


UN3113 1 of 4 09 th DEC 2021	Electronic Staff Record Programme USER NOTICE	
Title	AfC Overtime payments during Annual Leave update on future position	
Purpose	To update all English ESR Organisations on the development for the future position for AfC Overtime during Annual Leave payments	
Intended Audience	All English ESR Organisations	

SUBJECT

Update on the ESR development for the future position for AfC Overtime payments during Annual Leave.

DETAIL

The ESR AfC Average payment method was introduced into ESR in 2013 to meet the requirements of the NHS Terms and Conditions to provide a representative method of payment of duties during annual leave instead of the WTD (rolled up pay) method.

As referenced in previous communications, the AfC Average pay functionality was recently updated to ensure that an average payment of duties worked for enhanced, on-call and overtime hours is made during periods of annual leave.

However, following the Flowers legal case, which relates to the treatment of overtime payments and in particular payments for voluntary overtime, earlier this year NHS Employers provided a briefing to NHS HR Directors on the legal position for the calculation of pay during annual leave and how this should be managed at local level by organisations.


The ESR team have been working closely with the Department of Health & Social Care, NHS Employers and NHS England/Improvement on their requirements for the future position regarding payments during annual leave for AfC staff. As a result, it has been agreed that the AfC Average payment in ESR should be further enhanced to support this.

The following information details what is required from 1st April 2022:

1. Eligibility – a requirement for regularity eligibility will be applied to ensure that duty payments in at least 6 months out of the previous 12 months have been paid, this will be the default setting but will have the facility for local variations to be applied.

2. Element groupings – a further eligibility requirement will see duty payments split into 3 groups of elements with a regularity check of 6 out of 12 months for each group. The groups that have been defined are:

Group 1 – Overtime and Additional hours

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Group 2 – Unsocial hours

Group 3 – On Call hours


- An assessment will be done to look at Group 1 and see if there are 6 in 12 periods for any of the elements included in the group, if this is met then an average payment will be due
- A separate assessment will then be done to see if there are 6 in 12 periods of Group 2 elements, again if met then an average payment will be due
- A third assessment will be done for Group 3 to see if there are 6 in 12 periods for the Group 3 elements, if met then an average payment will be due

If any of the groups do not meet the criteria, then the average payment will only be due on the groups that do.

Each group will look back through the relevant reference period and determine an average payment for that group of elements only.

4. Assignments with less than 12 months reference periods – where assignments do not have a 12-month reference period to look back on to determine eligibility, the reference period will be pro-rated to the time worked, this is based on a complete period i.e. month:

Up to one month worked	1 month
2 months	1 month
3 months	2 months
4 months	2 months
5 months	3 months
6 months	3 months
7 months	4 months
8 months	4 months
9 months	5 months
10 months	5 months
11 months	6 months

UN3113 3 of 4 09 th DEC 2021	Electronic Staff Record Programme USER NOTICE	
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5. Discounting periods of long-term absence – any periods of long-term absence for parental or sickness leave will be discounted from the reference period used for eligibility.

6. Bank Holidays - there is a requirement to ensure that an average payment is not made for periods of leave being taken in respect of Bank Holidays.

7. Bank staff – this change is not applicable to bank staff.

We are currently working through the development for the above changes and expect this to be delivered in Release 53 at the end of March, subject to successful testing. Details of how the functionality will work will be provided nearer to the release.

Organisations will need to make preparation for the forthcoming changes, depending on the method of payment that is currently being used:

AfC Average pay is not being used for annual leave - Annual leave is recorded in ESR
Organisations can choose to start using AfC Average pay at any point that is suitable for the organisation. Set up is required at Payroll and Assignment level. Details on how to do this can be found in the ESR User Manual in the Absence section, click on the following link to access:

[AfC Average Pay](#)

AfC Average pay is not being used for annual leave - Annual leave is not recorded in ESR


Annual leave accrual plans will need to be set up for applicable assignments and annual leave will need to be recorded in ESR to enable the AfC Average pay to work. To prevent annual leave balance issues, it is advisable that this is set up from the start of the annual leave year, for AfC staff this would be April. As above, AfC Average pay will also need to be set up at the start of April.

Details on the steps required to set up and record annual leave in ESR can be found in the ESR User Manual, in the Absence section, click on the following link to access:

[Set up Annual Leave](#)

AfC Average pay is currently being used for annual leave

Where AfC Average pay is being used there are currently no further actions required.

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ACTION REQUIRED

Organisations need to consider their current methods for paying duties during annual leave and take the appropriate action as detailed above.

FURTHER INFORMATION

None

NEXT UPDATE

Further details and webinar sessions will be provided at the beginning of March 2022.