

John Humphreys
Director of Strategic HR
North East London Strategic Health Authority
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22 March 2005

Dear John

The Strategic Health Authority AfC Leads Network, covering England, of Project and Trade Union Side Leads met on 23 February 2005, and sought joint advice on how to calculate assimilation earnings.

This is to confirm the joint view of the Executive as explained at the Network meeting.

Assimilation, ideally, would have happened on 1 October 2004. Of course, this did not happen – the agreement was reached on 1 December; the job evaluation work to establish the banding of posts takes time; and the various terms and conditions matters need to be worked through in partnership in an appropriate way. As a result, the date when assimilation actually occurs will often be different from the effective day of assimilation – that is 1 October 2004.

As a result, Trusts will need to do two calculations and a little arithmetic, to replicate the effect of assimilation as if it had happened on 1st October 2004.

Trusts will know from payroll the actual earnings of staff between 1 October 2004 and the date that the assimilation happens – we could call this £(actual).

Trusts will also be able to calculate what total earnings would have been due under AFC if the assimilation had happened on day 1 – we could call this £(AFC).

By deducting £(actual) from £(AFC) will provide a third figure. Where £(AFC) exceeds £(actual) that third figure will be positive, and represents the money owed to the member of staff by way of back pay.

Alternatively the third figure will be negative, because the actual earnings [£(actual)] exceed what was due under the AfC contract [£(AFC)] – in this case, consistent with earlier Executive guidance, that overpayment would not normally be recovered.

More simply:

$$\begin{array}{r} \pounds(\text{AfC}) \\ - \pounds(\text{actual}) \\ \hline = \pounds x \end{array}$$

If £x is positive it is paid as back pay
If £x is negative it is not recovered

Where a Whitley increment has been awarded post 1 October 2004, your approach to resolve the issue should be agreed in partnership. We understand that approaches to assimilation are tending to vary depending on local circumstances, for example, where there are protection issues.

We trust this will enable Trusts, with the support of the Strategic Health Authority and Trade Union partners, to make further progress to meeting the deadlines set out in the agreement.

Yours sincerely

Peter Smith
Head of Pay Modernisation Unit
Modernisation Agency

Josie Irwin
Staff Side Secretary
Joint NHS Unions