchanged.

"Work will continue in future to develop further profiles, but this will be on a much longer timescale and job evaluation leads should not wait for these to emerge, as they are unlikely to be produced for use before the end of September."

Evidence from early implementers shows that the local evaluation of roles will take a minimum of five to six weeks to complete. It is important, therefore, that staff not covered by national profiles are advised to complete a job analysis

Advice for maintaining the momentum of implementation

- Ensure your board continues to encourage middle managers to fully support the project by, for example, releasing staff to panels, signing off job descriptions and job analysis questionnaires (JAQs).
- Panels need to be three to five people in partnership. Have you considered agreeing that panels can continue with a 'two of one side and one of the other' arrangement?
- Can productivity be increased by looking at panel composition, for example spreading your most confident practitioners more widely if they are currently always working together?
- Don't cancel panels. Use them for consistency checks – and make sure you are checking like for like to avoid anomalous outcomes.
- Send out all outstanding JAQs now – no more national profiles will be published before the end of September. An electronic version is available as part of the Agenda for Change Resource Pack at www.dh.gov.uk
- Ensure KSF outlines for staff remain a priority and that staff are released to deliver a clear implementation plan for achieving the KSF milestones.
- Remember an 'agreed KSF post outline' is an outline that is usable at a development review. Specific areas of application for the post may be refined later in response to feedback from use in practice.
- Use the e-KSF (see page 5). If necessary, organise training and awareness sessions in how to use it.
- Complete consistency checking and pass details to your payroll department as soon as possible for all matched and evaluated jobs – don't batch them.
- Have you engaged with trade union full-time officers? Are they able to assist you in increasing staff-side participation? Are there opportunities for pooling/sharing resources with neighbouring organisations?
- If there are specific disputes or differences of opinion, have you considered asking your SHA or SHA best practice link for help?

Further advice on maintaining the momentum of implementation is available at: www.wise.nhs.uk/agendaforchange

questionnaire now, if they have not already done so.

KSF outlines and the e-KSF

Knowledge and Skills Framework (KSF) post outlines can be created and stored easily using the e-KSF tool. This is an internet-based system, managed by NHS Employers, which supports all aspects of the KSF development process.

More than 6,000 KSF outlines have been created using the e-KSF, and over 50 have been added to the national KSF outline library as examples of good practice.

The e-KSF can be used for free at: www.e-ksf.org
For further information, please also see: www.e-ksfnw.org

Maintaining momentum

The task of implementing Agenda for Change has been time consuming and resource intensive. It's important, however, that organisations do not lose momentum or there is a real danger of 'project fatigue.' Agenda for Change represents a major investment in staff; it is important that this investment finds its way into the pockets of those for whom it is intended as soon as possible, allowing staff to return to their substantive

posts and work together to improve patient care.

The box on page 4 provides some ideas that your project teams may find useful to conclude this stage of the implementation process.

Job evaluation consistency checking

Consistency checking is an important element of the job evaluation process. It ensures the process has been applied correctly and consistently – throughout your own organisation and in comparison with similar trusts, both within

your SHA and beyond. While the form and frequency of consistency checking are matters for local agreement, work with early implementers has shown that a robust approach can significantly reduce the likelihood of inequalities emerging and also reduce demand for review of job evaluation outcomes.

The NHS job evaluation handbook provides an overview of the consistency checking process. Trusts are advised to consider the guidance in full to assist in developing their processes locally.

The NHS Knowledge and Skills Framework (KSF)

The NHS KSF defines and describes the knowledge and skills which NHS staff need to apply in their work in order to deliver quality services. It provides a single, consistent, comprehensive and explicit framework on which to base review and development for all staff.

The NHS KSF and its associated development review process lie at the heart of the career and pay progression strand of Agenda for Change. It is about the NHS investing in the on-going development of its entire staff in the future, and will help ensure staff are supported to be effective in their jobs and committed to developing and maintaining high-quality services for the public.

Organisations will be able to use the NHS KSF to inform human resource development and management, such as selection and recruitment. One of its purposes is to move all NHS organisations to a more developmental approach by providing a framework and process that can easily be used by all staff.

What happens next?

Unsocial hours

Following the experiences of early implementer sites, implementation of the unsocial hours element of the new pay system has been delayed, with an interim scheme effected as part of the final agreement.

A sub-group of the Executive of the NHS Staff Council is currently investigating a range of suggestions for the future working of this element of the pay scheme. The unsocial hours sub-group is discussing in broad terms a range of options, each of which falls into one of two pairs of categories. These are either:

- retrospective or prospective application of some of the old 'Whitley' systems of payments; or
- retrospective or prospective application of the system of payments used in the Agenda for Change early implementer sites, modified to address some of the difficulties experienced.

The sub-group is currently 'bench testing' these options – examining, in particular, costs and the proportion of staff who would gain against the proportion whose earnings from unsocial hours working would need to be protected.

The options will then be 'live tested' to determine, as far as is possible from a limited trial, the effect on staff behaviours, before a final recommendation is made. The sub-group is currently reviewing its timetable for this work. NHS Employers is fully involved in this process and is representing the interests of NHS employing organisations in all negotiations surrounding it.

We are working hard on your behalf to deliver a final agreement on unsocial hours payments.

KSF and development review process

Agenda for Change is not just about the move to new pay bands and the harmonisation of terms and conditions. The NHS KSF and the development review process are both also integral to the system (see box on page 5). The NHS KSF is required to be applied to all NHS jobs covered by Agenda for Change no later than October 2006, when all gateways will be operational. So, outlines and development reviews need to be in place for all staff by the end of 2005. By the end of August 2005, 43 per cent of staff had agreed a KSF outline.

NHS Employers will continue to work with the KSF Group of the NHS Staff Council to support

the implementation of this important element of Agenda for Change. This will include further development of the national library of full KSF post outlines and the generation of further advice and guidance based on practical experience, to assist employers with the implementation of this component of Agenda for Change.

To realise the benefits of Agenda for Change for staff, patients and organisations, it is necessary to adopt all three elements of the agreement into mainstream HR practices. It is, therefore, crucial that organisations continue to adopt the KSF and the development review process within the agreed timescales.

Support and resources

SHA networks and the NHS Employers Implementation Team

Over the last two years, the NHS Employers Implementation Team has been working with Agenda for Change, job evaluation and KSF leads from SHAs across England to develop their capacity to support local implementation of the new pay system. These networks help leads share learning and knowledge, address common issues, and provide valuable links to other NHS workforce initiatives being implemented concurrently.

The NHS Employers Implementation Team

Strategic health authorities are supported by named members of the NHS Employers Implementation Team. Current contacts are:

North and East Yorkshire and Northern Lincolnshire	<i>Peter Smith (Head of Pay Modernisation)</i>
Cheshire and Merseyside; Greater Manchester; Cumbria and Lancashire; Leicestershire; Northamptonshire and Rutland; Surrey and Sussex	<i>Bill McMillan (Team Leader)</i>
The London SHAs; Kent and Medway	<i>Carmel Martin (Associate) and Graham Jagger (Associate)</i>
West Midlands South; Shropshire and Staffordshire; Birmingham and the Black Country	<i>Simon Whitehouse (Associate)</i>
Northumberland, Tyne and Wear; special health authorities	<i>Stephen Nash (Best Practice Facilitator)</i>
Essex; Norfolk, Suffolk and Cambridgeshire; Hampshire and Isle of Wight	<i>Fay Trodd (Best Practice Facilitator)</i>
Avon, Gloucestershire and Wiltshire; South West Peninsula; Dorset and Somerset	<i>David Wallace (Best Practice Facilitator)</i>
Thames Valley; Trent; County Durham and Tees Valley	<i>Dorothy Madine (Best Practice Facilitator)</i>
West Yorkshire; Bedfordshire and Hertfordshire; South Yorkshire	<i>John Slater (Best Practice Facilitator)</i>

Details of SHA leads can be found at:
www.wise.nhs.uk/agendaforchange

Resources

Links to all resources available from NHS Employers and the DH, together with material previously developed by the NHS Modernisation Agency, can be found at:
www.nhsemployers.org/agendaforchange

These include:

- all agreed documentation including terms and conditions, the KSF, and *The NHS job evaluation handbook*
- national job profiles
- links to e-KSF and the national reference library of post outlines
- resources developed by early implementer sites
- advice to assist with implementation planning and processes.

E-mail enquiry service

NHS Employers operates an e-mail enquiry service for employers at:
agendaforchange@nhsemployers.org

We are unable to answer queries from individual members of staff about how Agenda for Change may affect their personal circumstances. Individuals are advised to contact their own HR department or union representative.

Contact us

www.nhsemployers.org

E-mail agendaforchange@nhsemployers.org

NHS Employers

29 Bressenden Place

London SW1E 5DD

2 Brewery Wharf

Kendell Street

Leeds LS10 1JR

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