Dear Colleague,

Summary

This pay circular informs employers of additional details regarding the pay arrangements for employees covered by the Agenda for Change (AfC) agreement in Wales for year 2 of the 3 year agreement, commencing 1 April 2019 which were previously set out in Pay Letter AfC(W) 1/2018 published on 18 September 2018.

Action

Non-consolidated payment 2019/20

1. In 2019/20 only, a pre-rata cash lump sum will be made available to deliver and additional 1.1% to Band 1 staff, those transitioning from Band 1 to Band 2 and all staff employed on the top pay points in bands 2 - 8c on 31 March 2019. The lump sum will be paid to staff in April pay and will be non-consolidated.

2. For bands 8d and 9 the non-consolidated cash lump sum will be capped at the value given to band 8c.

Closure of Band 1 Effective Date

1. For staff transitioning from Band 1 to Band 2 the effective date will be 1 April 2019.

2. For staff who transition from Band 1 to Band 2 their pay step (incremental) date will default to 1 April.

Band 1 to band 2 transition – Application of the principle of ‘No Detriment’

3. The Framework agreement on the reform of NHS pay structure for Agenda for Change sets out that a principle of ‘no detriment’ that will apply to the individual(s) concerned thorough any of the transition to the new pay structure.

4. The NHS Terms and Conditions of Service Handbook sets out the rates for unsocial hours’ calculations i.e. the pay for working nights or on Saturdays/Sundays. As the unsocial hours
percentage rates are higher for Band 1 than Band 2, when staff decide to transfer to Band 2 it is important that their overall pay does not drop below the Band 1 rates. Section 2 also contains details of how unsocial hours’ rates change, for all pay bands, over the three years of the pay deal.

5. On transition to Band 2, the basic salary will remain the same, but to ensure staff do not suffer a detriment, Payroll will ensure, during the two years of the transition/pay implementation, that the staff concerned will continue to receive any unsocial hours’ payments based on the Band 1 unsocial hours rates for 2019/20 and 2020/21. This ‘protected’ element of pay will be based on the employee’s contracted hours and working pattern between 1 January 2019 and 31 March 2019 (the ‘reference period’) i.e. the unsocial hours worked during 2019/20 and 2020/21 will be paid on the Band 1 unsocial hours’ rates in line with the working pattern identified in the reference period.

6. Where staff work additional enhanced hours to those worked during the reference period, these will be paid at the Band 2 rates.

7. Where staff request to reduce their enhanced hours below the reference period this will result in a reduction of the protected’ element of pay.

8. The ‘protected’ element of pay for 2020/21 will be readjusted to take account of the 2020/21 Band 1 unsocial hours’ rates.

Unsocial hours enhancements rates 2019/20 to 20/21 for Band 1 and Band 2

<table>
<thead>
<tr>
<th>Band</th>
<th>2019/20</th>
<th>2020/21</th>
</tr>
</thead>
<tbody>
<tr>
<td>Band 1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>All time on Saturday (midnight to midnight) and any week day after 8pm Band before 6am</td>
<td>Time plus 48%</td>
<td>Time plus 47%</td>
</tr>
<tr>
<td>Band 1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>All time on Sunday and Public Holidays (midnight to midnight)</td>
<td>Time plus 95%</td>
<td>Time plus 94%</td>
</tr>
<tr>
<td>Band 2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>All time on Saturday (midnight to midnight) and any week day after 8pm Band before 6am</td>
<td>Time plus 42%</td>
<td>Time plus 41%</td>
</tr>
<tr>
<td>Band 2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>All time on Sunday and Public Holidays (midnight to midnight)</td>
<td>Time plus 84%</td>
<td>Time plus 83%</td>
</tr>
</tbody>
</table>

**Reserve rate for cycles and motorbikes**

1. Section 17 (Wales) of the NHS Terms and Conditions for Service Handbook will be updated to specify the Reserve Rate of reimbursement for cycles and motorbikes from 1 April 2019.

2. The following additional bullet point will be added at 17.17:
in line with the situations noted above, where an individual chooses to use either a Pedal Cycle or a Motor Cycle when eligible for the Reserve rate, then the rate of reimbursement will be the Pedal Cycle or Motor Cycle rate as set out in Table 7 Column 4.

3. An amended Section 17 is set out in full at Annex A.

Enquiries

1. Employees must direct personal enquiries to their employer.

2. Employers should direct enquiries to: HSSWorkforceOD@gov.wales

3. Copies of this circular can be downloaded from the HOWIS website.

4. A copy of the NHS terms and conditions of service handbook can be downloaded from the NHS Employers website.

Yours sincerely

Helen Arthur
Interim Director, Workforce & Organisational Development
Cyfarwyddwr Dros Dro y Gweithlu a DS
Annex A

NHS Wales – Local agreement on the reimbursement of travel costs to replace Section 17 of the National Terms and Conditions of Service Handbook.

17.1 This Section deals with the reimbursement of costs incurred by employees who, with the agreement of their employer, use their own vehicles or pedal cycles, to make journeys in the performance of their duties.

17.2 Principles underpinning lease vehicle policies are in Annex M. If the employer withdraws the offer of a lease vehicle in line with the provisions of Annex M the employee is entitled to the appropriate rates of reimbursement in Table 7.

17.3 The reimbursement of travelling costs when employees are required to change their base of work as a result of a reorganisation or merger of NHS employers or when employees accept another post as an alternative to redundancy, will be for local partnerships to determine in line with Section 19 and Annex O, subject to a maximum period of reimbursement of four years from the date of transfer (see paragraph 17.17 for compulsory change of base).

17.4 This Section is effective from 1 January 2015 and is part of a three year agreement which applies until 31 December 2017. It replaces the previous Section 17 and all existing national agreements on protection. It applies to all employees on the terms and conditions of service in this Handbook who have been in receipt of the nationally agreed mileage payments.

17.5 When using their vehicles in the performance of their duties employees must ensure they possess a valid driving licence, “motoring organisation test (MOT) certificate” and motor insurance which covers business travel, that he or she is fit to drive and drives safely and that they obey the relevant laws e.g. speed limits. The employee must inform the employer if there is a change in status.

17.6 When authorising the use of a vehicle, the employer must ensure that the driver has a valid driving licence and MOT certificate and has motor insurance which covers business travel.

17.7 The employer and employee will agree the most suitable means of transport for the routine journeys which employees have to make in the performance of their duties. If a particular journey is unusual, in terms of distance or purpose, the mode of travel will be agreed between the employer and employee, before it starts.

17.8 There may be circumstances where newly appointed or lower paid employees need assistance to obtain a vehicle to undertake business travel. Where the use of a vehicle is essential to the job the organisation may wish to assist by providing a lease or pool vehicle or a salary advance (see Annex M).

Rates of reimbursement

17.9 Employees who use their vehicles to make journeys in the performance of their duties e.g. to provide care in the patient’s home, will be reimbursed their motoring costs at the appropriate rates shown in Table 7. These rates of reimbursement apply to journeys undertaken on and after 1 January 2015.
17.10 The rates of reimbursement are set out in Table 7.

17.11 The rates of reimbursement in Table 7, columns 2 and 3 and the rate of reimbursement for motor cycles in column 4 will apply from 1 January 2015 and are those set out by HMRC as approved mileage allowance payments (AMAP rates). These rates of reimbursement will be adjusted in accordance with the published AMAP rate. The rates will apply to all journeys undertaken on and after 1 January 2015.

17.12 The reserve rate in column 4 will move in line with the mechanism identified in, Annex L (Paragraph 11).

Table 7

Rates of reimbursement from 1 January 2015

<table>
<thead>
<tr>
<th>Column 1</th>
<th>Column 2</th>
<th>Column 3</th>
<th>Column 4</th>
</tr>
</thead>
<tbody>
<tr>
<td>Type of vehicle/allowance</td>
<td>Annual mileage up to 10,000 miles</td>
<td>Annual mileage over 10,000 miles</td>
<td>All eligible miles travelled (see paragraph 17.15 and Table 8)</td>
</tr>
<tr>
<td>Car (all types of fuel)</td>
<td>45 pence per mile</td>
<td>25 pence per mile</td>
<td></td>
</tr>
<tr>
<td>Motor cycle</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pedal cycle</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Passenger allowance</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reserve rate</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Carrying heavy or bulky equipment</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Review

17.13 After 1 January 2015 any changes to the AMAP rate will be automatically applied to the standard rate of reimbursement and the rate for motorcycle users. The reserve rate in Table 7, will move in line with any changes agreed by a NHS Staff Council review in line with the provisions in Annex L.

17.14 With the exception of the mechanism to determine the “Reserve Rate” as noted in paragraphs 17.12 and 17.13, Annex L does not apply.
Eligible mileage

17.15 Employees will be reimbursed for miles travelled in the performance of their duties which are in excess of the home to agreed work base return journey. Normally, the miles eligible for reimbursement are those travelled from the agreed work base and back. However, when the journey being reimbursed starts at a location other than the agreed work base, for example home, the mileage eligible for reimbursement will be as set out in the example in Table 8.

Table 8
Eligible mileage

<table>
<thead>
<tr>
<th>Eligible mileage – illustrative example</th>
</tr>
</thead>
<tbody>
<tr>
<td>In this example the distance from the employee’s home to the agreed base is 15 miles</td>
</tr>
<tr>
<td>Journey (outward)</td>
</tr>
<tr>
<td>Home to base</td>
</tr>
<tr>
<td>Home to first call</td>
</tr>
<tr>
<td>Home to first call</td>
</tr>
<tr>
<td>Journey (return)</td>
</tr>
<tr>
<td>Last call to base</td>
</tr>
<tr>
<td>Less than 15 miles</td>
</tr>
<tr>
<td>More than 15 miles</td>
</tr>
</tbody>
</table>

Passenger rate

17.16 With the exception of lease, pool or hire vehicle users, where other employees or members of an NHS organisation are conveyed in the same vehicle on NHS business and their fares would otherwise be payable by the employer, the passenger allowance in Table 7 will be payable to the vehicle driver.

Reserve rate of reimbursement

17.17 A reserve rate of reimbursement, as in Table 7, will apply to employees using their own vehicles for business purposes in the following situations:

- if an employee unreasonably declines the employers’ offer of a lease vehicle:

- in determining reasonableness the employer and employee should seek to reach a joint agreement as to whether a lease vehicle is appropriate and the timeframe by which the new arrangements will apply. All the relevant circumstances of the employee and employer will be considered including an employees' personal need for a particular type of car and the employers’ need to provide a cost effective option for business travel;
when employees are required to return to work or work overtime in line with Section 3 on any day, and incur additional travel to work expenses on that day. This provision will apply if the employee chooses to be paid for the extra hours or takes time off in lieu (TOIL – see Section 3);

- when a claim for excess mileage is made in situations where there is a compulsory change of base, either permanent or temporary, resulting in extra daily travelling expenses. The period of payment will be for local partnerships to determine, subject to a maximum period of 4 years from the date of transfer. (For those employees using public transport see paragraph 17.25);

- if an employee uses his or her own vehicle when suitable public transport is available and appropriate in the circumstances, subject to a maximum of the public transport cost which would have been incurred (see paragraph 17.7) and the rules on eligible miles in paragraph 17.15 and Table 8.

- in line with the situations noted above, where an individual chooses to use either a Pedal Cycle or a Motor Cycle when eligible for the Reserve rate, then the rate of reimbursement will be the Pedal Cycle or Motor Cycle rate as set out in Table 7 Column 4.

Attendance on training courses

17.18 Additional travel costs incurred when attending courses, conferences or events at the employer’s instigation will be reimbursed at the standard rates in Table 7 when the employer agrees that travel costs should be reimbursed.

17.19 Subject to the prior agreement of the employer, travel costs incurred when staff attend training courses or conferences and events, in circumstances when the attendance is not required by the employer, will be reimbursed at the reserve rate in Table 7, in line with the rules on eligible mileage in paragraph 17.15 and Table 8.

“Out of pocket” expenses in respect of business travel

17.20 This paragraph applies to employees for whom regular travel in a motor vehicle is an essential part of their duties. During a period when the employee’s vehicle is temporarily “off the road” for repairs, “out of pocket” expenses in respect of business travel by other appropriate forms of transport, should be borne by the employer. Reimbursement of these expenses will be subject to the rule on eligible mileage in paragraph 17.15 and Table 8.

Other allowances

17.21 Employees who necessarily incur charges in the performance of their duties, in relation to parking, garage costs, tolls and ferries shall be refunded these expenses on production of receipts, whenever these
are available. Charges for overnight garaging or parking, however, shall not be reimbursed unless the employee is entitled to night subsistence. This does not include reimbursement of parking charges incurred as a result of attendance at the employee’s normal place of work.

Transporting equipment

17.22 Employees who use their vehicles in the performance of their duties may be required to take equipment with them. Employers have a duty of care under the Health and Safety at Work Act 1974 and related legislation, to ensure that this does not cause a risk to the health and safety of the employee. Employees should not be allowed to carry equipment which is heavy or bulky, unless a risk assessment has been carried out beforehand. When, after the necessary assessment has demonstrated it is safe to carry equipment, an allowance (see Table 7) shall be paid for all eligible miles (see paragraph 17.15 and Table 8) for which the equipment is carried, provided that either:

- the equipment exceeds a weight which could reasonably be carried by hand; or

- the equipment cannot be carried in the boot of the vehicle and is so bulky as to reduce the seating capacity of the vehicle.

Pedal cyclists

17.23 Employees who use pedal cycles to make journeys in the performance of their duties will be reimbursed for eligible miles travelled at the rate in Table 7 (see paragraph 17.15 and Table 8 for eligible miles).

Public transport

17.24 If an employee uses public transport for business purposes, the cost of bus fares and standard rail fares should be reimbursed.

17.25 Where there is a compulsory change of base, either permanent or temporary, resulting in extra public transport costs for the employee, these extra costs will be reimbursed, subject to a maximum period of four years from the date of transfer. (For those employees using their own vehicles for business purposes and incurring additional costs see paragraph 17.17).