

**NHS Terms and
Conditions of Service
2018**

**THE NHS STAFF COUNCIL
WORKING IN PARTNERSHIP**

**NHS Terms and
Conditions of Service
(England)
Changes from 1 April 2020**

Background

In 2018, the NHS Staff Council agreed to reform the NHS pay structure over a three-year period covering April 2018 to March 2021. The key objectives of reform included:

- supporting the attraction and recruitment of staff by increasing starting pay in every pay band
- supporting the retention of staff by increasing basic pay for staff at the top of their pay bands
- simplifying the pay structure and speeding up progression to the top of most pay bands.

1 April 2020 marks the start of the final year of this process. During this year, further pay points are deleted in order to increase starting salaries and reduce the length of time it takes to reach the top of most pay bands.

These reforms were aimed at reducing the complexity of the previous pay structure by removing overlaps between pay bands and inconsistent variation in the gaps between pay points.

The way that the reforms have been staged across the three years has meant staff experienced different degrees of change to their pay at different times, not only in each of the three years but also at different points during the year, depending on their individual pay point.

The [pay journey tool](#) shows staff how their pay changes year on year, including annual pay uplifts and individual progression.

- Staff employed in their current pay band on or before 31 March 2018, will need to enter into the pay tool the spine point they were employed on at that date. This can be found on the [spine points table](#). If after using the table you cannot find your spine point, contact your employer for assistance.
- Staff employed in their current pay band on or after 1 April 2018, which includes staff promoted to a higher band, will need to enter the appropriate years of experience they have been credited with within their pay band to correctly track their journey.

Further information is available in the questions and answers section at the end of this document.

Main changes

The [framework agreement on the reform of Agenda for Change](#) confirms the following:

Staff already at the top of their pay band

- Staff at the top of their pay band will see their annual basic pay increase through the annual pay uplift, effective on 1 April. For bands 2-8c this increase is 1.67 per cent. Please refer to question 6 below for more information.
- For staff at the top of bands 8d and 9, their basic pay increase will be capped at the level of the increase for the top of band 8c.

Staff not yet at the top of their pay band

- Some staff will have their 2019/20 pay point deleted with effect from 1 April 2020, as part of the reform to the pay structure. These staff will receive both their annual pay uplift and pay progression (incremental point) on 1 April 2020. No further increase will be awarded on their pay step (incremental) date, because they will have received their pay progression early.
- Other staff will receive an annual pay uplift on 1 April 2020 and then receive their pay progression on their pay step date, if they have not already benefited from deletion of a pay point.
- Staff can use the [pay tool](#) to review their individual pay journey.

Completion of transitional arrangements in bands 5, 6 and 7

The completion of transitional arrangements for bands 5, 6 and 7 occurs on 1 April 2021, with the removal of the final transitional pay point in each band. The affected points are:

Band	Years of experience 2020/21 ¹	2020/21 value of transitional pay point	Top of band value on 1 April 2021 ²
Band 5	4-5	£27,416	£30,615
	5-6	£27,416	£30,615
Band 6	5-6	£33,779	£37,890
	6-7	£33,779	£37,890
Band 7	5-6	£41,723	£44,503
	6-7	£41,723	£44,503

Staff on these points on 31 March 2021 will automatically move to the top of their pay band on 1 April 2021 and are not subject to the new pay progression arrangements.

Special note on temporary arrangements in bands 8a, 8b, 8c, 8d and 9

The reform of these pay bands will be complete with effect from 1 April 2020 when the pay bands move to this two-point structure which has an entry point and a top point.

A number of staff in bands 8a – 9 are near the top of their pay band but, because of the pay point on which they started their journey, they have not yet progressed to the top of their band. The deletion of two further pay points in these bands from 1 April 2020 means there is no other substantive pay point for these staff to be on.

To address this situation and ensure the no detriment clause within the [framework agreement](#) is delivered, a consolidated payment will apply to staff in bands 8a, 8b, 8c, 8d and 9 in 2020/21, as set out below.

¹ In some cases, years of experience will not align with the pay point, as the assimilation process does not consider actual historical experience. For further information refer to the scenarios within the guidance document and [FAQ 2.9](#).

² Any future pay award coming into effect from April 2021 would be applied to these amounts.

These will be paid in monthly instalments pro-rata until the date when the individual reaches their pay progression date.

Band	Years of experience ³	Basic pay as per the pay structure in 2020/21	One-off annual consolidated payment (to be divided into monthly instalments)	Total pay in 2020/21 for existing staff
8a	3-4	45,753	765	46,518
	4-5	45,753	2,766	48,519
8b	3-4	53,168	2,282	55,450
	4-5	53,168	5,215	58,383
8c	3-4	63,751	1,180	64,931
	4-5	63,751	5,534	69,285
8d	3-4	75,914	1,949	77,863
	4-5	75,914	5,907	81,821
9	3-4	91,004	3,209	94,213
	4-5	91,004	7,732	98,736

The consolidated payment will be subject to pension, tax and National Insurance deductions. For part-time staff, the consolidated payments will be pro-rated as appropriate.

Additional information

- From 1 April 2020, the minimum annual basic pay rate in the pay structure will increase to £18,005. Information on transferring staff in band 1 to band 2 is set out below.
- The high-cost area supplements (HCAS) from 1 April 2020 are [set out in annex 9](#) of the NHS terms and conditions handbook. HCAS payments are made in addition to the annual base salary.
- Unsocial hours rates from 1 April 2020 are [set out in section 2](#) of the NHS terms and conditions handbook. As in 2018 and 2019, there are minor changes to unsocial hours calculations for band 1, band 2 and band 3. The percentage rates set for 2020 will

³ In some cases, years of experience will not align with the pay point, as the assimilation process does not consider actual historical experience. For further information refer to the scenarios within the guidance document and [FAQ 2.9](#).

continue into future pay years. There are no other changes to unsocial hours calculations.

- Any changes to earnings can lead to changes to tax, National Insurance, pension contributions and tiers, student loan repayments and eligibility for tax credits and benefits.

Pay progression

Staff appointed prior to 1 April 2019

- Existing staff, for the purposes of pay progression, are those staff who were in post before 1 April 2019. Staff who change jobs within the same band are also considered as existing staff, as they have not been promoted to a higher band.
- For these staff, their current organisational pay progression procedures will continue to apply until 31 March 2021, unless they receive a promotion to a new post at a higher band.
- From 1 April 2021 the new arrangements will apply to all staff, regardless of whether they are considered existing staff, are new to the NHS, or have received a promotion.
- The effect of this is that during transition, staff not yet at the top of their pay band will receive a pay uplift on 1 April as well as any increase due through annual pay progression on their pay step date, as per current arrangements.
- New pay progression arrangements do not relate to the development of professional roles covered by annex 20. For all staff groups who meet the criteria in paragraph 3 of annex 20, progression to band 6 without the need for application for a post at a higher level remains unchanged.

New staff and promotions on or after 1 April 2019

- All staff commencing NHS employment and those staff who are promoted to a higher band on or after 1 April 2019 are subject to the new pay progression arrangements, as outlined at [annex 23 \(England\)](#).
- It is expected that staff new to the NHS and staff newly promoted will be appointed to the bottom of the relevant pay band.
- The pay step date is the anniversary of the date the individual commenced employment in their current pay band.

Preparing for 2021

Pay step reviews under the new pay progression arrangements will start taking place from 1 April 2021, as existing staff switch to the new arrangements and new or promoted staff reach the point of eligibility to progress to the next pay step in their band. In order to be ready for this, employers and unions should ensure that they are reviewing and agreeing local policies, including appraisal, training and development, disciplinary policies, using [annex 23](#) of the handbook and the NHS Staff Council guidance materials provided.

Further detail on pay progression

- [Guidance for employers](#)
- [Guidance for staff](#)
- [Guidance for managers.](#)

Staff in band 1

The NHS Staff Council agreement on a national process for transferring band 1 staff to band 2, set 1 April 2019 as the effective date for existing band 1 staff to decide to transfer to band 2. This date applies retrospectively where work to re-design the jobs and associated job evaluation processes is not yet complete.

Where the process of moving staff to band 2 is not complete, employers and unions should continue to work in partnership using the NHS Staff Council guidance materials. It is important to note that whether or not work to upskill and re-band the roles is complete, band 1 staff who wish to transfer can rely on the effective date of 1 April 2019 and will subsequently move to the top of band 2 on 1 April 2021, under existing local pay progression procedures.

Where initial choice exercises have been completed, employers and unions should ensure that any staff who do not initially take up the offer of moving to a band 2 role continue to receive information and opportunities to do so, including discussion at annual appraisal. Where staff later decide to transition, they will become eligible to move to the top of the band after two years.

Please refer to question 14 below for further information on staff moving from band 1 to band 2.

Further detail on band 1 to band 2 transfers

- [Agreement on a national process for the transfer of band 1 staff to band 2](#)
- [Guidance materials on closing band 1.](#)

Questions and answers

The following questions and answers will help organisations and trade union representatives to respond to staff queries.

Using the pay tool

Q1. A member of staff has not received a pay rise on their pay step (incremental) date, is this correct?

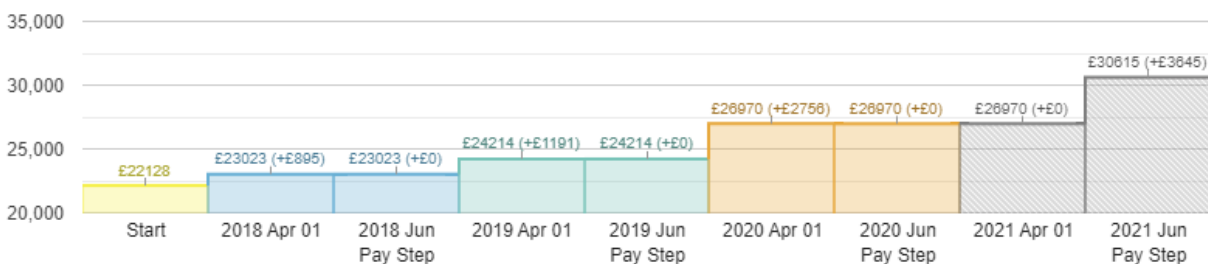
In some cases, this will be correct.

Some staff will have their pay point deleted this year as part of the pay restructure. These staff will receive both an annual pay uplift and pay progression on 1 April, effectively receiving their pay progression early (ahead of their pay step date).

You can use the [pay tool](#) to check what the individual pay journey should be. Where there is no change in basic pay on the pay step date (formerly the incremental date) this shows that the member of staff received both their annual pay uplift and pay progression on 1 April, effectively receiving their pay progression early.

The chart below is from the online pay tool and shows an example of where someone may not receive an increase on their pay step (incremental) date, because they have already received their increase in April.

Start Date	2018/19		2019/20		2020/21		2021/22	
	Apr 01	Jun Pay Step	Apr 01	Jun Pay Step	Apr 01	Jun Pay Step	Apr 01	Jun Pay Step
£22128	£23023 (+£895)	£23023 (+£0)	£24214 (+£1191)	£24214 (+£0)	£26970 (+£2756)	£26970 (+£0)	£26970 (+£0)	£30615 (+£3645)



Q2. A member of staff appears to get less than 1 per cent on 1 April 2020. Can this be correct?

Staff on the pay points detailed below will receive their most significant pay increase in 2020/21 on their pay step (incremental) date, rather than on 1 April. The pay increase they receive on 1 April 2020 ensures that at no point are they worse off than they would have been under the previous pay system.

Band	Years of experience as at 31 March 2020	Basic pay £ at 31 March 2020
Band 5	5-6 years' experience	£27,260
Band 6	6-7 years' experience	£33,587

Q3. Why does the pay tool ask staff for their spine point at 31 March 2018?

The pay tool shows an individual the information directly relevant to them during the course of the three-year pay deal, including the reform of Agenda for Change.

Staff who were in post before reforms to the pay structure began on 1 April 2018, and who remain in the same pay band, are asked to supply their pay band and spine point as of 31 March 2018 as this was the last day of the old pay structure. Asking staff for their pay band and spine point on that date is the safest way of ensuring the correct pay journey is shown.

The full pay scales published in [annex 2 of the terms and conditions](#) show the same pay information as the pay tool.

The NHS Staff Council has produced a [spine point table](#) to help staff look up their spine point themselves. If that does not help, employing organisations should support staff to find the relevant information.

Q4. Why does the pay tool ask staff for their years of experience?

Staff who started in post on or after 1 April 2018 will be asked for their years of experience in their current pay band, so that the tool can provide information that is directly relevant to them. This is because these staff started in their current band after pay reform had begun.

The tool needs this information to determine if the individual's pay journey should start from the bottom of the pay band (0-1 years of experience) or if it should start higher up the pay band.

Q5. A member of staff thinks their years of experience as described in annex 2, does not line up with their salary, can this be correct?

Years of experience is a way of describing pay points in the transitional pay structure, which works for most staff. However, in some circumstances, particularly for staff who were promoted whilst overlaps between pay bands remained, the years of experience can be confusing.

Under previous arrangements, spine points identified the different pay points within each band. As a result of structural reform to all pay bands and having removed all overlapping points, it is no longer possible to use the same spine point naming convention. Years of experience has been introduced and has been designed to represent the minimum number of years it would have previously taken to reach the equivalent spine point under the previous structure. The years of experience applies to experience within the pay band, not experience within the NHS or organisation. (Note: there was already the provision in [section 12 of the NHS terms and conditions handbook](#) for organisations to account for any period(s) of employment that are relevant to the band in which an individual is being appointed).

On transition to the new pay system in April 2018, staff were automatically assimilated to the correct pay point, based on the spine point they were on as of 31 March 2018. The assimilation process was designed to work by converting the spine point position at 31 March 2018 into a nominal minimum number of years' experience required to reach that point on the scale.

In most cases, years of experience will align with the pay point. However, it may not do in all cases as the assimilation process does not consider actual historical experience, only the previous pay point that the experience had allowed an individual to reach. For example, years of experience and pay point may not align in the following circumstances:

- If a member of staff has previously been subject to an increment freeze (for example band 8 and 9 staff in 2015), so their spine point did not increase that year.
- If staff have not progressed to the next pay point previously as a result of not meeting local progression criteria.
- If staff have previously started higher than the minimum point in the band. In this case, it will appear as if they do not have enough years of experience for their pay point.

- If staff were promoted into a band, starting higher than the minimum point in the band due to the pay on promotion clause in section 6 of the handbook.

If years of experience and pay point don't align it does not necessarily mean an individual is on the incorrect point, as assimilation is based on the point the individual had reached at the end of the 2017/18 pay year (31 March 2018).

Q.6 Why do staff in the top pay point in bands 8c, 8d and 9 receive a different percentage uplift in year three to that stated in the framework agreement?

Over the course of the three-year deal, staff employed in the top pay point of band 8c will receive a 6.5 per cent cumulative increase to the value of their pay, as outlined in the framework agreement. Staff at the top pay point of bands 8d and 9 receive an uplift capped at the cash value of the uplift to 8c.

The uplift applied to band 8c in year two (2019/20) was 1.9 per cent, not 1.7 per cent. Therefore, to ensure the overall increase across the three years does not exceed 6.5 per cent, the increase in year three (2020/21) is reduced from 1.67 per cent to 1.47 per cent.

Overall, staff are not at a disadvantage as pay has been front loaded into year two (2019/20).

Consolidated payments band 8a- 9

Q.7 How will the payment appear on my pay slip?

It will show as a separate payment marked Consol Pay, as set out in the pay slip below:

ASSIGNMENT NUMBER xxxxxxx		EMPLOYEE NAME xxxxxxx		LOCATION xxxxx			
DEPARTMENT xxxxxxx		JOB TITLE xxxxxxx		PAYSCALE DESCRIPTION xxxxx			
NHS	SAL/WAGE xxxxxxx		INC. DATE xxxxxxx		STANDARD HRS. xxxxx		
	TAX OFFICE NAME xxxxxxx		TAX OFFICE REF xxxxxxx		PT SAL/WAGE xxxxxxx		
PAY AND ALLOWANCES (- = MINUS AMOUNT)				DEDUCTIONS (R INDICATES REFUND)			
DESCRIPTION	WKD/EARNED	PAID/DUE	RATE	AMOUNT	DESCRIPTION	AMOUNT	BALANCE C/F
Basic Pay	xx	xxxxxxx	xx	xxxxxxx	PAYE	xx	
Consol Pay	xx	xxxxxxx	xx	xxxxxxx	NI	xx	
					NHS Pension X.X%	xx	
Year To Date Balances (This Employment Only)				This Period Summary			
GROSS PAY xx		TAXABLE PAY xx		PENSIONABLE PAY xx		TAXABLE PAY xxxxx	
NI LETTER x		TAX PAID xx		TAX PERIOD xx		NON-TAXABLE PAY xxxxx	
NI PAY xx		OTHER NI PAY		PREVIOUS TAXABLE PAY xx		FREQUENCY Monthly	
NI CONTS xx		OTHER NI CONTS		PREVIOUS TAX PAID xx		PERIOD END DATE xx	
PENSIONABLE PAY		PENSION CONTS xx		PAY DATE xx		TOTAL PAYMENTS xxxxx	
SD REF NUMBER		EMPLOYEE NO. xx		PAY METHOD BACS		TOTAL DEDUCTIONS xxxxx	
						NET PAY xxxxx	

Applies to affected pay points in bands 8a/8b/8c/8d & 9 only.

Q.8 What happens if I am in bands 8a, 8b, 8c, 8d or 9 and I am in receipt of the lower consolidated payment, but I then gain another year's experience and reach my pay step date?

Some staff in receipt of the lower consolidated payment may progress so that a higher consolidated payment is required. For example, someone with 3-4 minimum years of experience, may reach a pay step date which takes them on to 4-5 minimum years of experience, requiring a higher consolidated payment. If this occurs, the monthly instalments would be pro-rated to take account of the individual's pay step (incremental) date.

Q.9 Will I still receive the consolidated payments during sick pay?

Payment of the consolidated payments will be made, as appropriate, during periods of sick leave (full pay and half pay).

Q10. If I am entitled to a high-cost area supplement (HCAS) how will this be calculated?

The calculation of an HCAS allowance should be based on an individual's total base pay, which is annual salary inclusive of the consolidated payment.

Q11. Should bank staff employed in bands 8a, 8b, 8c, 8d and 9 receive the consolidated payment if they are paid at the appropriate points of the Agenda for Change pay band?

The terms and conditions, including pay arrangements, offered by employer banks in the NHS vary considerably. Depending on how the local bank contract is written there may be a dynamic link to [annex 2](#), which would give rise to the bank worker having a contractual entitlement to the pay provisions as set out in annex 2. This will include the entitlement to consolidated payment for 2020/21, as set out in table 10b, for those on affected pay points in bands 8 to 9, effective from 1 April 2020.

In these circumstances, bank staff paid in the affected pay points, 3-4 years of experience or 4-5 years of experience, would be entitled to the consolidated payment as part of the pay award.

Where local bank contracts do not have a dynamic link to annex 2 of the national NHS terms and conditions of service, any application of an annual pay award would be for local determination.

Impact of change of earnings

Q12. How might a change in earnings impact on other payments I might have to make?

A change in earnings can impact on other payments and it often depends on a range of factors. The following links may be helpful for individual staff in determining how they may be affected:

- [NHS pension contribution tiers](#)
- [Student loans](#)
- [Tax](#)
- [National Insurance](#)
- [Benefits](#).

Band 1 staff transitioning to band 2

Q13. What principles apply to pay protection for band 1 staff transitioning to band 2?

The [framework agreement](#) sets out that a principle of no detriment will apply to the individual(s) concerned.

The NHS terms and conditions of service handbook [section 2, England](#), sets out the percentage enhancements to pay for work undertaken in unsocial hours (USH). The USH enhancements are set at higher levels for band 1 than band 2, and also change over the next two pay years. This means that there is a need to protect USH payments so that no detriment is experienced as a result of accepting an offer to move to band 2.

Further joint advice on how to do this is available in question 21 of the closing band 1 FAQs on the [NHS Employers website](#).

Q14. What happens to staff transitioning from band 1 to band 2?

Staff who transition with the national effective date:

Staff who were in band 1 who accept a move to transition to band 2 as part of the national process on the first offering by their employer, will have an effective start date and pay step date in band 2 of 1 April 2019. This is regardless of when the job description is changed. This means that their pay will change from £17,652 to £18,005 on 1 April 2020 and to £19,337 as uprated from April 2021. These staff are not subject to any of the new progression arrangements during transition.

Staff who transition with a different effective date

Band 1 staff who later accept a move to band 2, after initially declining the employer's offer to transition, will have an effective date and pay step date unique to them. These dates will not be backdated to 1 April 2019 on the basis that they declined the original offer to transition. These staff can use the pay tool to demonstrate the changes to their pay by using their actual start date in band 2. These staff are not subject to any of the new progression arrangements during transition.

Staff moving to band 2 outside of the national process

Staff who have started in band 2 in any other way, either as a new starter or through a promotion to band 2, need to look at the pay tool using the day they started in band 2. The new progression arrangements will apply to these staff.

Staff who remain in band 1 will see their annual salary increase from £17,652 to £18,005 on 1 April 2020.

Scenarios to illustrate the final transition arrangements in bands 5, 6 and 7

Prior to the implementation of the three-year pay deal, bands 5, 6 and 7 were particularly long. As a result of the agreement in 2018, these bands are being shortened through the removal of pay points and overlapping pay points. On 1 April 2021 the final transitional pay spine points will be deleted and staff on these points will move to the top of the band. All structural reform will be completed with effect from 1 April 2021.

The following scenarios illustrate how these transition arrangements will affect individuals' pay in each of the three bands.

Scenario one

Millie started her employment in a band 5 job in February 2017.

She was on spine point 17 (band 5) on 31 March 2018 with a salary of £22,683. On assimilation to the new pay structure on 1 April 2018, her annual salary increased to £23,023, which accounted for the annual uplift agreed as part of the three-year pay deal.

On her pay step date in February 2019, she automatically progressed to the next pay step point. Her basic salary increased to £23,951.

She received an annual pay uplift on 1 April 2019, which saw her basic pay increase to £24,214. This was agreed as part of the three-year pay deal.

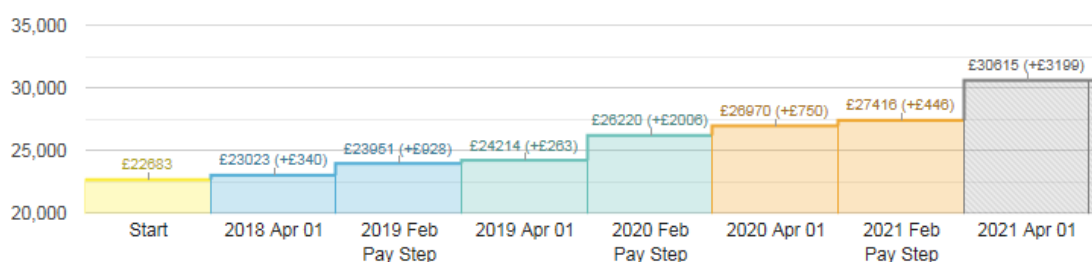
On her pay step date in February 2020 she automatically progresses to the next pay step point. Her basic salary increases to £26,220. With effect from 1 April 2020, Millie's base pay increases to £26,970, in line with the annual pay uplift agreed under the three-year pay deal.

On her pay step date in February 2021 she will automatically progress to the next pay step point, with her basic salary increasing to £27,416. However, this is a transitional pay point. With effect from 1 April 2021 it will be deleted from the pay structure, meaning from this date Millie will automatically progress to the top of band 5. From 1 April 2021, her basic annual pay will increase to £30,615 plus any future pay award.

The move to top of the band will not be subject to the new pay progression system.

Millie's journey as demonstrated by the pay tool:

Start Date	2018/19		2019/20		2020/21		2021/22
	Apr 01	Feb Pay Step	Apr 01	Feb Pay Step	Apr 01	Feb Pay Step	Apr 01
Starting Pay	£23023 (+£340)	£23951 (+£928)	£24214 (+£263)	£26220 (+£2006)	£26970 (+£750)	£27416 (+£446)	£30615 (+£3199)
£22683							



Scenario two

Emmanuel started his band 6 job in June 2017.

He was on spine point 23 (band 6) on 31 March 2018 with a salary of £28,746. On assimilation to the new pay structure 1 April 2018 his annual salary increased to £29,177, which accounted for the annual uplift agreed as part of the three-year pay deal.

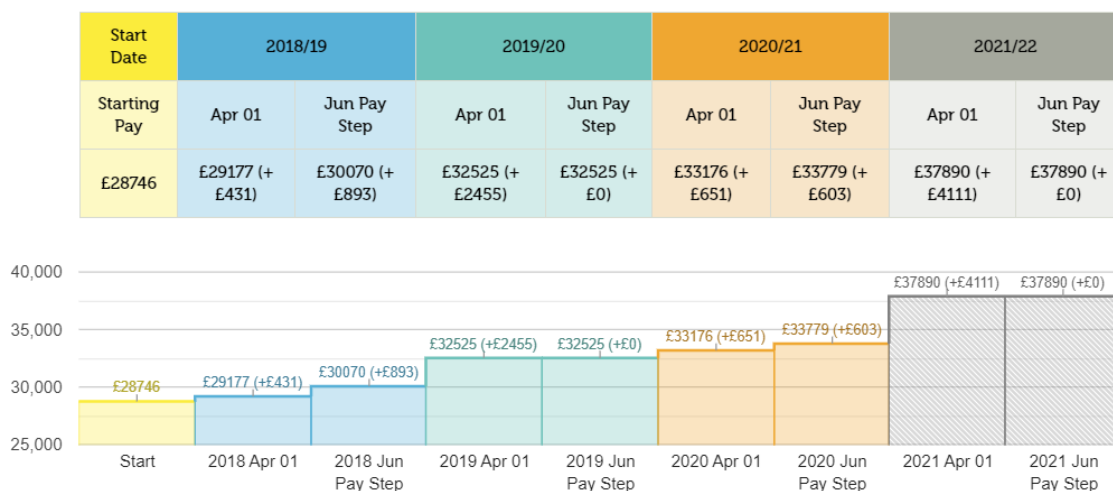
On his pay step date in June 2018 he automatically progressed to the next pay step point. His basic pay increased to £30,070.

On 1 April 2019, his basic pay increased to £32,525. This was a combined increase of the annual pay uplift and pay progression. This is because in 2019/20, his pay step point was deleted as part of the pay restructure, meaning he received his pay progression early.

On 1 April 2020, he receives an annual pay uplift and his annual salary will increase to £33,176. On his pay step date in June 2020 he will automatically progress to £33,779. As this pay spine point is transitional, it will be deleted with effect from 1 April 2021. Emmanuel will move to the top of band 6 with effect from 1 April 2021. His basic annual pay will increase to £37,890 plus any future pay award.

This change will not be subject to the new pay progression system.

Emmanuel's journey as demonstrated by the pay tool:



Scenario three

Willow is employed on band 7 and has a pay step (incremental) date in September.

She was on spine point 28 (band 7) on 31 March 2018 with a salary of £33,895. On assimilation to the new pay structure on 1 April 2018 her annual salary increased to £34,403, which accounted for the annual uplift agreed as part of the three-year pay deal.

On her pay step date in September 2018 she automatically progressed to the next pay step point. Her basic salary increased to £36,111.

On 1 April 2019, her basic pay increased to £37,570. This was agreed as part of the three-year pay deal. On her pay step date in September 2019 she automatically progressed to the next pay step point. Her basic salary increased to £38,765.

With effect from 1 April 2020, she receives an annual pay uplift and her basic salary will increase to £40,894. On her pay step date in September 2020 she will automatically progress to £41,723. However, as this pay point is transitional it will be deleted from the pay structure with effect from 1 April 2021. Willow will move to the top of band 7 with effect from 1 April 2021. Her basic annual pay will increase to £44,503 plus any future pay award.

This move to the top of the band will not be subject to the new pay progression requirements.

Willow's journey as demonstrated by the pay tool:

Start Date	2018/19		2019/20		2020/21		2021/22	
	Apr 01	Sept Pay Step	Apr 01	Sept Pay Step	Apr 01	Sept Pay Step	Apr 01	Sept Pay Step
Starting Pay	£34403 (+£508)	£36111 (+£1708)	£37570 (+£1459)	£38765 (+£1195)	£40894 (+£2129)	£41723 (+£829)	£44503 (+£2780)	£44503 (+£0)
£33895								

