



SCOTTISH EXECUTIVE

Health Department
Workforce Directorate

Dear Colleague

PAY AWARD 2006/2007 – PAYMENT ON ACCOUNT TO STAFF NOT ASSIMILATED TO AGENDA FOR CHANGE

Summary

1. NHS Circular PCS(AFC)2006/3, issued on 16 June 2006, informed you that the national Agenda for Change pay bands are to be increased with effect from 1st April 2006. This increase represents the 1 year pay deal reached for the 2006/2007 pay round for non-medical staff.

2. While the uplift applies to the Agenda for Change pay bands only, many staff covered by the Agenda for Change agreement still remain on the Whitley pay scales pending assimilation. In recognition of this, it has been agreed by the Scottish Terms and Conditions Committee (STAC) that from 1 July 2006, a cost of living payment will be made on account to those staff who at that date have not yet assimilated to Agenda for Change. This payment on account will be backdated to 1 April 2006.

3. Payment on account means a weekly or monthly supplementary payment, calculated on the basis of 2.5% of the employee's current basic pay/basic hours, which will not be enhanced for the purposes of overtime or unsocial hours payments or any other cash based allowances related to pay.

4. The payment on account will cease at the point of assimilation, which should take place no later than 31 October 2006. It will be non-superannuable, and will be paid by means of a separate allowance code i.e. a separate entry on the staff pay slip.

5. There will be no recovery of any payment on account for those who on assimilation would still be on a protected salary in 2006/2007. However, the payment on account will cease on assimilation and the protected salary under Agenda for Change

16 June 2006

Addresses

For action

Chairs, NHS Boards and Special Health Boards
Chief Executives, NHS Boards and Special Health Boards
Directors of Finance, NHS Boards and Special Health Boards
Directors of Human Resources, NHS Boards and Special Health Boards.

For information

Members, Scottish Terms and Conditions Committee
Members, Scottish Partnership Forum
Members, Scottish Workforce and Governance Group
Members, Scottish Pay Reference and Implementation Group.

Enquiries to:

John Provan
Workforce Directorate: Pay and Pensions
GF Rear
St Andrew's House
EDINBURGH EH1 3DG

Tel: 0131-244 4192
Fax: 0131-244 2837
e-mail:
john.provan@scotland.gsi.gov.uk



will be set by reference to the rates in force on 31 March 2006. If an individual is not at the maximum of their Whitley scale and an increment is due at a date between 1 April 2006 and the date of assimilation, the protected salary will include that increment.

6. As part of the payment on account agreement, local health systems should examine and agree in partnership ways in which the Agenda for Change implementation process can be accelerated. Further detail on this part of the agreement is contained in the "Joint Statement" issued by STAC on 16 June 2006 (see Annex A attached).

Scottish Minister's approval

7. Employers should implement this agreement, which has been approved by the Scottish Ministers under Regulation 2 and 3 of the National Health Service (Remuneration and Conditions of Service) (Scotland) Regulations 1991 (S.I. 1991 No.537). A copy of the formal approval is attached.

Action

8. NHS Boards and Special Health Boards should ensure that this agreement is implemented in time for payment with July salaries.

9. Employers are asked to make their own arrangements for additional copies of this letter which can be viewed at www.show.scot.nhs.uk/sehd/publications.asp.

Yours sincerely

ALEX KILLICK
Associate Director for Workforce
Employment and Retention



NATIONAL HEALTH SERVICE APPROVAL OF REMUNERATION AND CONDITIONS OF SERVICE

In accordance with regulation 2 and regulation 3 of the National Health Service (Remuneration and Conditions of Service) (Scotland) Regulations 1991 (S.I. 1991/537) the remuneration and conditions of service set out in the attached Scottish Executive Health Department letter of 16 June 2006, NHS Circular PCS(AFC)2006/4, in respect of a payment on account for staff covered by the Agenda for Change agreement but not yet assimilated to the new pay bands, are hereby approved for the purposes of the said Regulations.

ELINOR MITCHELL
Associate Director for Workforce
Planning and Development

Scottish Executive
Health Department
St Andrews House
EDINBURGH
EH1 3DG

16 June 2006

ANNEX A

JOINT STATEMENT

**SCOTTISH TERMS AND CONDITIONS COMMITTEE
PAYMENT ON ACCOUNT TO STAFF NOT ASSIMILATED TO
AGENDA FOR CHANGE**

1. In line with the recommendations made by The Nurses and Other Health Professions Review Body (NOHPRB), a pay award of 2.5% has been made for 2006/2007 for staff covered by the Agenda for Change agreement. This means that, with effect from 1 April 2006, the Agenda for Change pay bands and cash based allowances will be uplifted by 2.5%. Full details of this are contained in NHS Circular PCS(AFC)2006/3, which was issued on 16 June 2006.
2. The NOHPRB pay award for 2006/2007 will be applied to the Agenda for Change pay bands only, and those who have already assimilated to those new paybands will automatically receive the award, with back pay calculated to 1 April 2006.
3. Trades unions, professional organisations and employers in NHSScotland have agreed in partnership to take an approach to the implementation of Agenda for Change which favours quality and consistency of outcome over speed of process. However, this means that many staff are not yet assimilated to the new Agenda for Change pay bands, and will not therefore immediately benefit from the 2006/2007 pay award.
4. It has now been agreed in partnership that, from 1 July 2006, a cost of living payment will be made to those who have not assimilated at that date to the new Agenda for Change pay bands. This payment will be backdated to 1 April 2006.
5. Payment on account means that every member of NHSScotland staff who has yet to assimilate will receive an extra payment of 2.5% of their monthly or weekly basic pay. This payment is in addition to basic pay, it is not part of it, therefore it will not be counted for the purposes of calculating overtime or unsocial hours payments, or any other cash based allowances related to pay. It will not be superannuable.
6. Payment on account, which will be shown separately on staff pay slips, will cease at the point of assimilation which should take place no later than 31 October 2006. However, there may be exceptions to this that are outwith the control of health systems and/or the individuals concerned e.g. posts which require individual job evaluations. Agreement or exceptions which will require further variation orders for the payment to continue will be monitored through STAC in the first instance.
7. When staff assimilate, they will move to the Agenda for Change paybands which include the pay award for 2006/2007. There will be no recovery of any payment on account for those who on assimilation would still be on a protected salary in 2006/2007. However, the payment on account will cease on assimilation and the protected salary under Agenda for Change will be set by reference to the rates in force on 31 March 2006. If an individual is not at the maximum of

their Whitley scale and an increment is due at a date between 1 April 2006 and the date of assimilation the protected salary will include that increment.

8. As part of the payment on account agreement, local health systems should examine and agree in partnership ways in which the Agenda for Change implementation process can be speeded up, while maintaining the integrity of the Agreement. Any new processes should take into account the expertise, confidence and knowledge which has been built up since the implementation process began.

9. Local systems will not require external agreement to introduce new processes aimed at speeding up implementation. However, STAC will provide active support and will meet with local systems to agree how this can best be taken forward.

10. Both employers and trades unions/professional organisations are of the view that this agreement represents a good deal for staff who, through no fault of their own, have not yet assimilated to the new Agenda for Change pay bands. The agreement will also facilitate the development of local arrangements which are designed to progress the assimilation process, ensuring implementation of Agenda for Change within the agreed timescales.

Scottish Terms and Condition Committee
16 June 2006

