

# NHS Pay Review Body Thirty-Fourth Report 2021

Chair: Philippa Hird

# NHS PAY REVIEW BODY 2021 REPORT

# **Report Structure**

## Introduction

- 1. The NHS Pay Review Body (NHSPRB) is an independent body that makes recommendations to the Prime Minister, the Secretary of State for Health and Social Care, the First Minister and the Cabinet Secretary for Health and Social Care in Scotland, the First Minister and the Minister for Health and Social Services in Wales, and the First Minister, deputy First Minister and Minister for Health in Northern Ireland, on the remuneration of all staff paid under Agenda for Change and employed in the National Health Service (NHS) (in England, Wales and Scotland) and Health and Social Care (HSC) in Northern Ireland.
- 2. Our report provides recommendations for 2021/22 for Agenda for Change (AfC) staff as they emerge from the 2018 three-year pay agreement that was in place across the UK. We have made our pay recommendation for 2021/22 in the context of our remit letters and have assessed the evidence, data and information as they relate to our standing terms of reference.

### Our 2020 report

- 3. We submitted our 2020 Report to the Prime Minister, the Secretary of State for Health and Social Care, the First Minister and Minister for Health and Social Services in Wales, and the First Minister, deputy First Minister and Minister of Health in Northern Ireland on 29 May 2020. The Scottish Government did not provide a remit for 2020/21.
- 4. On 21 July 2020, the UK Government accepted our report and noted the work and helpful observations of the Review Body. On 21 July 2020, the Welsh Government's Minister for Health and Social Services wrote to us and confirmed that he had noted our observations on Wales. On 27 July 2020, the Minister of Health for Northern Ireland wrote to us and noted our observations and conclusions going forward.

## **Remits for 2021/22**

- 5. The respective three-year AfC pay agreements were in place in England, Wales and Scotland from 2018. Following the restoration of the Northern Ireland Executive in January 2020, an agreement on a pay award for 2019/20 and 2020/21 was reached, which brought Northern Ireland AfC pay structures in line with England and Wales from 1 April 2020.
- 6. The Secretary of State for Health and Social Care, the Minister for Health and Social Services in Wales, and the Minister of Health in Northern Ireland asked us in their corresponding remit letters to make a recommendation for a pay award for AfC for 2021/22.
- 7. The Cabinet Secretary for Health and Sport<sup>2</sup> in Scotland wrote to us and said that due to the industrial relations landscape, Scotland should take a collective bargaining approach to reach a settlement for the 2021/22 pay round and confirmed that the Review Body would not be required to make recommendations for the 2021/22 pay round.

<sup>&</sup>lt;sup>2</sup> On 19 May 2021, the title of Cabinet Secretary for Health and Sport became Cabinet Secretary for Health and Social Care. Available at: <u>https://www.gov.scot/news/new-scottish-cabinet/</u>

#### The structure of our report

8. The structure of our report is set out below.

#### Chapter 1 – Introduction

9. Chapter 1 sets out the context to our consideration of this year's remits, explains our approach to conducting the review, and outlines the structure of this report. It covers: the context for the 2021/22 pay round; our 2020 report; remits for 2021/22; evidence submissions and visits; and our overall approach.

#### Chapter 2 – National Health Service context

10. Chapter 2 sets out the context of NHS developments relevant to our considerations of the AfC workforce. It covers: NHS finances; demand and quality of care; and NHS workforce.

#### Chapter 3 – The parties' evidence

11. Chapter 3 sets out a summary of the parties' evidence submissions. It covers: COVID-19 and the impact on the NHS and AfC staff; workload and additional hours; gender and ethnicity; economy and labour market; NHS funding and affordability; supply and recruitment; vacancies and shortage groups; morale and motivation; retention; Agenda for Change earnings; total reward and pensions; 2018 Agenda for Change pay agreements; pay approaches; Recruitment and Retention Premia; High Cost Area Supplements; workforce strategies and workforce numbers; and service transformation, integration and productivity.

#### Chapter 4 – Agenda for Change staff in the NHS – Our analysis of the evidence

12. Chapter 4 sets out our analysis and assessment. It covers: staff experience of COVID-19 to date, forthcoming challenges for staff; gender and ethnicity; economy and labour market; NHS funding and affordability; workforce numbers and recruitment; vacancies and shortage groups; morale and motivation; retention; earnings; and 2018 Agenda for Change pay agreements assessment.

#### Chapter 5 – Pay recommendations

- 13. Chapter 5 provides a comprehensive summary of the key factors influencing our recommendation and observations this year, and our conclusions alongside those recommendations and observations. It covers: pay proposals; our concluding arguments; our recommendation; and observations.
  - Our 2021/22 pay **recommendation** is a consolidated award of 3% from 1 April 2021 for all Agenda for Change staff.
  - We urge employers to continue to develop the mechanisms they have to support the **rest and recuperation** of AfC staff.
  - We set out our particular concerns about **nurses' pay**.

#### Chapter 6 – Forward look

14. Chapter 6 sets out our forward look. It covers: COVID-19; workforce strategy and planning; national workforce policies; total reward; service transformation, integration and productivity; High Cost Area Supplements; Recruitment and Retention Premia; and evidence gaps and data limitations.

Philippa Hird (Chair) Richard Cooper Patricia Gordon Neville Hounsome Steph Marston Professor Karen Mumford CBE Anne Phillimore Professor David Ulph CBE

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