

13 February 2009

# Pay Circular (AforC) 1/2009

## Pay and conditions for NHS Staff Covered by the Agenda for Change agreement

To: All NHS employers

### Summary

This circular informs NHS organisations of the changes to national pay scales that take effect from 1 April 2009 for staff covered by the Agenda for Change agreement. This follows the recommendation of the NHS Pay Review Body not to re-open the previously agreed pay uplift for 2009/10 which formed the second year of the multi year agreement.

The NHS Pay Review Body will continue to gather evidence throughout 2009/10. In the event that the pay review body receive and identify new evidence of a significant and material change in recruitment and retention and wider economic and labour market conditions, they may request a remit from the Secretary of State to review the increases set out in this agreement for 2010/11.

### Action

#### Uplifts to national salary scales and allowances

1. The revised national pay scales for 2009/10 set out in this circular apply in full with effect from 1 April 2009.

#### Uplifts to National pay scales from 1 April 2009

2. This circular provides details of:
  - An increase of 2.4% to the national salary scales from 1 April 2009.
  - An increase of 2.4% to the national recruitment and retention premia payable for qualified maintenance craftsmen and technicians under the terms of Annex R paragraph 13 of the handbook and healthcare chaplains under paragraph 15.

- An increase of 2.4% to the minima and maxima value of high cost area supplements from 1 April 2009.
- Deletion of the lowest point of band 1 from the pay scales. The incremental date of all those staff on the previous bottom point will be reset to 1 April 2010 so as to prevent “leapfrogging”.
- An increase in the value of the top pay point of band 5 by an additional 0.33% and some consequential re-spreading of certain pay points in band 5 and the first 3 points in Band 6 as set out in the attached pay scales in Annex C.
- An increase of 2.4% to the value of cash allowances payable for on-call work.

### Uplifts to national pay scales from 1 April 2010

3. NHS Employers will publish a further circular to confirm the pay scales for 2010/11 in good time to allow payments in 2010. For information the indicative pay rates for 2010 are set out [Here](#)

### Effect of Amendments

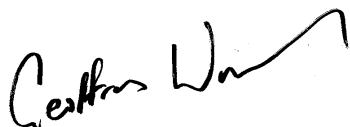
4. The revised national rates made effective by this pay circular replace those notified in Pay Circular (AforC) 3/2008.
5. Details of the changes made effective by this circular are in the Appendix attached.
6. The recommended rates from 1 April 2009 have been calculated on the basis of a cumulative uplift using the Agenda for Change pay rates applicable on the 1 October 2004 as the baseline figures to maintain relativity, and may therefore differ slightly from figures calculated by applying the uplift to the figures at 1 April 2008.

### Enquiries

7. Employees must direct personal enquiries to their employer.
8. Employers should direct enquiries to: [agendaforchange@nhsemployers.org](mailto:agendaforchange@nhsemployers.org).
9. Copies of this circular can be downloaded from: [www.nhsemployers.org](http://www.nhsemployers.org)
10. A copy of the NHS Terms and Conditions of Service handbook can be downloaded from the NHS Employers website at the following address:  
[www.nhsemployers.org/payandconditions/agendaforchange.asp](http://www.nhsemployers.org/payandconditions/agendaforchange.asp)

11. Prior to establishment of NHS Employers in November 2004 responsibility to inform the NHS of uplifts in pay and allowances payable to non-medical staff rested with the Department of Health and was published in Advance Letters. Copies of previous Advance Letters from 1995 onwards may be obtained from the Department of Health website at the following address: [www.dh.gov.uk/letters](http://www.dh.gov.uk/letters).

Issued by



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## APPENDIX

### Pay Circular (AforC) 1/2009

#### NHS TERMS AND CONDITIONS OF SERVICE HANDBOOK

The changes made effective by this circular are:

- **Pay rates** for the 1 April 2008 will move to Annex B and will become Table 12e this will form a chronological record of pay rates since 1 October 2004. **The copy of Annex C (pay rates effective from 1 April 2009) reproduced in this circular replaces Annex C of the handbook.**
- **High cost area payments effective from 1 April 2009: Annex I (Table 19) reproduced in this circular replaces Annex I (Table 19) of the handbook.** High Cost Area payments for the 1 April 2008 will become Table 18d this will form a chronological record of High Cost Area payments since 1 October 2004.
- **National recruitment and retention premia effective from 1 April 2009: Annex R in this circular replaces Annex R in the handbook.**

**ANNEX C Table 13****Pay Bands and Pay Points on Second and Third Pay Spines from 1 April 2009**

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	13,233	13,233										
2	13,588	13,588										
3	13,944	13,944										
4		14,359										
5		14,774										
6		15,190	15,190									
7		15,725	15,725									
8		16,333	16,333									
9			16,698									
10			17,184									
11			17,732	17,732								
12			18,157	18,157								
13				18,826								
14				19,495								
15				20,102								
16				20,710	20,710							
17				21,318	21,318							
18					22,152							
19					23,019							
20					23,345							
21					24,013							
22					24,831	24,831						
23					25,829	25,829						
24					26,839	26,839						
25						27,844						
26						28,816						
27						29,789	29,789					
28						30,762	30,762					
29						31,856	31,856					
30						33,436	33,436					
31							34,410					
32							35,504					
33							36,719					
34							37,996	37,996				
35							39,273	39,273				
36								40,853				
37								42,434				
38								44,258	44,258			
39								45,596	45,596			
40									47,905			
41									50,580			
42									53,256	53,256		
43									54,714	54,714		
44										57,146		
45										59,821		
46										63,833	63,833	
47										65,657	65,657	
48											68,393	
49											71,736	
50											75,383	75,383
51											79,031	79,031
52												82,824
53												86,800
54												90,967
55												95,333
56												

Note: With effect from 1<sup>st</sup> April 2009 Band 1 will consist of **Three** spine points only. Employees who are on the minimum of Band 1 as at 31<sup>st</sup> March 2009 will transfer to the new minimum point with effect from 1<sup>st</sup> April 2009 and their incremental point will become 1 April 2010. All the pay points have now been renumbered and the total scale is reduced from 56 to 55 points.

Table 19

From 1 April 2009

Area	Level (1 April 2009)
Inner London	20% of basic salary, subject to a: <ul style="list-style-type: none"><li>• Minimum payment of £3,947 and a maximum payment of £6,080</li></ul>
Outer London	15% of basic salary, subject to a: <ul style="list-style-type: none"><li>• Minimum payment of £3,339 and a maximum payment of £4,256</li></ul>
Fringe	5% of basic salary, subject to a: Minimum payment of £912 and a maximum payment of £1,581

## Annex R

# Guidance on the application of nationally agreed recruitment and retention premia

1. 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

2. 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 payment 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.
3. 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 J, including consultation with staff representatives and other local NHS employers.

## Posts to which this guidance applies

4. 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.
5. 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.

6. The negotiators of Agenda for Change 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 are listed in Table 20, below.

Table 20

Type of post
Chaplains
Clinical coding officers
Cytology screeners
Dental nurses, technicians, therapists and hygienists
Estates officers/works officers
Financial accountants
Invoice clerks
Biomedical scientists
Payroll team leaders
Pharmacists
Qualified maintenance craftspersons
Qualified maintenance technicians
Qualified medical technical officers
Qualified midwives (new entrant)
Qualified perfusionists

7. 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.
8. 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 which 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

9. 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.
10. As set out in paragraph 2 of Section 5, 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

11. Unless necessary to ensure no loss as described above, no premium may exceed 30 per cent except as set out below.
12. Premia in excess of 30 per cent may be paid where justified under the criteria in Annex J.

## Further guidance on specific cases

### Qualified maintenance crafts persons and qualified maintenance technicians

13. 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 £3,205 a year from 1 April 2009. 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.
14. Premia may also be agreed locally for building crafts, subject to the guidance above on minimum and maximum rates.

## Chaplains

15. 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)

16. 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

17. The value of the premium in paragraph 13 is the value effective from 1 April 2009. Any premia paid prior to this date should be uplifted at that date to this amount. Any uprating of premia thereafter will be by either national or local agreement.

### Review of this guidance

18. 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.