

Agenda for change

Guide to pay in high cost areas

Agenda for Change proposes replacement of the current system of London weighting and Fringe allowances with High Cost Area supplements. These will replace Cost Of Living Supplements, Inner, Outer and Fringe London weighting, along with extra-territorially managed unit payments.

What areas would they cover?

London Inner, Outer and Fringe areas are awaiting final definition, but as a rule of thumb, these newly defined High Cost Areas would, as a minimum, cover those areas that receive a London area supplement at present.

Who would be eligible for these?

These High Cost Area supplements would apply to NHS Staff in all pay bands in the geographical areas covered (with the exception of doctors and dentists).

Would these supplements be pensionable?

They would be pensionable, but they would not count as basic pay for the purposes of calculating the rate of overtime payments, unsocial hours payments, on-call availability payments or any other payment.

How much would the payments be?

The chart below details the payments, which would be calculated as a percentage of salary (see below) within a capped minimum and maximum. Basic pay would include any long term Recruitment and Retention Premia for the purposes of these calculations. See table below.

Minimum hourly/weekly supplements:

Inner London: £1.53 per hour/
£57.54 per week
Outer London: £1.28 per hour/
£47.95 per week
London Fringe: £0.38 per hour/
£14.38 per week

These minimum and maximum levels would be increased by 3.225% in April 2003, 2004 and 2005. Beyond 2005 the value of the supplement would be under annual review.

What would happen to the Extra Territorially Managed Units Allowance?

This allowance would be discontinued. In the case of extra-territorially managed units, if you are working outside London (or Fringe) these payments would be converted to Recruitment and Retention Premia.

	% Of Basic Pay	Minimum*	Maximum*
Inner London	20%	£3,000	£5,000
Outer London	15%	£2,500	£3,500
Fringe	5%	£750	£1,300

*These are based on 2002/03 rates.

For part time staff these calculations would be made on a pro-rata basis.

What would happen to the Cost of Living Supplements (COLS)?

Cost of Living Supplements would be discontinued and replaced with either a High Cost Area supplement applicable to staff in all pay bands, or, for those working outside London, a Long Term Recruitment and Retention premium.

Additional supplements

Within specific London areas, UNISON would have the capacity to propose for agreement an increase in the level of the high cost area supplement.

What about expensive areas outside London?

This system could apply to other high cost areas in the future either by recommendation of the Pay Review Body/Negotiating Council or via a proposal from NHS Employers or Trade Unions in a specified area. The following conditions would need to be satisfied:

- Supplement is agreed by both management and staff-side
- There is evidence that the cost of living in the specified area is greater than that in neighbouring areas
- That this is reflected in comparative recruitment problems
- There is agreement amongst all the NHS employers in that area;
- There is consultation with Strategic Health Authorities and Workforce Development Confederations in England

How would this affect my pay packet?

For the vast majority of our members working in London, the High Cost Area Allowance would represent a substantial increase on previous London Allowances.

However, Nursing & PAMs staff working in London who previously received a Cost of

Living Supplement would need to look at the package as a whole (including basic pay and Recruitment and Retention Premia) to see if initial protection would be required.

Keep informed, get involved, have your say

It will be vital for you to look at the whole package of proposals and find out how Agenda for Change would affect you. Look out for posters advertising branch meetings and make sure your voice is heard. Visit our website on

www.unison.org.uk/healthcare/a4c

Already a UNISON member?

If you have moved house, changed employer, job or workplace, please keep us informed. To update your records, contact your local health branch – information from UNISONdirect on **0845 355 0845** or www.unison.org.uk/healthcare/a4c

If you are not a member – join us today

You will only be consulted on the proposals if you are a union member. Make your voice heard by joining UNISON and get a vote in the national ballot. Application forms are available from local stewards, from UNISONdirect on **0845 355 0845** or the web www.unison.org.uk

Are you represented?

Do you have a local representative in your section? If not, why don't you consider being a rep or contact point yourself? Let your local branch, UNISON regional office or UNISONdirect know, and we'll add you to our workplace contact list.