



NHS Pay Review Body

NHS Pay Review Body

THIRTY-SEVENTH REPORT 2024

Chair: Stephen Boyle



NHS Pay Review Body

THIRTY-SEVENTH REPORT 2024

Chair: Stephen Boyle

**Presented to Parliament by
the Prime Minister and Secretary of State for Health and Social Care
by Command of His Majesty**

**Presented to the Sennyd Cymru/Welsh Parliament by
the First Minister and the Minister for Health and Social Services**

Presented to the Northern Ireland Assembly by the Minister of Health

July 2024



© Crown copyright 2024

This publication is licensed under the terms of the Open Government Licence v3.0 except where otherwise stated. To view this licence, visit nationalarchives.gov.uk/doc/open-government-licence/version/3.

Where we have identified any third party copyright information you will need to obtain permission from the copyright holders concerned.

This publication is available at <http://www.gov.uk/official-documents>.

Any enquiries regarding this publication should be sent to us at.

Office of Manpower Economics
Level 3, Windsor House
50 Victoria Street
London
SW1H 0TL
United Kingdom

ISBN 978-1-5286-5002-1

E03144188 07/24

Printed on paper containing 40% recycled fibre content minimum
Printed in the UK by HH Associates Ltd. on behalf of the Controller of His Majesty's Stationery Office

NHS Pay Review Body Terms of Reference

The NHS Pay Review Body (NHSPRB) is independent. Its role is to make recommendations to the Prime Minister, the Secretary of State for Health and Social Care, 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 reaching its recommendations, the Review Body is to have regard to the following considerations:

- the need to recruit, retain and motivate suitably able and qualified staff;
- regional/local variations in labour markets and their effects on the recruitment and retention of staff;
- the funds available to the Health Departments, as set out in the Government's Departmental Expenditure Limits;
- the Government's inflation target;
- the principle of equal pay for work of equal value in the NHS;
- the overall strategy that the NHS should place patients at the heart of all it does and the mechanisms by which that is to be achieved.

The Review Body may also be asked to consider other specific issues.

The Review Body is also required to take careful account of the economic and other evidence submitted by the Government, Trades Unions, representatives of NHS employers and others.

The Review Body should take account of the legal obligations on the NHS, including anti-discrimination legislation regarding age, gender, race, sexual orientation, religion and belief, and disability.

Reports and recommendations should be submitted jointly to the Prime Minister, the Secretary of State for Health and Social Care, the First Minister, 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.

Members of the Review Body are:

Stephen Boyle (Chair)
Neville Hounsome
Stephanie Marston
Professor Karen Mumford CBE
Professor Stephen Bach
Mark Pennifold

The secretariat is provided by the Office of Manpower Economics.

Contents

- Executive Summary5
- Chapter 1 Introduction6
 - The Review Body Process 6
 - Our 2023 report 6
 - 2022/23 and 2023/24 pay offers and agreements 7
 - Remits for 2024/25 8
 - Our overall approach to the pay review process 8
 - Evidence submissions and visits 8
- Chapter 2 NHS Context..... 11
 - NHS Workforce 11
 - NHS Demand 12
 - NHS Productivity 13
 - Conclusion 15
- Chapter 3 Analysis 16
 - Overall NHS strategy 16
 - Workforce, recruitment and retention 20
 - National, regional and local variations in the labour market across the NHS 72
 - Affordability 73
 - The Government’s inflation target and the economy 75
 - Equal pay for work of equal value 88
 - AfC Earnings 90
 - Total reward 108
 - AfC pay structure 112
- Chapter 4 Conclusion 115
 - Evidence to the NHSPRB on pay awards 115
 - Concluding remarks 116
 - Our recommendations 119
- Appendix A AfC Pay Deals 2023/24 – Non Pay Measures 121
- Appendix B Agenda For Change Pay bands 2023/24..... 125
- Appendix C Recommended Agenda For Change pay bands 2024/25 126
- Appendix D Remit Letters 127
- Appendix E 2023 NHS Staff Survey results, England 130

Executive summary

1. The Secretary of State for Health and Social Care, the Permanent Secretary of the Department of Health Northern Ireland and the Minister for Health and Social Services in Wales asked us in their respective remit letters to make a recommendation for a pay award for Agenda for Change (AfC) staff for 2024/25. Our report and recommendations have regard to our standing terms of reference.
2. Health and care systems continue to operate under significant strain. Investment in NHS staff is imperative to meet the needs of patients, reduce elective waiting lists and grow the NHS workforce as set out in the Long Term Workforce Plan (LTWP) for England.
3. It is very welcome that AfC workforce data indicators have improved over the past twelve months. However, while vacancies have fallen, they likely remain higher than in other sectors and while sickness absence rates have declined, they remain above levels typical before COVID-19. Staff morale, as indicated by the NHS Staff Survey in England, is significantly lower than pre-pandemic levels.
4. The fiscal position across the UK remains challenging and NHS budgets are under significant pressure. We understand the fiscal positions of Northern Ireland and Wales are constrained and that in Northern Ireland, in particular, circumstances are extremely challenging.
5. Industrial action has had a profound impact on staff and patients. There was a consensus across parties that levels of pay should not give occasion to further industrial action.
6. DHSC told us that although 2% was in NHS budgets for pay, industrial action across the NHS carried a direct financial cost of £1.7 billion in 2023/24 and this is a relevant consideration when considering a pay award for 2024/25.
7. To meet the needs of patients, reduce elective waiting lists and grow the NHS workforce as set out in the LTWP for England, the NHS will have to be, and to be seen as, an attractive place to pursue a career. For that, AfC pay will have to be competitive. The NHS will also need to ensure the pay system supports the broadest pool of talent to apply for leadership positions, and that wider structural pay issues do not impact on the morale of the AfC workforce or act as disincentives to promotion.
8. **Reflecting these issues, and balancing all elements of our terms of reference, our 2024/25 recommendations are:**
 - **A consolidated 5.5% increase with effect from 1 April 2024 for all AfC staff.**
 - **Intermediate pay points to be added at Bands 8a and above.**
 - **For the UK Government to issue the NHS Staff Council with a funded mandate to begin to resolve outstanding concerns within the AfC pay structure and for the Northern Ireland Executive and the Welsh Government to support the issuance of this mandate and to work with the Staff Council, their social partners and with the UK Government on this matter.**

Chapter 1 Introduction

- 1.1 The NHS Pay Review Body (NHSPRB) received remits from the UK Government, the Department of Health for Northern Ireland and the Welsh Government for the 2024/25 pay round. This report presents our pay and other recommendations for 2024/25 for staff paid under Agenda for Change (AfC) contracts in the NHS and the reasons for these recommendations.

The Review Body Process

- 1.2 The NHSPRB is an advisory non-departmental public body whose members are appointed through the public appointments process.
- 1.3 The annual PRB process is initiated by remit letters from the three governments. Our standing Terms of Reference provide overall direction to the NHSPRB. Following receipt of the remit letters, the PRB formally requests parties, such as trade unions, employers and governments, to submit written evidence. Evidence received from the parties is supplemented by statistical information and research published by independent analysts.
- 1.4 In its remit letter received on 21 December 2023, the Department of Health and Social Care (DHSC) requested the 2024/25 report be submitted in May 2024. The NHSPRB therefore set a deadline for written evidence of 9 February 2024. This deadline was set to allow the NHSPRB to consider evidence from all the parties listed at 1.22 and to reach independent conclusions to the requested timetable.
- 1.5 This year, we were very encouraged by the timely evidence received from almost all the parties submitting and we thank them for their efforts. However, evidence from DHSC, His Majesty's Treasury (HMT) and NHS England (NHSE) was received late. It is important that parties are allowed to comment on each other's evidence, and consequently we gave the opportunity to the other parties to provide supplementary evidence to us following the late publication of DHSC's, HMT's and NHSE's evidence.
- 1.6 As we have laid out in previous reports, we know the importance of a timely review body process to our remit group and are concerned the late submission of evidence sends an unhelpful signal to them. More significantly, it causes delays in the process and therefore in AfC staff receiving their pay award. We would ask, again, that next year all parties submit evidence in a timely manner.
- 1.7 The timing of receipt of the remit letters meant that the NHSPRB was unable to submit recommendations before the start of the financial year, and, consequently, that the Government and the NHS were less able to make informed decisions about funding allocations and investments. In addition, NHS employers and providers were unaware of the award when undertaking their planning. A return to the previous practice in which remit letters were issued earlier in the Autumn would increase the probability that the recommendations of the PRB could be used to inform budget setting processes and ensure AfC staff receive payment in a timely way.

Our 2023 report

- 1.8 The NHSPRB initially received remit letters from the UK Government, the Department of Health Northern Ireland and the Welsh Government in November and December 2022 seeking a recommendation about pay for 2023/24. Following pay deals the UK Government made with the NHS Staff Council in England and the Welsh Government made with the NHS

trade unions in Wales, the UK Government, the Department of Health Northern Ireland and the Welsh Government amended their remits and asked NHSPRB for an assessment of Agenda for Change pay in the NHS.

- 1.9 We submitted our 2023 report to the Prime Minister, the Secretary of State for Health and Social Care, the Permanent Secretary of the Department of Health in Northern Ireland and the Minister for Health and Social Services in Wales on 2 June 2023.
- 1.10 On 13 July 2023, the UK Government noted that they welcomed the observations and published the report. The Welsh Government and the Department of Health Northern Ireland did not comment.

2022/23 and 2023/24 pay offers and agreements

- 1.11 On 16 March 2023, the UK Government made a pay offer for 2023/24 following negotiations with AfC trade unions in England made up of both pay and non-pay proposals. On pay, they proposed a non-consolidated award for 2022/23 made up of two components: a 2% payment, and a further tiered cash payment equivalent to 4% of the pay bill. In total the non-consolidated payment was worth between 3.5% at the top of the AfC pay scale and 8.2% at the bottom end of the scale.
- 1.12 The UK Government also proposed a 5% consolidated award for 2023/24 for all staff, plus further investment to uplift the Band 1 spot rate and the entry point for Band 2 to the top of Band 2 (an increase of 10.4%). This saw entry-level pay in the NHS in England increase to £11.45 per hour. The non-pay measures included support to nursing staff, career development and support and a review of the pay setting process. A full list of the non-pay measures can be found at Appendix A.
- 1.13 This combined offer was accepted by the NHS Staff Council on 2 May 2023, although some individual unions rejected the offer.
- 1.14 Following the offer from the UK Government, the Welsh Government made a pay offer for 2023/24. They offered a non-consolidated tiered cash payment and a 5% consolidated increase with effect from April 2023. They also proposed uplifting the Band 1 spot rate and the entry point for Band 2 to the top of Band 2. The deal with the AfC trade unions also included non-pay elements. The full list of measures can be found at Appendix A. This offer came on top of an additional 3% pay increase to AfC staff in 2022/23, of which 1.5% was consolidated and 1.5% was non-consolidated. This has meant that since then the value of all AfC pay points in Wales have been 1.5% higher than those in England.
- 1.15 This offer was collectively accepted by NHS trade unions in Wales.
- 1.16 On 26 February 2024, the Department of Health Northern Ireland made a pay offer to trade unions for 2023/24. They offered a 5% consolidated increase alongside a non-consolidated cash payment of £1,505.
- 1.17 Following acceptance by the majority of trade unions, the Department of Health Northern Ireland said it would move to implement the offer.

Remits for 2024/25

Secretary of State for Health and Social Care's remit letter

1.18 The Secretary of State wrote to us on 21 December 2023, requesting a pay recommendation for 2024/25 which is in line with the NHSPRB's Terms of Reference. She also noted it was vital that the pay review bodies "consider the historic nature of the 2023 to 2024 awards and the government's affordability position." The letter noted that the Secretary of State would welcome the report in May 2024.

Permanent Secretary's (Department of Health Northern Ireland) remit letter

1.19 The Permanent Secretary of the Department of Health Northern Ireland wrote to us on 10 January 2024 requesting a pay recommendation for health and social care staff in Northern Ireland.

Welsh Minister for Health and Social Services' remit letter

1.20 The Minister for Health and Social Services wrote to us on 30 January 2024, requesting a pay recommendation for 2024/25.

Our overall approach to the pay review process

1.21 When considering the evidence, we are required to have regard for the following factors, as set out in the NHSPRB Terms of Reference:

- The overall strategy that the NHS should place patients at the heart of all it does and the mechanisms by which that is to be achieved;
- The need to recruit, retain and motivate suitably able and qualified staff;
- Regional/local variations in labour markets and their effects on the recruitment and retention of staff;
- The funds available to the Health Departments as set out in the Government's Departmental Expenditure Limits;
- The Government's inflation target;
- The principle of equal pay for work of equal value in the NHS.

Evidence submissions and visits

1.22 Between February and March 2024, we received written and oral evidence, and the majority of the parties published their evidence on their websites. Those who submitted evidence were as follows:

Government Departments

- Department of Health and Social Care
- Department of Health, Northern Ireland
- HM Treasury
- Welsh Government

NHS Organisations

- NHS England

Trade unions representing NHS staff

- Chartered Society of Physiotherapy
- Royal College of Midwives
- Royal College of Nursing
- Royal College of Podiatry
- Society of Radiographers

Employer bodies

- NHS Employers
- NHS Providers

1.23 Some trade unions chose not to submit evidence to the NHSPRB this year. The Pay Review Body process benefits considerably from the considered and active participation of parties, and we highly value the views of all parties to the process. We hope all parties will choose to submit evidence next year.

1.24 Although it was not submitted to us as evidence, we noted carefully the Staff Side publication entitled *The Case for NHS Pay* and UNISON's publication entitled *Put NHS Pay Right*.

Our visits

1.25 We conducted visits across NHS trusts in England, a health and social care trust in Northern Ireland, and a Welsh health board between September and November 2023. These visits helped us to understand the experience of staff and managers and the pressures they face. The visits were particularly useful in hearing first-hand views on pay arrangements and the way in which they relate to recruitment, retention and motivation. We are grateful to the management, staff representatives, and AfC staff who participated in these visits, and particularly those involved in their organisation. We visited the following organisations:

- Aneurin Bevan University Health Board
- East Midlands Ambulance Service
- Isle of Wight NHS Trust
- Norfolk Community Health and Care NHS Trust
- University College London Hospitals NHS Foundation Trust
- Western Health and Social Care Trust

1.26 NHSPRB's role is to assess the AfC workforce independently of other parts of the NHS workforce; however, we recognise that in practice AfC staff work with and alongside medical and dental staff and NHS senior management as one overall workforce. Decisions made by governments on pay and conditions for other parts of the NHS workforce do impact on the recruitment, retention and morale and motivation of staff working under the AfC contract.

1.27 Our report provides recommendations on AfC pay in the NHS for 2024/25. We have made our independent recommendations in the context of our terms of reference and remit letters and have assessed the evidence, data, and information as they relate to the standing terms of reference. In Chapter 3, we discuss and provide commentary on the data and other evidence available to us.

1.28 Our report sets out the context of NHS developments relevant to our considerations of the AfC workforce (in Chapter 2), followed by our analysis and conclusions (in Chapter 3) and our assessment (in Chapter 4). Appendices A-E set out the non-pay elements of the 2023/24 pay deals, the AfC pay bands, the remit letters from DHSC, the Department of Health Northern Ireland and the Welsh Government, and a selection of results from the 2023 NHS Staff Survey in England.

Chapter 2 NHS Context

- 2.1 We set out in this chapter the developments in the NHS which relate to our consideration of the AfC workforce. The chapter covers published data and reports by external commentators on NHS finances and performance, demand and quality of care, and the AfC workforce. The developments in the NHS feed into our analysis in Chapter 3 of this report.
- 2.2 The Health Foundation and Care Quality Commission (CQC) note that the NHS continues to operate under significant pressure throughout the UK. People are struggling to get the care they need when they need it. Pressures right across the system are putting strain on both patients and staff¹.
- 2.3 The NHS Staff Side unions note in their publication ‘*A Case for NHS Pay*’ that an ageing population requiring complex care, alongside the lingering effects of the COVID-19 pandemic, fuels ever-increasing demand for NHS services, straining the system’s capacity².
- 2.4 The British Social Attitudes Survey 2023 found satisfaction with the NHS is at the lowest level recorded since the survey began in 1983. In 2023, 24% of respondents were satisfied with the NHS, a drop of 29 percentage points since 2020³.
- 2.5 As of March 2024, there were 309,300 patients waiting over a year for treatment in England⁴, 172,789 in Northern Ireland⁵ and 61,100 in Wales⁶. Staff are also reporting that they are overworked, exhausted, and stressed. They say low staffing levels can affect their ability to provide safe and effective care to people⁷.

NHS Workforce

Workforce data

- 2.6 In 2023, the AfC workforce grew in all three nations, and more strongly than in 2022. In England, the number of FTE staff grew by 5.8%, up from 3.6% in the previous year. Over 2023, FTE staff numbers in Wales grew by 4.1% (up from 3.1% in 2022), while workforce growth in Northern Ireland was weaker, at 2.1% (up from 0.9% in 2022).
- 2.7 The latest data on vacancies also show signs of improvement. In England, in the third quarter of 2023/24 the nursing and midwifery vacancy rate was 8.4%, down from 10.2% in the previous quarter, down from 10.7% in the same quarter a year earlier, and the lowest rate for at least six years. The vacancy rate for non-nursing and midwifery AfC staff groups was 7.6%, down from 8.0% in the previous quarter, down from 8.7% in the same quarter a year earlier, and the lowest rate in Q3 since October-December 2020.
- 2.8 For Northern Ireland the most recent data shows that at the end of December 2023 there was an overall vacancy rate of 7.0%, a fall from 9.8% a year earlier, the lowest rate recorded since December 2020.

¹ [Nine major challenges facing health and care in England - The Health Foundation](#)

² <https://www.unison.org.uk/news/2024/02/decent-nhs-pay-rise-is-crucial-if-both-the-workforce-and-the-economy-are-to-grow-say-health-unions/>

³ [Public attitudes to the NHS and social care | National Centre for Social Research \(natcen.ac.uk\)](#)

⁴ Consultant-led Referral to Treatment Waiting Times Data 2023-24, NHS England

⁵ Northern Ireland waiting time statistics: outpatient waiting times March 2024, Department of Health Northern Ireland

⁶ <https://research.senedd.wales/research-articles/reducing-the-nhs-waiting-list-backlog/>

⁷ [The state of health care and adult social care in England 2022/23 - Care Quality Commission \(cqc.org.uk\)](#)

- 2.9 NHS Wales have recently re-started publishing NHS vacancy data following a gap of ten years. The latest data for December 2023, shows vacancy rate across all staff groups (including medical and dental) of 5.7%, an increase of 5.3% from a year earlier.

Industrial disputes

- 2.10 During 2022/23, many AfC trade unions took industrial action across England with most disputes ending after the 2023/24 pay deal was agreed.
- 2.11 AfC trade unions in Wales also took industrial action during 2022/23. Trade unions collectively agreed to a pay deal in June 2023, and at that point, their industrial disputes came to an end.
- 2.12 As discussed in Chapter 1, in Northern Ireland, a pay offer for 2023/24 was not put to trade unions until 26 February 2024. Prior to this, trade unions took part in industrial action, with the last day of industrial action part of a wider public sector strike on 18 January 2024.
- 2.13 Junior doctors and consultants continued to take industrial action during 2023/24 which has had an impact on the AfC workforce due to the combined contribution of multiple professions in providing care to patients. In total, the NHS in England dealt with industrial action on more than one in every ten days in 2023.

NHS Demand

England

- 2.14 The NHS Staff Side unions noted that even before the COVID-19 pandemic, demand for healthcare services was growing, which they observe NHSE attributes to “an ageing population with increasingly complex healthcare needs”.
- 2.15 This increased level of demand for health and care services places continued pressure on the NHS, and elective waiting lists remain significantly higher than prior to the COVID-19 pandemic. In March 2024, the waiting list across England stood at 7.54 million, compared to 4.57 million in December 2019⁸. This is equivalent to more than 1 in 10 in the population waiting for treatment.
- 2.16 In April 2024, there were more than 2.2 million A&E attendances. This is 10% higher than April 2023. 74.4% of patients attending A&E were admitted, transferred or discharged within four hours, which is 0.2 percentage points lower than in April 2023. The national target is 95%.
- 2.17 Ambulance services also faced increasingly high demand in April 2024 with 732,239 calls to 999 answered by staff throughout the month, an average of 24,408 every day. This is an increase of 3% when compared to the same month last year. The average ambulance response time for a category 2 call was 30 minutes and 22 seconds. This is compared to 28 minutes and 33 seconds in April 2023 and the national target of 18 minutes.

Northern Ireland

- 2.18 In Northern Ireland, waiting lists continue to increase. As of December 2023, the waiting list stood at 341,910 patients, an increase of 10% from a year earlier. The waiting list in December 2023 was 42% higher than it was in December 2019, prior to the COVID-19 pandemic.

⁸ <https://www.england.nhs.uk/statistics/statistical-work-areas/rtt-waiting-times/rtt-data-2023-24/#Mar24>

- 2.19 In March 2024, there were 52,931 A&E attendances. 43.7% were treated and discharged or admitted within four hours. Almost 18% waited more than 12 hours. This is compared to 53,238 attendances in March 2023 where 45.0% were treated and discharged or admitted within four hours and 16.4% waited more than 12 hours.

Wales

- 2.20 As of March 2024, the total waiting list stood at 769,000⁹, 5% higher than a year earlier, and 66% higher than in February 2020, just before the COVID-19 pandemic.
- 2.21 In April 2024, there were 91,963 A&E attendances in Wales, an increase of 6% from April 2023. 70.2% of patients attending A&E were admitted, transferred or discharged within four hours, which is unchanged from April 2023.
- 2.22 There were approximately 33,000 calls answered by 999 staff throughout the month. 48% of red calls received an emergency response within eight minutes. This is a five-percentage point reduction from April 2023.
- 2.23 As discussed at 2.4, public satisfaction with the NHS is at its lowest level ever recorded. 44% of respondents in the British Social Attitudes Survey said they were satisfied with outpatient services; this drops to 35% for inpatient services and 31% for A&E services³.

NHS Productivity

- 2.24 The NHS Long Term Workforce Plan (LTWP) for England has set out an ambition to grow productivity by 2% a year, which is well above what the NHS is estimated to have achieved in the past¹⁰. At present, the service struggles to meet the demand for health and care services. This is despite increases in the volume of resources available to the NHS, including a growing workforce. Below we discuss some of the factors thought to be contributing to the fall in the volume of activity both in absolute terms and relative to the size of the workforce, informed by research undertaken by the Institute for Fiscal Studies, NHS Providers and the Institute for Government. However, we note that there are aspects of reduced treatment volumes and productivity performance that remain unexplained.

Population health

- 2.25 The Office of National Statistics (ONS) recently revised upwards its population estimates, and the population of England is now projected to be 8% higher in 2024/25 than in 2013/14 (0.7% growth per year), with a rising share of the population above state pension age¹¹.
- 2.26 Alongside the growing population, patients are presenting with more complex conditions and are requiring a higher level of care.
- 2.27 More generally, there has been an increase in working-age people living with long-term conditions which in turn impacts on the comparisons of productivity measures across time in the NHS. The NHS Staff Side unions have said that healthcare and economic prosperity are inextricably linked, and more working-age people are reporting long-term health conditions than ever before. Analysis shows there are 3.7 million working-age people in work with a health condition that is 'work-limiting', meaning it restricts the type or amount of work they

⁹ Patient pathways waiting to start treatment by month, grouped weeks and stage of pathway, StatsWales

¹⁰ The ONS estimates that the quality-adjusted productivity in the NHS increased by an average 0.8% per year between 1995–96 (when the data series starts) and 2019–20, and 1.2% per year between 2009–10 and 2019–20. However, this is not directly comparable to the measure of labour productivity used in the LTWP.

¹¹ [Health care funding - The Health Foundation](#)

can do¹². This figure, which has increased by 1.4 million over the past decade, now equates to around 10% of the UK's working population and is having a significant impact on labour market participation. Projections from the Health Foundation's REAL Centre indicate that around half a million more working-age people will be living with major illness by 2030¹³.

Social care

- 2.28 NHS Providers say that the lack of social care capacity delays discharge of patients which impacts on the flow of patients through the system and ultimately, productivity. Their report on the productivity challenge notes that nearly 25% of patients are being delayed due to discharge processes in the hospital. Delays in social care assessments, and difficulties in quickly accessing complex housing packages, are limiting trusts' ability to free up additional bed capacity. One trust flagged to NHS Providers that 20% of their total inpatient beds are occupied by patients who are medically fit for discharge but waiting for social care packages¹⁴.
- 2.29 The 2023 Skills for Care report notes that the social care workforce grew by 20,000 to 1.64m in 2022/23 from 1.62m in 2022/21 and the number of vacancies fell from 164,000 to 152,000 in the same time period. Despite the improvement, there are still fewer staff and more vacancies than prior to the COVID-19 pandemic¹⁵.
- 2.30 At the time of the Skills for Care report, care worker median pay (£10.11) was below the rate for the 20th percentile of £10.56 (meaning 80% of all jobs in England pay more than the median for a care worker). Average care worker pay was £1.33 per hour less than healthcare assistants (HCAs) in the NHS that are new to their roles, but it was still 15 pence per hour higher than cleaners and domestic assistants, and 36 pence higher than kitchen and catering assistants in the wider economy. The total reward package in the NHS also remains of higher value than in the care sector.
- 2.31 Public satisfaction is also declining; only 13% of respondents to the British Social Attitudes Survey said they were satisfied with social care. This is the lowest since the survey began in 1983³.

Primary care

- 2.32 In recent years, public satisfaction with access to general practice has also declined. Only 34% of respondents to the British Social Attitudes Survey said they were satisfied with GP services; the lowest level of satisfaction recorded since the survey began. Since 2019, satisfaction with GP services has fallen by 34 percentage points³.
- 2.33 Patients are finding it harder to make appointments and are feeling increasingly dissatisfied with waiting times and the types of appointment offered¹⁶.
- 2.34 In England, the number of fully qualified, permanent FTE GPs has fallen since 2015. Patient demand is rising fast, and appointment numbers are at record highs, putting further strain on remaining GPs. Although the number of FTE GPs has reduced since 2015, primary care providers are expanding their multi-disciplinary teams (MDTs) to offer better integrated care. For example, there were almost 30 million GP appointments in England in March 2024, with

¹² [Millions of workers with ill health at risk of being left behind without more action to support working age health](#)

¹³ [Nine major challenges facing health and care in England - The Health Foundation](#)

¹⁴ [Stretched to the limit: tackling the NHS productivity challenge \(nhsproviders.org\)](#)

¹⁵ [The state of the adult social care sector and workforce in England \(skillsforcare.org.uk\)](#)

¹⁶ [Rethinking access to general practice: it's not all about supply - The Health Foundation](#)

fewer than 50% of appointments being directly with a GP. The rest were completed by other practice staff.

- 2.35 The NHS Staff Side unions have said that delays in primary care are, in turn, impacting on the emergency sector. Recent NHS data shows, for example, cases of sore throats presented at A&E increased by 77% between 2021/22 and 2022/23, up from 191,900 to 340,441.
- 2.36 Improving access to primary and community care could reduce the pressure on urgent and emergency care and their staff, leading to improved productivity in the acute sector.

Capital investment

- 2.37 Capital investment is key to boosting productivity and positively impacting on long-term care. However, the NHS Confederation note the NHS has had lower capital investment than other healthcare systems internationally and other industries domestically in part because capital investment in the NHS has consistently been re-allocated to meet the demands on the revenue budget including to fund pay awards. In comparison to other OECD countries, the UK has consistently spent less money on capital investment for fifty years¹⁷. The amount of capital per health worker has decreased by around a third since 2000¹⁸.

Management

- 2.38 NHS managers play a pivotal role in supporting the daily running of the NHS ensuring the productivity of the service. Managers cover a range of roles and demands that support clinical colleagues to do their jobs, and help services transform and improve care for their patients. “Under management” increases the burden of bureaucracy that falls on frontline professionals¹⁹.
- 2.39 The NHS Confederation say that the NHS is under managed in comparison to the wider UK economy. The NHS in England spends two per cent of its budget on administration compared with five per cent in Germany and six per cent in France¹⁹.

Conclusion

- 2.40 While the workforce has grown strongly since the late 2010s the NHS continues to operate under significant pressure because of rising demand. Over the last year or so, that pressure has been intensified by industrial action, which as well as affecting patients has damaged morale across the workforce. These challenges have been compounded by an apparent reduction in productivity, which is the consequence of several factors but the causes of which are insufficiently well understood.

¹⁷ Institute for Government analysis of OECD ‘Gross fixed capital formation in the healthcare system’

¹⁸ [Investing to save | NHS Confederation](#)

¹⁹ [Are there too many NHS managers? | NHS Confederation](#)

Chapter 3 Analysis

3.1 Our analysis in this chapter gives regard to the written and oral evidence we have received. Copies of written evidence are available on request from the NHSPRB secretariat. The evidence relates to our terms of reference and matters remitted to us this year. Our analysis covers:

- the overall strategy that the NHS should place patients at the heart of all it does and the mechanisms by which that is to be achieved;
- Workforce, recruitment, and retention;
- Morale and motivation;
- National, regional and local variations in the labour market;
- Affordability;
- Economic outlook and the Government’s inflation target;
- Equal pay for work of equal value;
- Earnings;
- Total reward; and
- The AfC pay structure.

Overall NHS strategy

3.2 Governments across England, Northern Ireland and Wales have set ambitious targets for elective recovery following delays in access to care during the COVID-19 pandemic. Alongside this, they have set out aspirations for how their health systems need to provide care to a growing and ageing population.

Elective recovery plan

3.3 NHSE originally published their elective recovery plan in February 2022, HSC Northern Ireland published their Elective Care Framework in June 2021, and the NHS in Wales published their programme for modernising and transforming planned care in June 2022. All three plans committed to eliminating the longest waiting times.

3.4 The Department of Health Northern Ireland published a progress report in July 2023. The update detailed significant progress in a series of key areas; however, it noted there were significant uncertainties on the future implementation of the Framework due to severe budgetary pressures.

3.5 Since the elective recovery plans were published, the NHS in England has evolved its focus in response to the changing environment. NHSE’s 2024/25 operational planning guidance notes “we cannot continue to reduce long waiters while the overall waiting list grows, and systems are asked to also focus on reducing the overall list size and improve productivity”. The NHS waiting list in England reached 7.68 million in October 2023, before falling to 7.46 million at the end of March 2024. This is compared to 4.6 million in December 2019, prior to the COVID-19 pandemic.

Productivity

3.6 Chapter 2 discusses some of the factors that could be affecting NHS productivity. A report from NHS Providers notes that the productivity metrics used by the Government, NHSE, health economists and trusts can vary in scope. However, all these measures broadly aim to

capture growth in inputs (including staff, facilities, and equipment) against growth in outputs produced (including activities delivered for patients and the quality of care provided).

- 3.7 In November 2023, the Institute for Fiscal Studies (IFS) published a comparison of hospital staffing and treatment volumes in 2023 compared with 2019. According to the analysis, hospitals had 15.8% more consultants, 24.6% more junior doctors, 19.5% more nurses and health visitors, and 18.5% more clinical support staff in January to July 2023 than in January to July 2019. But in the first nine months of 2023, they had 4.3% fewer emergency admissions and 1.3% fewer non-emergency admissions than over the same period in 2019. They carried out 1.8% more outpatient appointments and 0.8% more treatments from the waiting list than in 2019. This means that the number of patients treated per staff member has fallen substantially²⁰.
- 3.8 The University of York's Centre for Health Economics compiles annual reports about NHS productivity. Prior to the pandemic its research highlighted how NHS productivity increased 2.5 times in comparison to the rest of the UK economy between 2004/05-2016/17. While using different metrics, data from the ONS tells a similar story – public service healthcare (quality adjusted) productivity increased steadily over the 2010s. However, as the King's Fund notes, major productivity gains since 2010/11 were achieved through wage restraint and limiting growth in staffing costs.
- 3.9 Recently published research from the Centre for Health Economics suggests that NHS productivity fell by 23% between 2019/20 and 2020/21. While this reduction was in part due to major pandemic-related operational disruptions, it also reflects limitations of the methods used to calculate productivity. For example, the calculations did not fully capture providers' need to minimise the risk of COVID-19 infections by limiting elective activity, nor did they highlight the efforts of NHS staff to deliver a comprehensive vaccination programme, or to operationalise Test and Trace²¹.
- 3.10 The ONS found public service healthcare productivity increased by 20.3% in the financial year ending 2022, following a fall of 22.4% in FYE 2021, reflecting an increase in output while inputs remained essentially constant²².
- 3.11 The LTWP includes a productivity growth target of 2%. NHSE is working with the ONS to develop a measure that better captures productivity. However, the LTWP acknowledges that simple productivity measures will never be able to capture fully the vast amount of work carried out across the NHS every day.

50,000 nurses manifesto commitment

- 3.12 In 2019, the Government was elected on a manifesto commitment to ensure there were 50,000 more nurses working in the NHS in England by March 2024. The Government achieved this target ahead of time in September 2023. The latest data, for February 2024, shows that there were 64,189 more nurses (FTE) working in Hospital and Community Health Services (HCHS) and GP practices in England, when compared to September 2019.

²⁰ <https://ifs.org.uk/articles/there-really-nhs-productivity-crisis>

²¹ [https://nhsproviders.org/stretched-to-the-limit/what-are-the-barriers-to-improving-performance-and-productivity#:~:text=The%20University%20of%20York's%20Centre,Castelli%20et%20al%2C%202019\).](https://nhsproviders.org/stretched-to-the-limit/what-are-the-barriers-to-improving-performance-and-productivity#:~:text=The%20University%20of%20York's%20Centre,Castelli%20et%20al%2C%202019).)

²² <https://www.ons.gov.uk/economy/economicoutputandproductivity/publicservicesproductivity/articles/publicservicesproductivityestimateshealthcare/financialyearending2022>

3.13 International recruitment has been a key driver of the growth in nurses into the NHS in England. The number of nurses and health visitors grew by 60,000 between September 2019 and December 2023, including an increase of over 55,000 in the numbers with a non-UK nationality. NHSE have noted they intend that, through delivering the LTWP, they will rebalance domestic and international supply.

NHS England Long Term Workforce Plan

3.14 NHSE published their LTWP in June 2023. The plan builds on Health Education England's Framework 15, the NHS People Plan and the NHS Long Term Plan and aims at improving staff experience and retention by embedding the NHS People Promise.

3.15 NHSE told us the plan is underpinned by actions that need to be taken now to deliver a sustainable NHS workforce that can meet the changing needs of patients over the next five, ten and 15 years, and likely continued growth in demand with demographic shifts.

3.16 The plan has three main themes: train (increasing domestic education, training and apprenticeships); retain (keep more staff through better engagement); and reform (improve productivity by working and training in different ways).

3.17 The ultimate aim is to increase the NHS permanent workforce over the next 15 years by adding at least:

- 170,000 nurses;
- 71,000 Allied Health Professionals;
- 59,000 nursing associates;
- 10,000 physician associates; and
- 2,000 anaesthesia associates

3.18 In total, the LTWP envisions aggregate growth in the AfC workforce of up to 917,000 FTE, an increase over the 2021/22 baseline of 74% and an average compound annual growth rate of around 4%, a similar rate to that achieved since the onset of COVID-19. The IFS have estimated that if this increase is delivered almost half (49%) of public sector workers in England will work for the NHS in 2036/37, compared with 38% in 2021/22 and 29% in 2009/10. By 2036/37, they estimate that one in eleven (9%) of all workers in England will work for the NHS, compared with one in seventeen (6%) in 2021/22 and 2009/10.

3.19 Commenting on the plan, the NHS Staff Side unions have observed that retaining existing staff to deliver the LTWP ambitions is critical, and restoring competitive pay levels is crucial for retaining staff and attracting new talent. They also note the proposed huge expansion of training places, which faces hurdles from funding to attracting enrolment.

Welsh Government: National Workforce Implementation Plan

3.20 On 1 February 2023, the Welsh Government published their National Workforce Implementation plan in response to the additional demands on the NHS workforce since the COVID-19 pandemic. The plan includes immediate actions to address the current pressures, such as recruiting more nurses from overseas and creating an 'All Wales Collaborative Bank' to enable the NHS to address short term staffing issues.

Northern Ireland Executive: Workforce Action Plan

3.21 In June 2022 the Health Minister published a second action plan (2022/23 to 2024/25) towards the aim of, by 2026, developing and sustainably funding an optimum workforce model for reconfigured health and social care services. The Department said that the strategy will be informed by a rolling programme of regional strategic workforce reviews coordinated by the Department's Workforce Policy Directorate.

Our assessment of overall NHS Strategy

3.22 The NHS continues to struggle to meet demand and many people are going without the care they need. The pressures across the system are putting strain on patients, staff and wider society. In our view, it is likely the pressures on the system will persist for the foreseeable future. These may limit the extent to which health systems can meet the ambitions that Governments set for them.

3.23 In England, much has changed since plans for elective recovery were originally published in 2021 and 2022, and NHSE's approach to elective recovery has evolved. NHSE's 2024/25 operational planning guidance notes "the overall priority in 2024/25 remains the recovery of our core services and productivity following the COVID-19 pandemic."

3.24 We welcome the focus on productivity. It is clear from the evidence that the challenges to productivity over recent years are due to a combination of factors, with many aspects unexplained. The analysis by the IFS using a simple productivity measure shows that the number of patients treated per staff member has fallen substantially; however, this measure does not capture the breadth of activity going on across the NHS, patient acuity, or the quality of care received by patients. Improving productivity in the NHS is crucial to recovering services. We look forward to monitoring progress and understanding how the NHS plan to measure and address productivity going forward.

3.25 Looking to the longer term, we welcome the publication of the LTWP in England, which has been widely viewed as an important step forward. However, there is some uncertainty over the delivery of the plan and how NHSE will meet the ambitions set out.

3.26 NHSE told us the productivity ambition of the LTWP depends on sustained investment in technology and estates. They also said that the target is not directly comparable with historic measurements and are in conversation with the ONS about how they measure productivity going forward.

3.27 The LTWP does not discuss the role of pay in recruiting and retaining staff. DHSC and NHSE told us pay was out of the scope of the plan, but also recognised the need for pay and total reward to be competitive to be able to recruit and retain staff in the NHS and deliver the significant growth in the NHS workforce that the LTWP sets out.

3.28 The Department of Health Northern Ireland published a workforce action plan in June 2022. However, as noted last year, there are a number of specific challenges in Northern Ireland for the health service to overcome before the Plan can be fully delivered. We also note Northern Ireland's concern over their budgetary pressures.

3.29 We welcome the publication of the Welsh Government's Workforce Implementation Plan and look forward to monitoring the progress and impact of the plan.

Workforce, recruitment and retention

Workforce

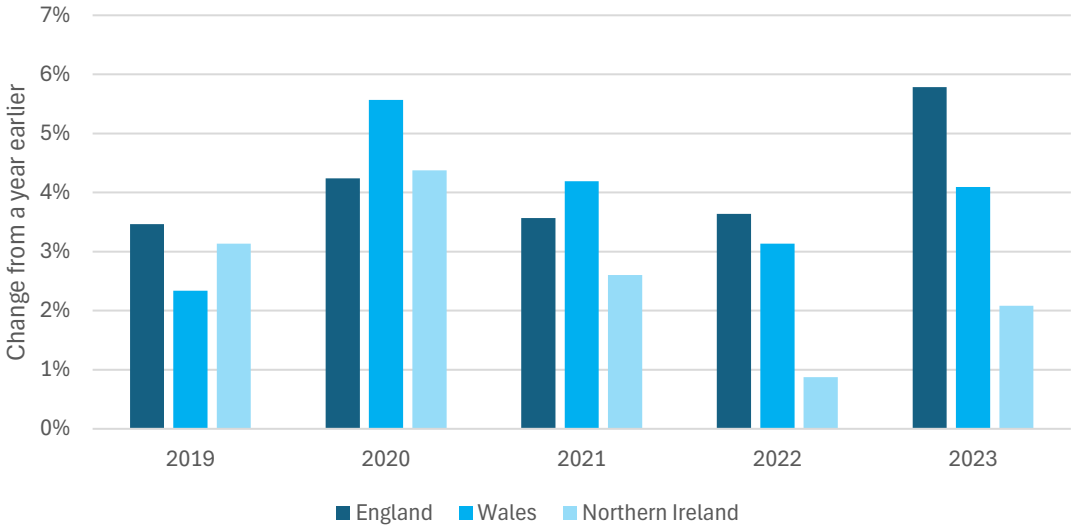
3.30 In this section we review the numbers and composition of staff in England, Northern Ireland and Wales, where data is available. We then review the flows of staff into and out of the service, and vacancy data. We also set out data on the AfC workforce by protected characteristics.

AfC workforce across England, Northern Ireland and Wales

3.31 In 2023, the AfC workforce grew in all three nations, and more strongly than in 2022. Between December 2022 and December 2023, workforce growth was particularly strong in England, as the number of FTE staff grew by 5.8%, up from 3.6% in the previous year. Over 2023, FTE staff numbers in Wales grew by 4.1% (up from 3.1% in 2022), while workforce growth in Northern Ireland was weaker, at 2.1% (up from 0.9% in 2022).

3.32 In December 2023, the most recent date for which data is available for all three countries, there were 1.34 million FTE AfC staff in England, Northern Ireland and Wales, of which approximately 1.19 million were working in England, 61,000 in Northern Ireland and 88,000 in Wales. On a headcount basis there were approximately 1.51 million AfC staff as of December 2023, of which approximately 1.34 million were in England, 68,000 in Northern Ireland and 103,000 in Wales. We also track the trends in the workforce and Figure 3.1 shows the change in staffing numbers in each year since 2019.

Figure 3.1: Changes in AfC full time equivalent workforce, England, Wales and Northern Ireland, 2019 to 2023

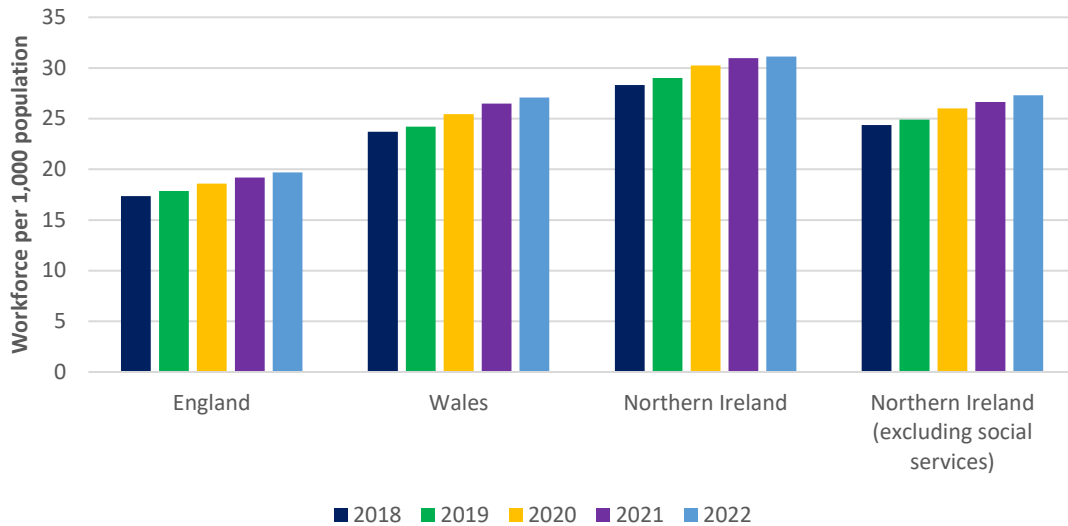


Source: NHS England, Stats Wales, Department of Health, Northern Ireland

3.33 Figure 3.2 shows the number of FTE AfC staff per 1,000 population in England, Northern Ireland and Wales. The increase in the height of the bars for each country shows that the number of FTE staff is growing more quickly than the population. The chart also shows that England has the fewest FTE AfC staff per 1,000 population, whereas Northern Ireland has the largest number of FTE AfC staff relative to population size. Unlike England and Wales, the workforce in Northern Ireland includes those working in social services, although even

after adjusting for this difference, Northern Ireland still has more FTE AfC staff per 1,000 population than England and a similar number to Wales.

Figure 3.2: NHS AfC full time equivalent workforce per 1,000 population, England, Wales and Northern Ireland, 2018 to 2022



Source: OME calculations based on data from NHS England, Stats Wales, Department of Health Northern Ireland, ONS

3.34 Tables 3.1 to 3.3 show the latest data for each country by staff group.

3.35 In England, in February 2024, there were 1,202,555 FTE AfC staff, an increase of 60,687, or 5.3% from a year earlier. The overall increase in the number of staff was driven by increases in the number of nurses and health visitors (21,068, 6.3%), clinical support staff (18,131, 4.6%), NHS infrastructure support staff (10,556, 5.0%), and scientific, therapeutic and technical staff (8,482, 5.2%). There were also increases in the number of midwives (1,289, 5.8%) and ambulance staff (1,170, 6.3%).

3.36 Compared with February 2020, prior to the COVID-19 pandemic, FTE AfC staff in February 2024 had grown by 18% overall and a compound annual growth rate of 4.3%: 7% overall for midwives; 17% for scientific, therapeutic and technical staff; 18% for ambulance staff; 19% for nurses and health visitors and support to clinical staff; and 21% for NHS infrastructure support staff.

Table 3.1: NHS AfC FTE workforce, England, by staff group, February 2020 to February 2024

	Feb 20	Feb 23	Feb 24	Change 23-24		Change 20-24	
AfC	1,014,850	1,141,868	1,202,555	60,687	5.3%	187,705	18%
Nurses & health visitors	298,632	332,900	353,969	21,068	6.3%	55,336	19%
Midwives	22,129	22,342	23,631	1,289	5.8%	1,501	7%
Ambulance staff	16,764	18,605	19,775	1,170	6.3%	3,011	18%
Scientific, therapeutic & technical staff	145,767	162,539	171,021	8,482	5.2%	25,254	17%
Support to clinical staff	347,097	395,919	414,050	18,131	4.6%	66,953	19%
NHS infrastructure support	182,181	209,034	219,590	10,556	5.0%	37,409	21%
Other staff	2,279	528	519	-9	-1.6%	-1,759	-77%

Source: NHS England

3.37 In Northern Ireland, in December 2023, there were 60,741 FTE AfC Health and Social Care (HSC) staff, an increase of 1,240, or 2.1%, from a year earlier. The overall increase in the number of AfC staff was driven by an increase in the number of: registered nursing and midwifery staff of 542 (3.2%); admin and clerical staff of 361 (2.8%); social services staff of 317 (3.8%); professional and technical staff of 232 (2.4%). There were falls in the number of nurse support staff (131, -2.9%), ambulance staff (69, -5.3%), and support services staff (40, -0.8%).

3.38 Compared with December 2019, prior to the COVID-19 pandemic, FTE AfC staff in December 2023, had grown by: 10% overall; 14% for registered nursing and midwifery staff; 13% for administration and clerical staff; 12% for professional and technical staff; 11% for social services staff (excluding domiciliary care staff); 8% for estates service staff; 2% for ambulance staff; 1% for support services staff. Over the same period, the number of nurse support staff was little changed.

Table 3.2: Health and Social Care (HSC) AfC FTE workforce, Northern Ireland, by staff group, December 2019 to December 2023

	Dec 19	Dec 22	Dec 23	Change 22-23		Change 19-23	
All staff (excluding medical and dental)	55,078	59,501	60,741	1,240	2.1%	5,663	10%
Administration & Clerical	11,586	12,762	13,123	361	2.8%	1,537	13%
Estates Services	753	790	817	27	3.5%	64	8%
Support Services	5,004	5,078	5,038	-40	-0.8%	33	1%
Registered Nursing & Midwifery	15,540	17,109	17,651	542	3.2%	2,111	14%
Nurse Support Staff	4,392	4,511	4,380	-131	-2.9%	-13	0%
Social Services (excluding Domiciliary Care)	7,770	8,283	8,600	317	3.8%	831	11%
Professional & Technical	8,819	9,658	9,891	232	2.4%	1,072	12%
Ambulance	1,214	1,311	1,242	-69	-5.3%	28	2%

Source: Department of Health, Northern Ireland

3.39 In Wales, in December 2023, there were 88,326 FTE AfC staff, an increase of 3,472, or 4.1%, from a year earlier. The overall increase in the number of AfC staff was driven by increases in the number of: registered nursing staff (1,305, 5.6%); administration and estates staff (878, 3.8%); scientific, therapeutic and technical staff (729, 4.5%); nursing and midwifery support staff (561, 4.7%). The number of registered midwifery staff increased by 36 (2.6%), while the number of health care assistants and other support staff fell by five (-0.1%).

3.40 Compared with December 2019, prior to the COVID-19 pandemic, AfC staff in December 2023, had grown by: 18% overall; 25% for administration and estates staff; 23% for ambulance staff; 22% for scientific, therapeutic and technical staff; 19% for nursing and midwifery support staff; 15% for registered nursing staff; and 1% for registered midwifery staff. Over the same period, the number of health care assistants and other support staff fell by 1%.

Table 3.3: NHS AfC FTE workforce, Wales, by staff group, December 2019 to December 2023

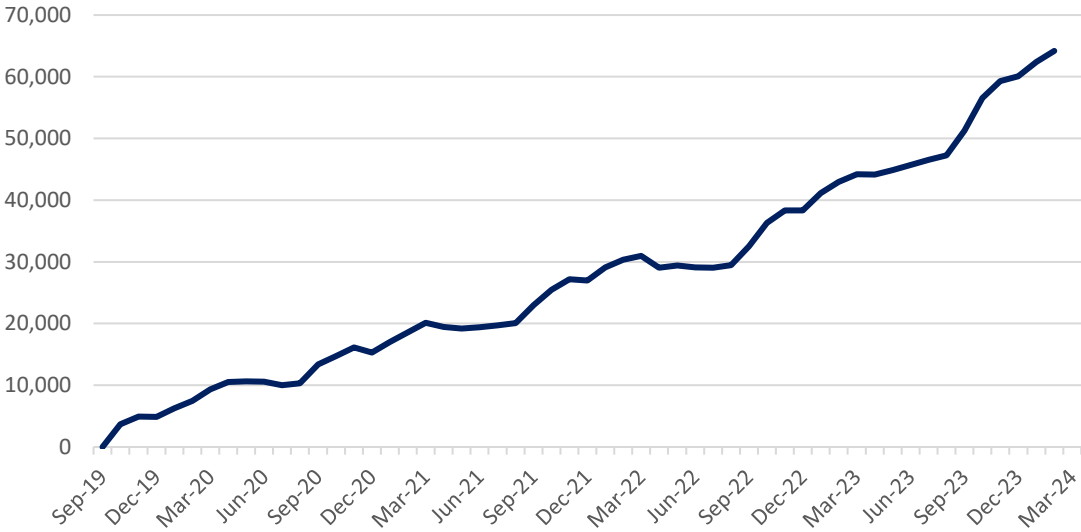
	Dec 19	Dec 22	Dec 23	Change 22-23		Change 19-23	
All staff (excluding medical and dental)	74,800	84,854	88,326	3,472	4.1%	13,526	18%
Registered nursing staff	21,451	23,302	24,607	1,305	5.6%	3,156	15%
Registered midwifery staff	1,399	1,380	1,416	36	2.6%	18	1%
Nursing and midwifery support staff	10,501	11,910	12,471	561	4.7%	1,971	19%
Administration and estates staff	19,122	23,006	23,883	878	3.8%	4,761	25%
Scientific, therapeutic and technical staff	13,871	16,220	16,949	729	4.5%	3,078	22%
Health care assistants and other support staff	5,929	5,885	5,880	-5	-0.1%	-48	-1%
Ambulance staff	2,440	3,030	2,999	-31	-1.0%	559	23%
Other non-medical staff	88	120	120	0	-0.2%	32	36%

Source: Stats Wales

Nursing, health visitor and midwifery workforce in England

3.41 In December 2023, nurses, health visitors and midwives made up 29% of the non-medical HCHS workforce and accounted for 34% of AfC vacancies in the final quarter of 2023. The UK Government set a target of 50,000 more nurses in England by the end of this parliament than in September 2019. This target did not include health visitors or midwives but did include nurses working in GP settings. The latest data, to February 2024, shows that since September 2019, the number of nurses across hospital, community and GP settings has increased by 64,189. Figure 3.3 shows the path of the change in nurse numbers over the period.

Figure 3.3: Change in the number of nurses in HCHS and general practice settings, full-time equivalent, England, September 2019 to February 2024

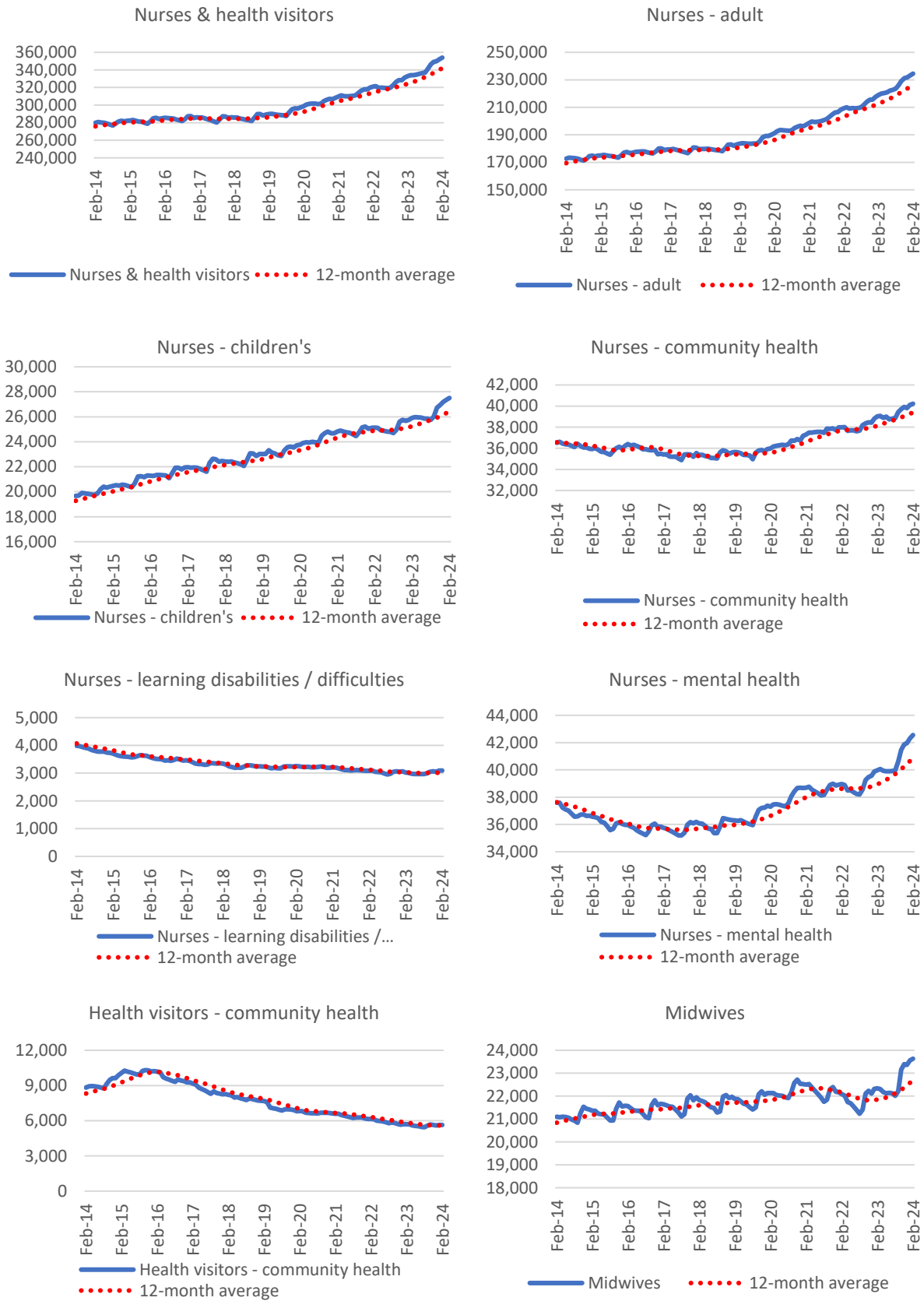


Source: NHS England

3.42 Figure 3.4 shows the FTE number of nurses, health visitors and midwives, in England, working in HCHS, between 2014 and 2024. The data for the three months to February 2024, compared with the same period one year earlier, show an increase in the number of nurses and health visitors of 6.4%. Within that overall total, there were increases in the number of adult nurses (7.3%), mental health nurses (6.2%), children’s nurses (6.1%), community health nurses (3.3%), and learning difficulties/disabilities nurses (1.1%) but a fall in the number of health visitors (-1.0%). Over the same period the number of midwives increased by 5.7%.

3.43 The data for the three months to February 2024, compared with the same period in 2020 (prior to the COVID-19 pandemic), show an increase in the number of nurses and health visitors of 18%. Within that overall total, there were increases in the number of adult nurses (23%), children’s nurses (16%), mental health nurses (13%), and community health nurses (12%) but falls in the number of health visitors (-18%) and learning difficulties/disabilities nurses (-5%). Over the same period the number of midwives increased by 6%.

Figure 3.4: Change in the number of nurses, health visitor staff and midwives, FTE, by nursing category, England, February 2014 to February 2024

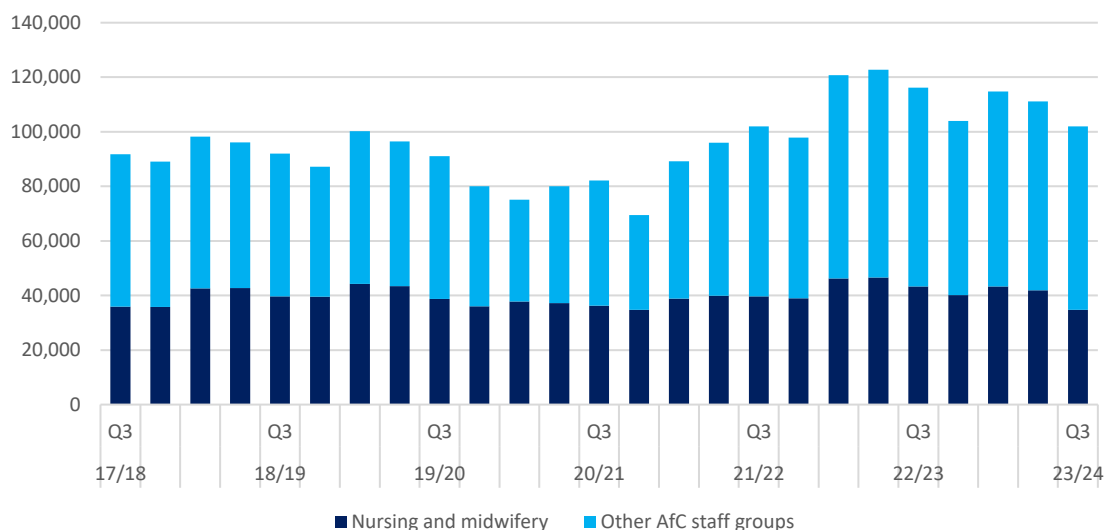


Source: NHS England

Vacancies

3.44 NHSE publishes quarterly estimates of vacancies across the NHS in **England**²³. The latest data, for the third quarter of 2023/24, to December 2023, showed that overall, there were 102,023 AfC vacancies in the NHS, of which 34,709 were nursing and midwifery vacancies, and 67,313 were for other AfC roles (Figure 3.5).

Figure 3.5: NHS vacancies, England, 2017/18 quarter 3 to 2023/24 quarter 3

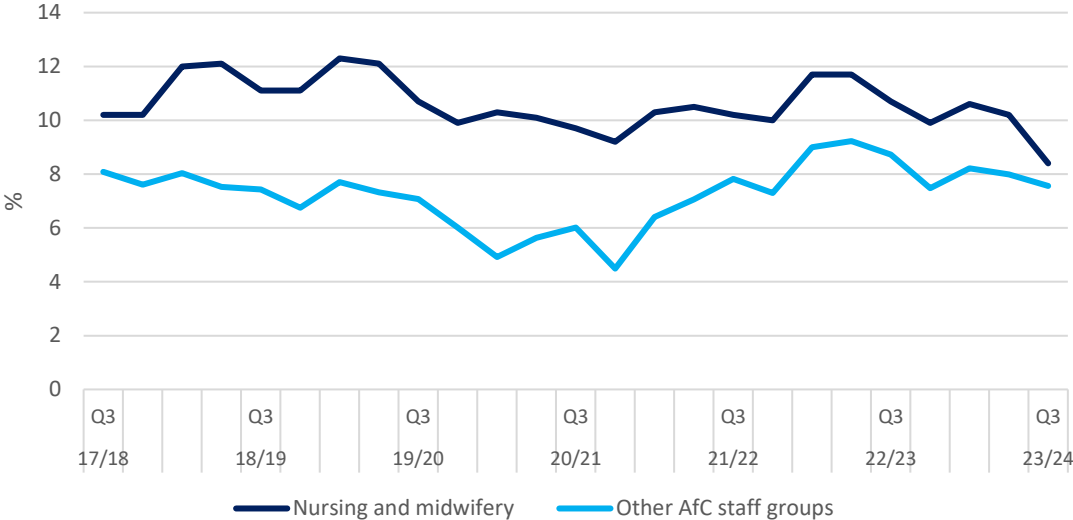


Source: OME calculations based on data from NHS England

3.45 Figure 3.6 shows vacancy rates since 2017/18, the earliest date for which there are comparable data. In the third quarter of 2023/24, the nursing and midwifery vacancy rate was 8.4%, down from 10.2% in the previous quarter, down from 10.7% in the same quarter a year earlier, and the lowest rate for at least six years. The vacancy rate for non-nursing and midwifery AfC staff groups was 7.6%, down from 8.0% in the previous quarter, down from 8.7% in the same quarter a year earlier, and the lowest rate in Q3 since October-December 2020.

²³ A **vacancy** in the NHS in England is defined as a post that is unfilled by permanent or fixed-term staff. Some vacant posts may be filled by agency or temporary staff, but these posts are still considered to be vacancies. **The number of vacancies** is the difference between the number of reported full-time equivalent (FTE) permanent or fixed-term staff in post and planned workforce levels (i.e. the total funded or budgeted establishment on an FTE basis). The number of vacancies is on an FTE basis. **The vacancy rate** is a calculation of the FTE number of vacancies as a percentage of planned FTE workforce levels.

Figure 3.6: NHS vacancy rates, nursing and midwifery and other AfC staff groups, England, 2017/18 quarter 3 to 2023/24 quarter 3



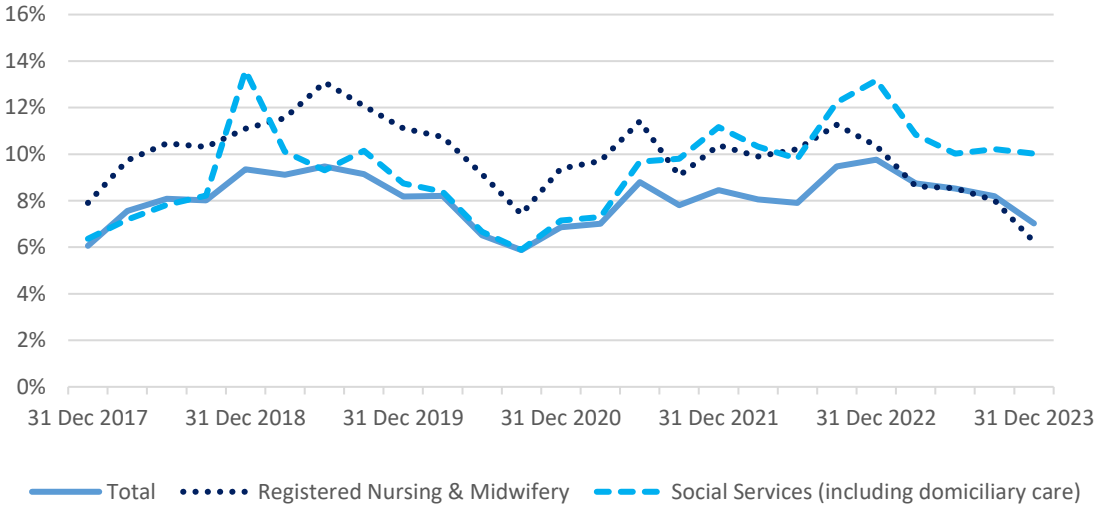
Source: OME calculations based on data from NHS England

3.46 For Northern Ireland²⁴ the most recent data shows that at the end of December 2023, there was an overall vacancy rate of 7.0%, a fall from 9.8% a year earlier (Figure 3.7), the lowest rate recorded since December 2020. Over the same period, registered nursing and midwifery vacancies fell from 10.4% to 6.2%, and social services vacancies fell from 13.2% to 10.0%.

²⁴ A vacancy in Health and Social Care in Northern Ireland is any position that is currently with the recruitment team and being actively recruited to. This will include those going through pre-employment checks, up to the point of a start date being agreed. The vacancy rate is the number of vacancies actively being recruited to divided by the sum of the number of active staff in posts and the number of vacancies actively recruited to. Once a start date has been agreed with both parties (i.e. manager and applicant) this will no longer be classed as a vacancy. Vacancies that are on hold by managers are not included.

This information represents the number of vacancies actively being recruited to and does not indicate the whole time equivalent (WTE) for these positions. The data includes both permanent and temporary positions. These figures do not include posts not actively being recruited to at the specific point in time, including those outside the bounds of the definition e.g. those that have not reached recruitment stage yet.

Figure 3.7: HSC, Northern Ireland, vacancy rate, December 2017 to December 2023

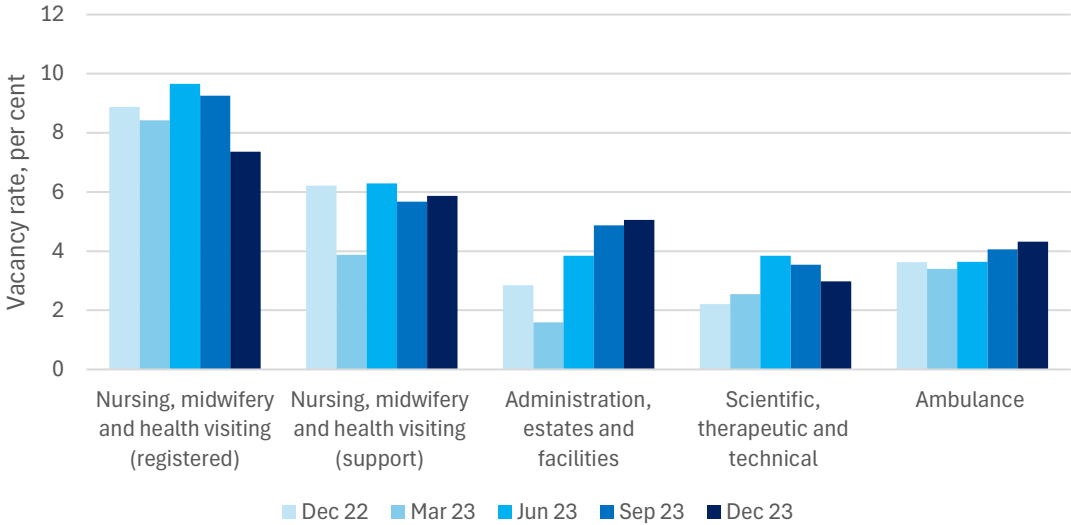


Source: Department of Health, Northern Ireland

3.47 Stats Wales have started to publish NHS **Wales**²⁵ vacancy data, on a quarterly basis. Stats Wales said that the data are likely to exhibit seasonal variation, and therefore any sensible comparison needs to be made between the latest data and that for the same period a year earlier. The latest data for December 2023, shows a vacancy rate across all staff groups (including medical and dental) of 5.7%, an increase of 5.3% from a year earlier. Figure 3.8 shows the vacancy rate for individual AfC staff groups. The vacancy rates in December 2023, for nursing, midwifery and health visiting staff, both registered and support staff, were lower than in 2022, falling from 8.9% to 7.4% and from 6.2% to 5.9%, respectively. However, the vacancy rates in December 2023 for other AfC staff groups were higher than a year earlier. Between December 2022 and December 2023, the vacancy rates for: administration, estates and facilities staff increased from 2.9% to 5.1%; scientific, therapeutic and technical staff increased from 2.2% to 3.0%; ambulance staff increased from 3.6% to 4.3%.

²⁵ A vacancy in the NHS in Wales is defined as the difference between the number of funded full-time equivalent (FTE) posts as recorded on the finance general ledger, and the number of FTE staff in post as recorded on the Electronic Staff Record (ESR) at a point in time. The vacancy rate is the number of vacancies divided by the number of funded FTE posts recorded on the general ledger.

Figure 3.8: NHS Wales, vacancy rate, December 2022 to December 2023

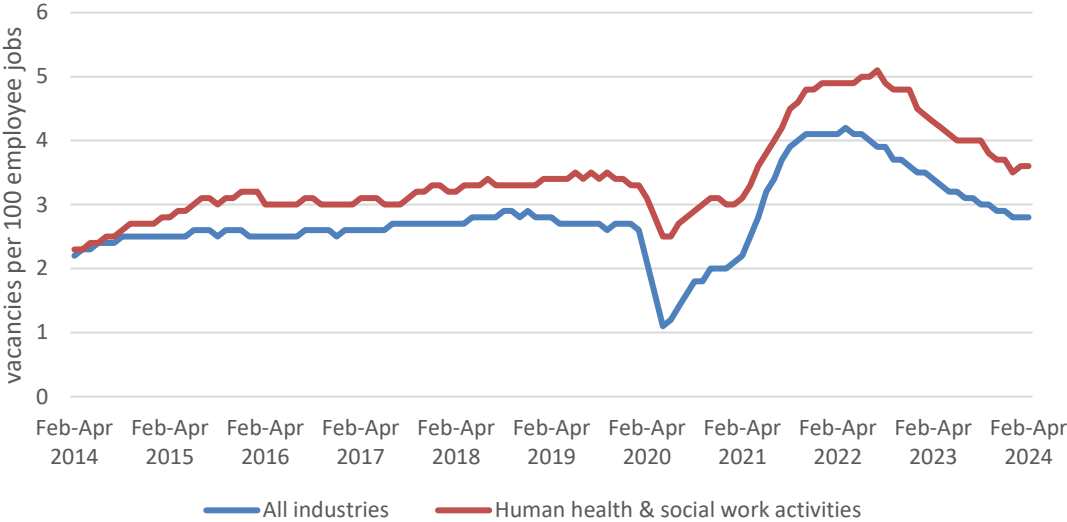


Source: Stats Wales

3.48 In the three months to April 2024, the ONS estimated that there were 898,000 vacancies across all industries, a rate of 2.8 vacancies per 100 employee jobs²⁶. This compares with data for the human health and social work activities sector where there were 160,000 vacancies, a rate of 3.6 vacancies per 100 employee jobs. Figure 3.9 shows that the vacancy rates have been falling for some time: for human health and social work activities, since September 2022 (from 5.1 per 100 jobs); and for all industries since May 2022 (from 4.2 per 100 jobs).

²⁶ The ONS vacancy survey provides monthly estimates of job vacancies across the whole economy. Approx 6,100 businesses are sampled every month, and responses are collected via an electronic questionnaire. Employers are asked to return one number by telephone data entry – the number of job vacancies they have in total for which they are actively seeking recruits from outside their organisation, for example, by advertising or interviewing. The data for Human health and social work activities covers: Human health activities (includes hospitals, medical and dental practices); Residential care activities; Social work activities. The number of vacancies for the sector is divided by the number of employee jobs in the sector, to give a ratio of the number of vacancies per 100 jobs.

Figure 3.9: Vacancies per 100 employee jobs, UK, seasonally adjusted, February to April 2014 to February to April 2024

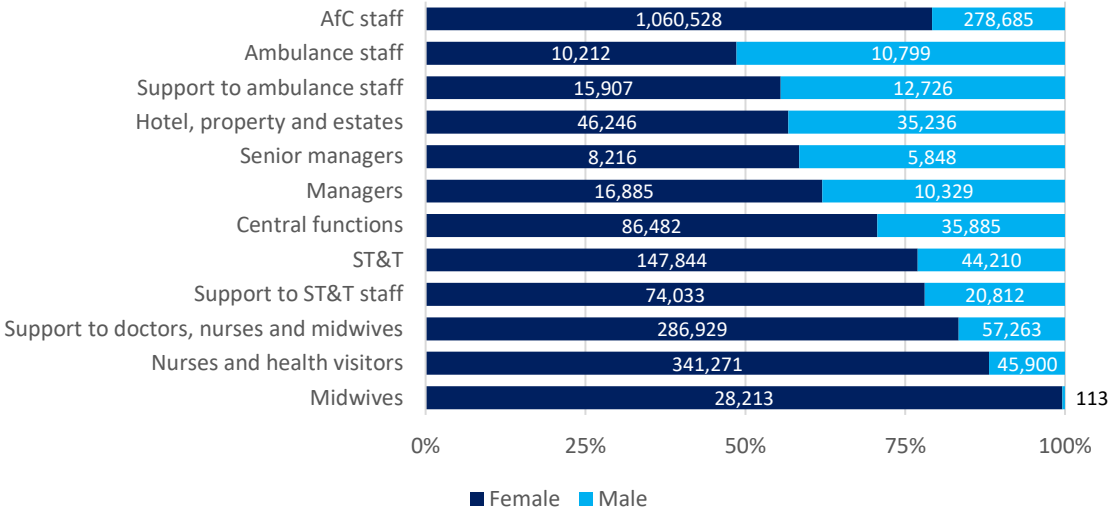


Source: ONS

AfC workforce by protected characteristics

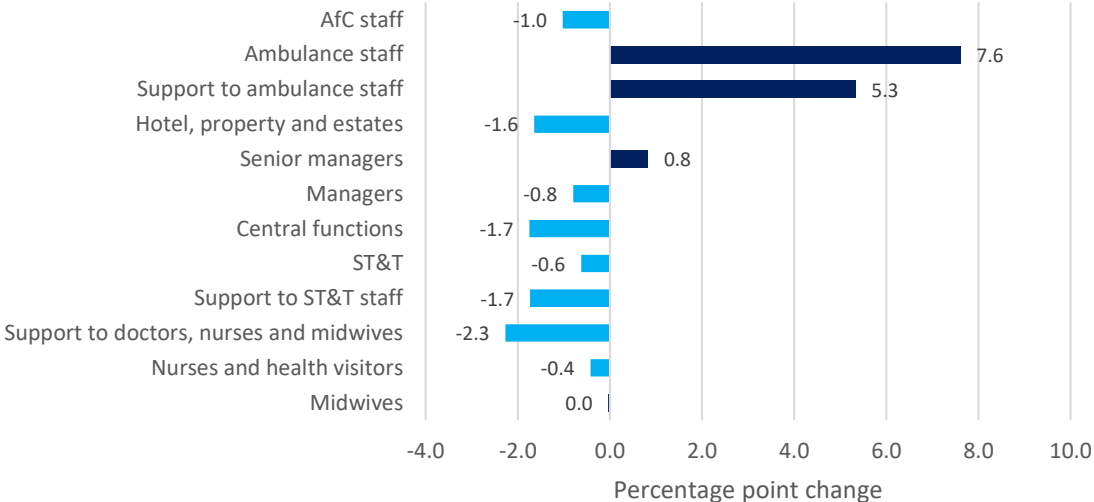
- 3.49 The NHSPRB Terms of Reference state that the Review Body should take account of the legal obligations on the NHS, including anti-discrimination legislation regarding age, gender, race, sexual orientation, religion and belief and disability. In this section we consider those characteristics of AfC staff for which data are available to monitor the representation of different groups in the workforce and how they have changed over time.
- 3.50 Figure 3.10 shows a breakdown of AfC staff in England, by gender, by broad staff group, in December 2023. The AfC workforce is predominantly female, with women accounting for 79% of employees. However, the relative representation of women and men varies across different staff groups. For example, 88% of nurses and health visitors and more than 99% of midwives are women, while 51% of ambulance staff and 44% of support to ambulance staff are men. Men also account for 42% of senior managers and 38% of managers.

Figure 3.10: Staff in AfC roles by gender, by staff group, in England, December 2023, headcount



Source: NHS England

Figure 3.11: Staff in AfC roles by gender, by staff group, in England, percentage point change between September 2019 and December 2023, headcount [positive means increased share of female staff]



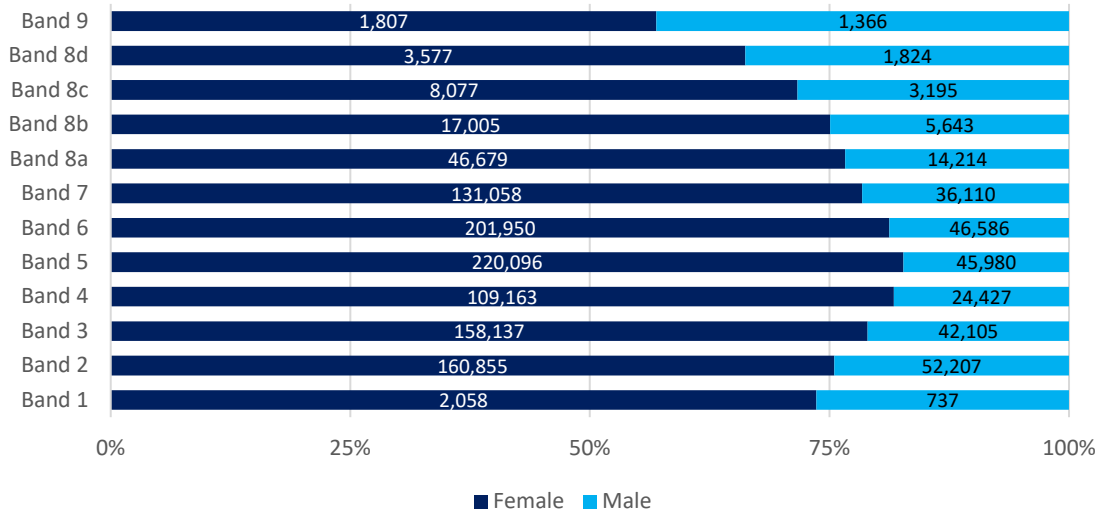
Source: NHS England

3.51 Figure 3.11 shows, in England, the change in the gender mix between September 2019 (pre COVID-19) and December 2023, by staff group. It shows that overall, the percentage of staff that were female fell by one percentage point (from 80.2% to 79.2%) between 2019 and 2023. Compared with September 2019, in December 2023, female staff made up a greater share of ambulance staff (up by 7.6 percentage points, from 41.0% to 48.6%), support to ambulance staff (up 5.4 percentage points, from 50.2% to 55.6%), and senior managers (up

by 0.8 percentage points, from 57.6% to 58.4%). In 2023, male staff made up a greater share of all other staff groups than in 2019, except for midwives, where there was no change.

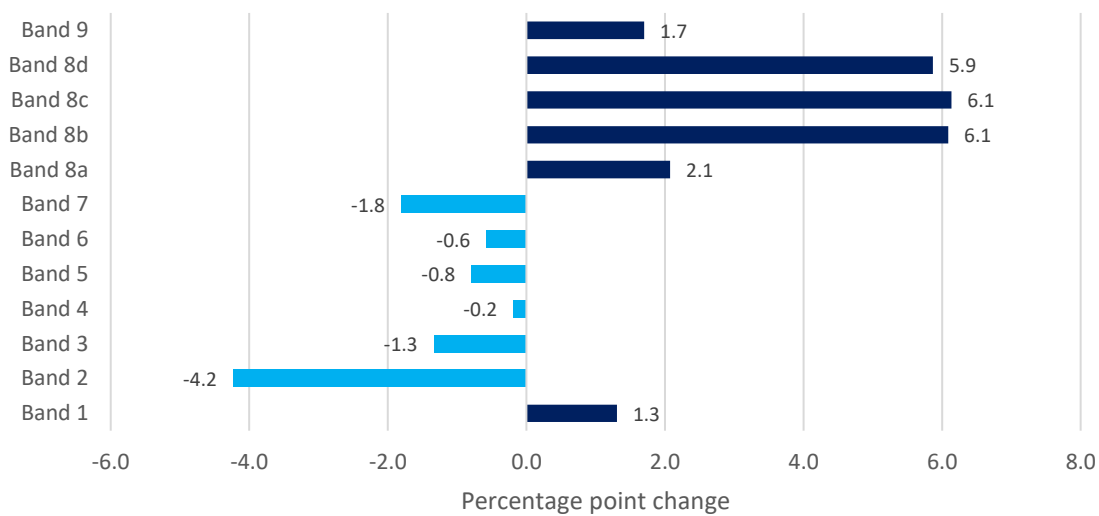
3.52 Figure 3.12 shows that female staff make up a majority of staff in every pay band, and at least 70% of staff in every band except Band 8d and Band 9.

Figure 3.12: Staff in AfC roles by gender, by band, in England, December 2023, headcount



Source: NHS England

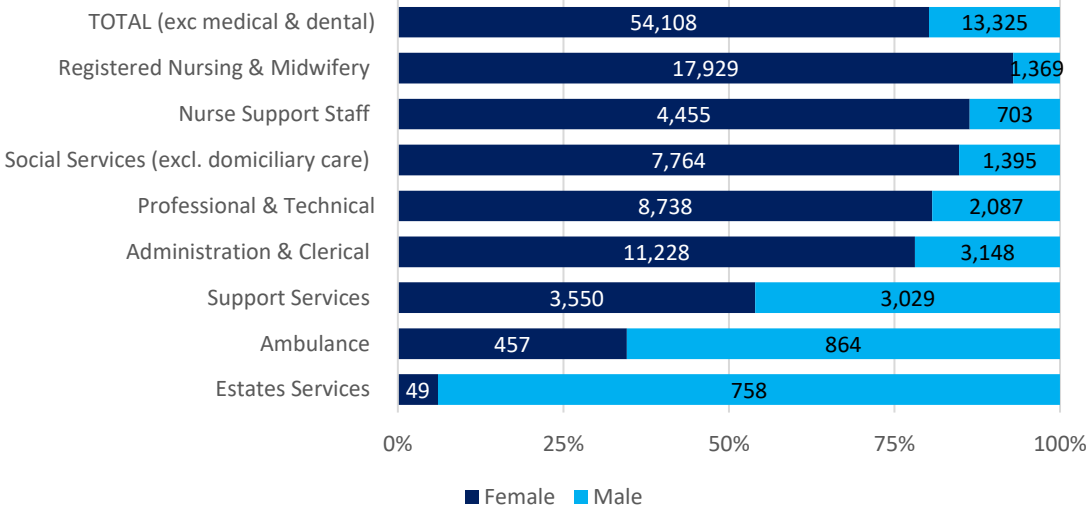
Figure 3.13: Changes in gender composition, headcount, in roles at all AfC bands in England, percentage point change between September 2019 and December 2023, [positive indicates increased share of female staff]



Source: NHS England

- 3.53 Figure 3.13 shows that in December 2023, female staff made up a greater share of staff at Bands 1 and Bands 8a and above, than in 2019. The largest changes were between Bands 8b and Band 8d: Band 8b (up 6.1 percentage points, from 69.0% to 75.1%); Band 8c (up 6.2 percentage points, from 65.5% to 71.7%); and Band 8d (up 5.8 percentage points, from 60.4% to 66.2%).
- 3.54 Figure 3.14 shows a breakdown of AfC staff by broad staff group by gender in Northern Ireland in March 2023. In all staff groups, other than estates services (94%), ambulance staff (65%), and support services (46%), men make up less than 25% of the workforce.

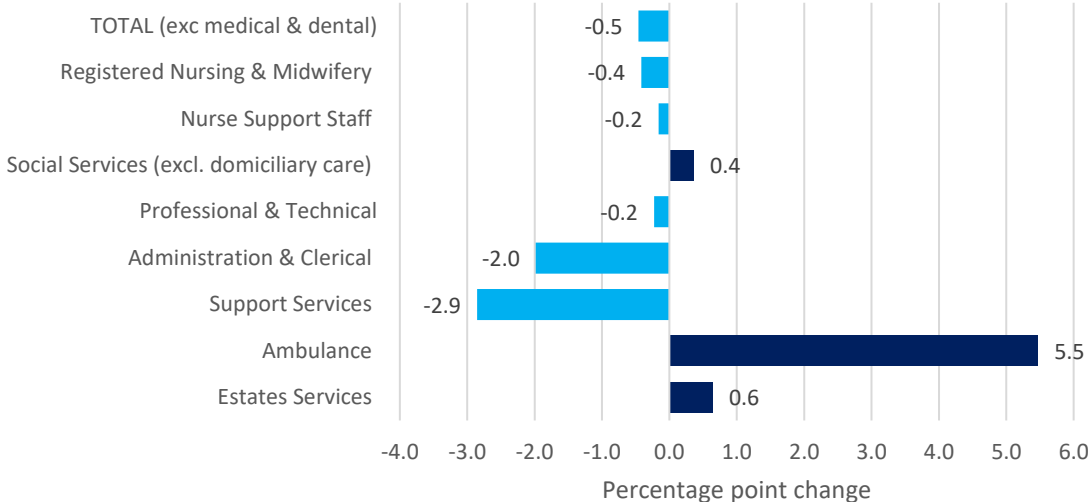
Figure 3.14: Staff in AfC roles by gender, by staff group, in Northern Ireland, March 2023, headcount



Source: Department of Health, Northern Ireland

- 3.55 Figure 3.15 shows that overall, in Northern Ireland, the percentage of staff that were female decreased by 0.5 percentage points (from 80.7% to 80.2%) between 2020 and 2023. In March 2023, female staff made up a greater share of ambulance staff (up 5.5 percentage points from 29.1% to 34.6%), estates services (up 0.6 percentage points from 5.4% to 6.1%), social services (excluding domiciliary care) (up 0.4 percentage points from 84.4% to 84.8%) than in 2020. Compared with 2020, in 2023, female staff made up a smaller share of: support services staff (down 2.9 percentage points, from 56.8% to 54.0%); administration and clerical staff (down 2.0 percentage points from 80.1% to 78.1%); registered nursing and midwifery staff (down 0.4 percentage points from 93.3% to 92.9%); professional and technical staff (down 0.2 percentage points from 80.9% to 80.7%); and nurse support staff (down 0.2 percentage points from 86.5% to 86.4%).

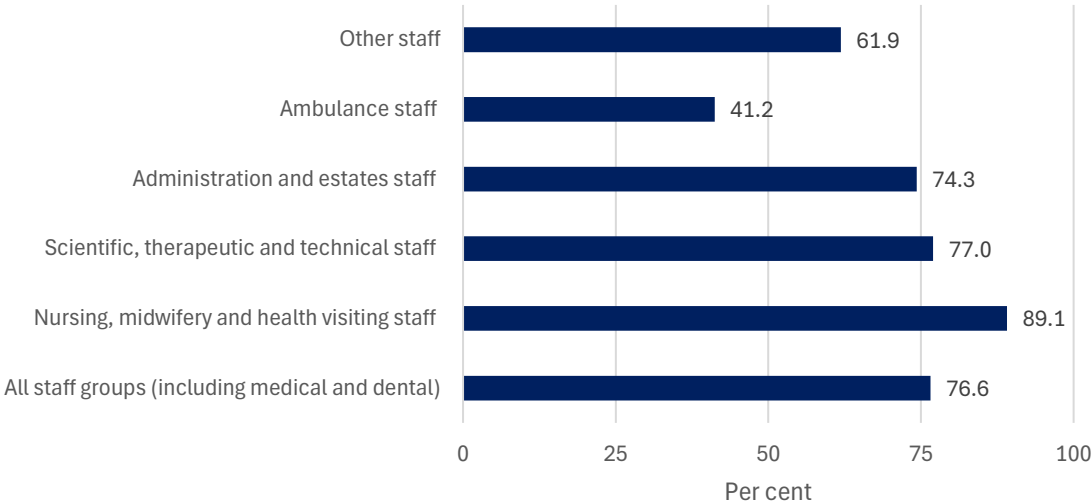
Figure 3.15: Staff in AfC roles by gender, headcount, by staff group, in Northern Ireland, percentage point change between March 2020 and March 2023, [positive indicates increased share of female staff]



Source: Department of Health, Northern Ireland

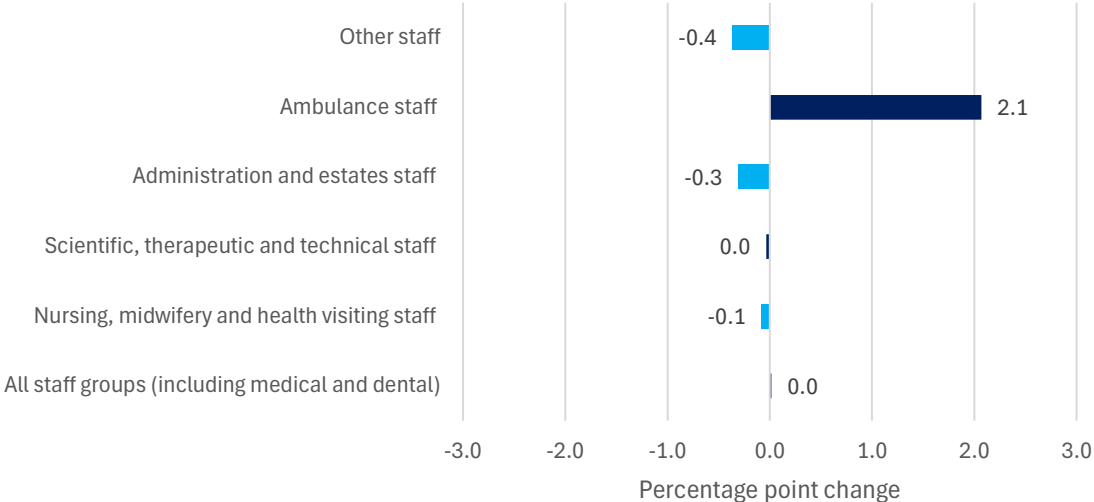
3.56 Figure 3.16 shows the percentage of staff that were female, by broad staff group, in Wales, in September 2023. Overall, including medical and dental staff, 76.6% of staff were female. In all AfC groups other than ambulance staff (41.2%), and ‘other’ staff (61.9%), at least 74% of staff were female.

Figure 3.16: Percentage of staff in AfC roles, that are female, by staff group, in Wales, September 2023, FTE



Source: Stats Wales

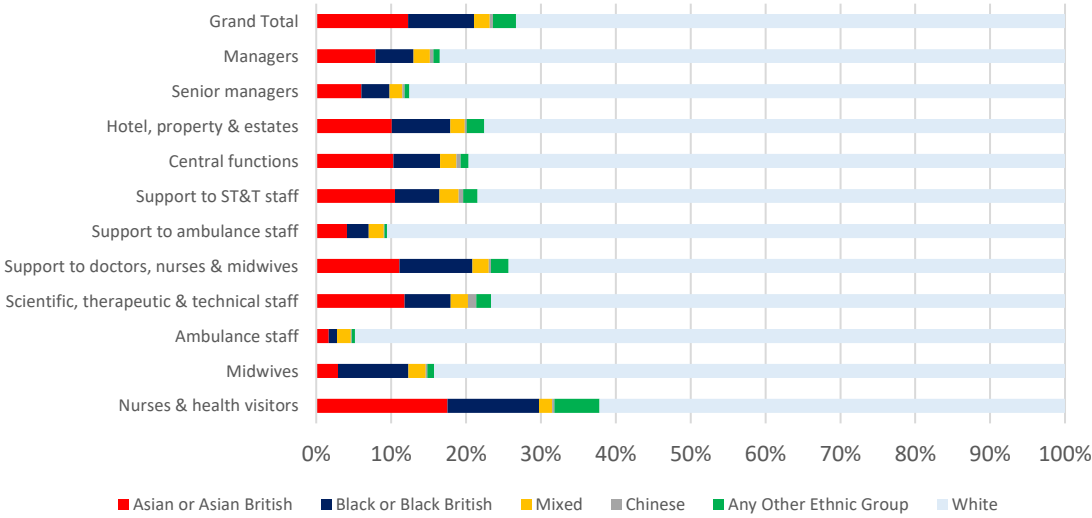
Figure 3.17: Staff in AfC roles by gender, FTE, by staff group, in Wales, percentage point change between September 2022 and September 2023, [positive indicates increased share of female staff]



Source: Stats Wales

- 3.57 Figure 3.17 shows, in Wales, the change in the gender mix between September 2022 (the first date for which data were published) and September 2023, by staff group. It shows that overall, the percentage of staff that were female was unchanged. For individual staff groups, the percentage of ambulance staff that were female increased by 2.1 percentage points (from 39.1% to 41.2%), while the percentage of: nursing, midwifery and health visiting staff; scientific, therapeutic and technical staff; and ‘other’ staff, that were female all fell slightly.
- 3.58 Figure 3.18 shows a breakdown of AfC staff by ethnicity and by broad staff group in England, in December 2023. Overall, excluding those staff whose ethnicity was unknown or not stated, 27% were from ethnic minorities: 12% of staff were Asian or Asian British; 9% Black or Black British; 2% mixed ethnicity; fewer than 1% Chinese and 3% from other ethnic minorities. This compares with data for September 2019 (the data for the period just before the onset of COVID-19), when 19% of staff were from ethnic minorities: 8% of staff were Asian or Asian British; 6% Black or Black British; 2% mixed ethnicity; fewer than 1% Chinese and 2% from other ethnic minorities.

Figure 3.18: Staff in AfC roles by ethnic group, by staff group, in England, December 2023, headcount



Source: NHS England

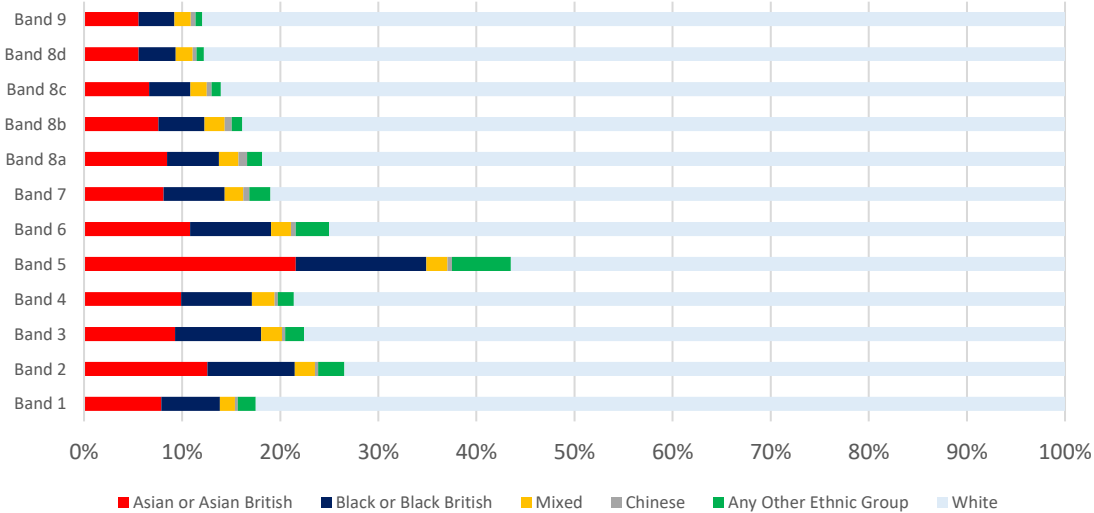
3.59 The data for December 2023 suggest that by staff group, the most ethnically diverse were nurses and health visitors, with 38% from ethnic minorities (up from 25% in 2019): 18% were Asian or Asian British; 12% Black or Black British; 2% mixed ethnicity; 6% were from other ethnic minorities and 62% were White. In contrast, just 5% of ambulance staff were from ethnic minorities (but up from 3% in 2019): 2% Asian or Asian British; 2% mixed ethnicity; and 1% Black or Black British. This compares with the working age population of England and Wales, which in 2021 was 10.1% Asian, 4.4% Black, 2.5% mixed ethnicity and 2.3% from the Other ethnic group²⁷.

3.60 Figure 3.19 shows a breakdown of AfC staff by ethnicity and by band in England in December 2023. 43% of staff in Band 5 were from an ethnic minority group, with 22% Asian or Asian British, 13% Black or Black British, 2% of mixed ethnicity, 6% from other ethnic minorities and 57% White staff. Bands 2 to 4 and Band 6 each had between 21% and 27% of staff from ethnic minorities, but in Bands 7 and above there were fewer than 20% of staff from ethnic minorities, with just 12% of staff at bands 8d and 9.

3.61 In December 2023, excluding Band 1 which is closed to new entrants, the percentage of staff from ethnic minorities was higher in each band than in 2019. However, the slowest growth has been in the higher bands, where the percentage of staff from ethnic minorities in Bands 7 and above increased by just 3-4 percentage points. Between bands 2 to 4 and in Band 6 the percentage of staff from ethnic minorities increased by six to eight percentage points over the period. However, by far the largest change came in Band 5, where the percentage of staff from ethnic minorities increased by 16.6 percentage points, from 26.9% to 43.5%.

²⁷ [https://www.ethnicity-facts-figures.service.gov.uk/uk-population-by-ethnicity/demographics/working-age-population/latest/#:~:text=80.7%25%20\(30.2%20million\)%20of%20working%20age%20people%20were%20white,people%20identified%20as%20white%20British](https://www.ethnicity-facts-figures.service.gov.uk/uk-population-by-ethnicity/demographics/working-age-population/latest/#:~:text=80.7%25%20(30.2%20million)%20of%20working%20age%20people%20were%20white,people%20identified%20as%20white%20British)

Figure 3.19: Staff in AfC roles by ethnic group, by band, in England, December 2023, headcount



Source: NHS England

3.62 The NHS in Wales has published data showing an ethnic breakdown of staff in 2022 and 2023. The data for September 2023, in Table 3.4, for all staff (including medical and dental staff), shows 80% of staff were White, 5% were Asian or Asian British, 1% Black or Black British, 1% mixed ethnicity and 1% from other ethnic groups. There were also 12% of staff for whom there was no data. Among AfC staff groups, the most ethnically diverse group were nursing, midwifery and health visitors, while ambulance staff were the least diverse.

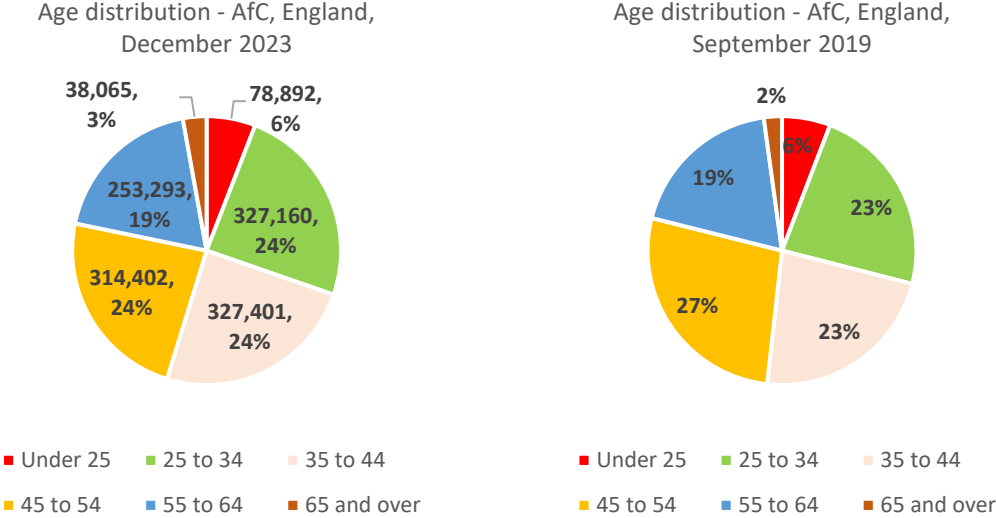
Table 3.4: NHS staff in AfC roles by ethnic group, in Wales, September 2023, %, headcount

	Asian / Asian British	Black / African / Caribbean / Black British	Mixed / Multiple ethnic groups	White	Other Ethnic Groups	No data
All groups (including medical and dental staff)	4.6	1.3	1.0	79.7	1.4	12.0
Nursing, midwifery and health visiting staff	5.2	1.4	0.8	79.6	1.6	11.4
Scientific, therapeutic and technical staff	2.7	1.5	1.3	86.6	1.1	6.8
Administration and estates staff	1.6	0.7	1.0	88.8	0.5	7.3
Ambulance staff	0.1	0.0	0.6	86.8	0.2	12.3

Source: Stats Wales

3.63 Figure 3.20 shows a breakdown of AfC staff in England, by age group, in December 2023 and September 2019. In December 2023, 24% of staff were aged 25 to 34, 24% were aged 35 to 44, 24% were aged 45 to 54, 19% were aged 55 to 64, 6% were under 25 and 3% were aged 65 and over. Figure 3.20 also shows the breakdown of AfC staff in September 2019. Between September 2019 and December 2023, the share of staff aged between 45 to 54 fell by three percentage points, from 27% to 24%, while the shares of those aged 25 to 34, 35 to 44, and 65 and over each increased by one percentage point.

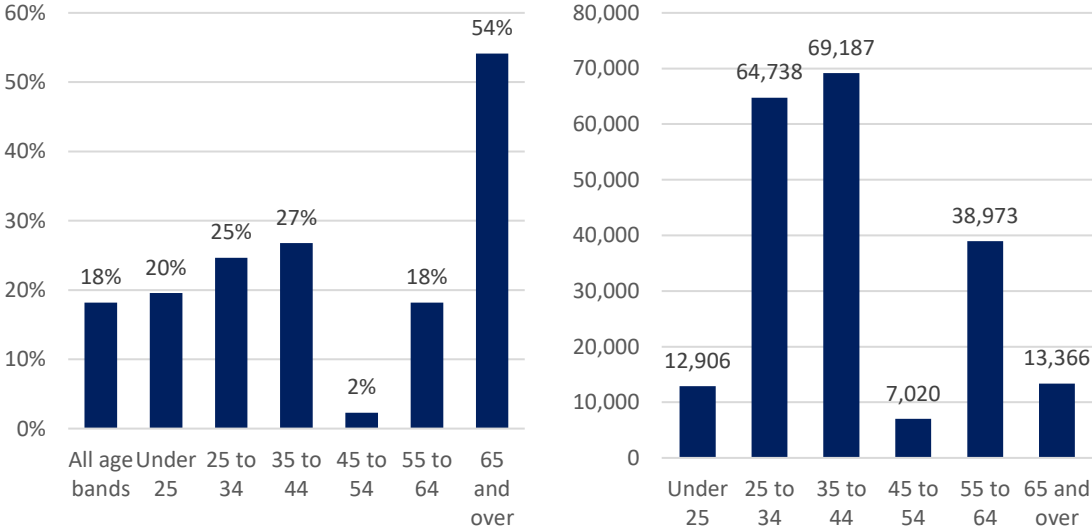
Figure 3.20: Staff in AfC roles by age, in England, December 2023 and September 2019, headcount



Source: NHS England

3.64 Figure 3.21 shows that the number of AfC staff increased by 18% between September 2019 and December 2023. Broken down by age group, the number of staff: aged 65 and over increased by 54% (13,366); aged 35 to 44 increased by 27% (69,187); aged 25 to 34 increased by 25% (64,738); aged under 25 increased by 20% (12,906); aged 55 to 64 increased by 18% (38,973); and the number of staff aged 45 to 54 increased by just 2% (7,020).

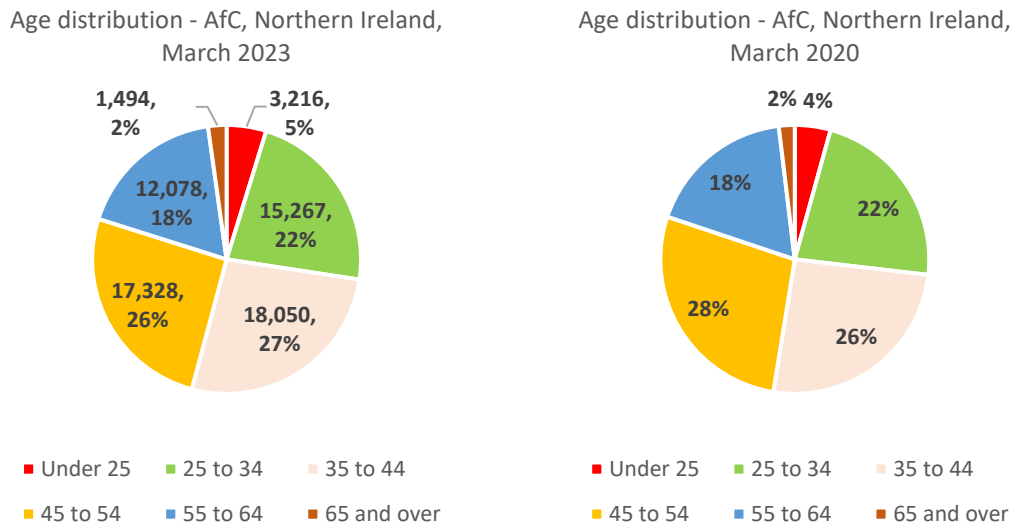
Figure 3.21: Change in the number of staff in AfC roles by age, in England, September 2019 to December 2023, headcount



Source: NHS England

3.65 Figure 3.22 shows a breakdown of AfC staff in Northern Ireland, by age group, in March 2023 and March 2020. In March 2023, 27% of staff were aged 35 to 44, 26% were aged 45 to 54, 22% were aged 25 to 34, 18% were aged 55 to 64, 5% were under 25 and 2% were aged 65 and over. Figure 3.22 also shows the breakdown of AfC staff in March 2020. Between March 2020 and March 2023, the share of staff aged between 45 to 54 fell by two percentage points, from 28% to 26%, while the shares of those aged 35 to 44, and under 25 each increased by one percentage point.

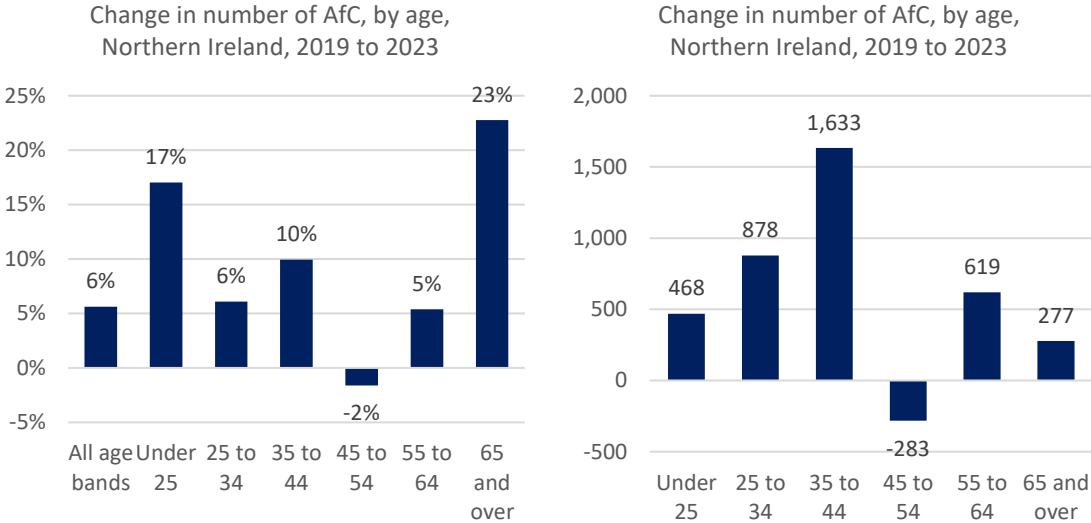
Figure 3.22: Staff in AfC roles by age, in Northern Ireland, March 2023 and March 2020 headcount



Source: Department of Health, Northern Ireland

3.66 Figure 3.23 shows the change in the number of AfC staff in Northern Ireland between March 2020 and March 2023. Overall the number of AfC staff increased by 6% over the period, but broken down by age group, the number of staff: aged 65 and over increased by 23% (277); aged under 25 increased 17% (468); aged 35 to 44 increased 10% (1,633); aged 25 to 34 increased by 6% (878); aged 55 to 64 increased by 5% (619); and the number of staff aged 45 to 54 fell by 2% (283).

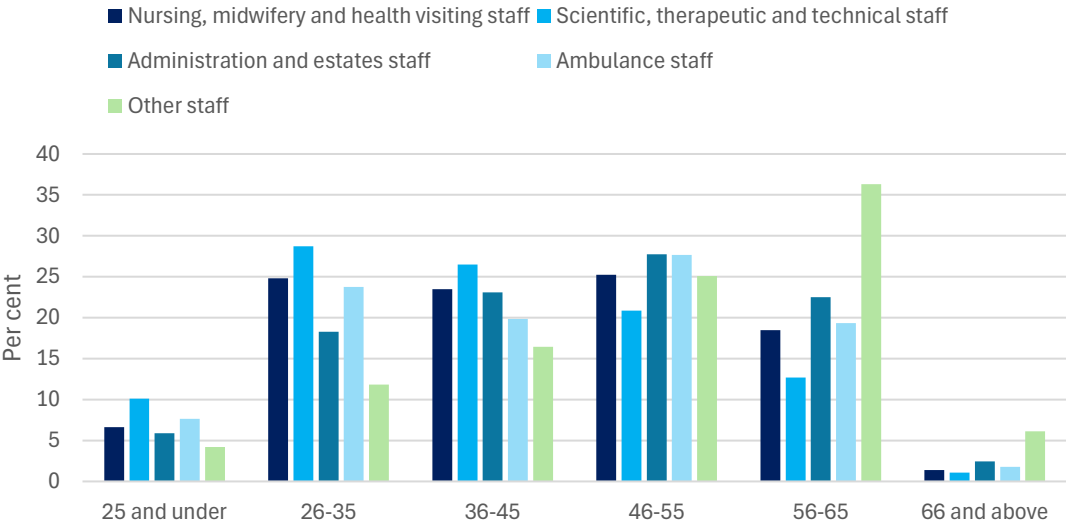
Figure 3.23: Change in the number of staff in AfC roles by age, in Northern Ireland, March 2020 to March 2023, headcount



Source: Department of Health, Northern Ireland

3.67 NHS Wales started publishing data on the age of staff from 2022 onwards. Figure 3.24 shows the age distribution of broad staff groups in September 2023. The age ranges used are slightly different from those used by England and Northern Ireland so impact on cross country comparisons. However, within Wales, there are a larger percentage of scientific, therapeutic and technical staff in the younger age ranges than other staff groups, while there are a larger percentage of administration and estates staff, ambulance staff and ‘other’ staff in the older age ranges than for other staff groups.

Figure 3.24: Staff in AfC roles by age, in Wales, September 2023, headcount



Source: Stats Wales

3.68 Table 3.5 shows a breakdown of AfC staff in England, by disability status. In September 2019, 3.7% of staff said they were disabled, 73.0% said they were not disabled while the disability status of 23.4% was unknown. In December 2023, compared with September 2019, there were increases: to 6.3% in the percentage of AfC staff saying they were disabled; and to 80.0% in the percentage saying they were not disabled. Between September 2019 and September 2023, the percentage of AfC staff whose disability status was unknown, fell from 23.4% to 13.7%.

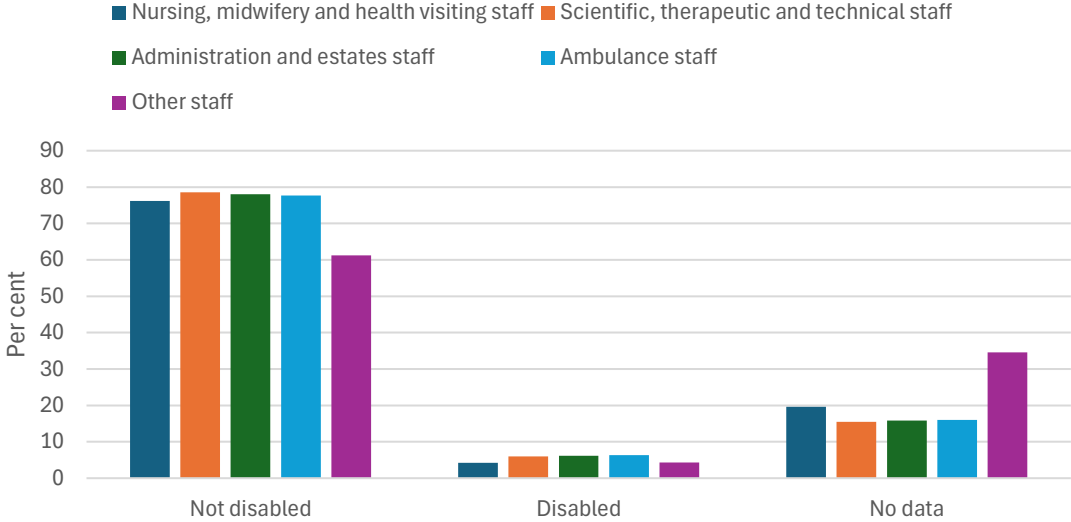
Table 3.5: NHS staff in AfC roles by disability status, in England, September 2019 and December 2023, headcount

Date	Staff group	Disabled	Not disabled	Not known
September 2019	All AfC	3.7%	73.0%	23.4%
December 2023	All AfC	6.3%	80.0%	13.7%
	Nurses & health visitors	5.3%	80.4%	14.2%
	Midwives	6.1%	79.3%	14.6%
	Ambulance staff	7.2%	79.0%	13.9%
	Scientific, therapeutic & technical staff	6.8%	81.4%	11.9%
	Support to doctors, nurses & midwives	6.2%	80.2%	13.6%
	Support to ambulance staff	7.9%	80.0%	12.2%
	Support to ST&T staff	8.4%	79.6%	12.0%
	Central functions	8.1%	80.6%	11.3%
	Hotel, property & estates	4.8%	73.2%	22.0%
	Senior managers	5.9%	80.3%	13.8%
	Managers	6.6%	81.3%	12.1%

Source: NHS England

3.69 Figure 3.25 shows a breakdown of AfC staff in Wales, by disability status. The percentage of staff saying they are disabled varies by staff group, from between 4.3% for nursing, midwifery and health visitors and 'Other' staff, to 6.3% for ambulance staff. There is less information on disability for 'Other' staff than for the remaining staff groups. For 35% of 'Other staff' there is no disability information, compared with 16-20% for all other staff groups.

Figure 3.25: Staff in AfC roles by disability, percentage, in Wales, September 2023, headcount



Source: Stats Wales

3.70 Table 3.6 shows a breakdown of AfC staff in England, by religious belief. In December 2023, the percentage of AfC staff saying they had religious beliefs was as follows: Christianity (46%); Atheism (15%); Islam (4%); Hinduism (2%), Sikhism (1%); Buddhism (1%); other religious beliefs (8%). Between September 2019 and September 2023 there was an increase in the percentage of AfC staff saying they had belief in each of the religions listed in Table 3.6, and there was a fall in the percentage of AfC staff whose religious beliefs were unknown, falling from 32% to 23%.

Table 3.6: NHS staff in AfC roles by religious belief, in England, September 2019 and December 2023, headcount

	Atheism	Buddhism	Christianity	Hinduism	Islam	Sikhism	All others	Not Known
September 2019	11%	0%	45%	1%	3%	1%	7%	32%
December 2023	15%	1%	46%	2%	4%	1%	8%	23%

Source: NHS England

3.71 Table 3.7 shows a breakdown of AfC staff in England, by sexual orientation. In September 2023, the percentage of AfC staff describing their sexual orientation was as follows: Heterosexual or Straight (77.6%); Gay or Lesbian (2.0%); Bisexual (1.5%); other sexual orientation (0.2%); undecided (0.2%). Between September 2019 and December 2023, there was an increase in the percentage of AfC staff saying they were Bisexual, Gay or Lesbian; Heterosexual or Straight, Other sexual orientation, Undecided, and there was a fall in the percentage of AfC staff whose sexual orientation was unknown, falling from 28.4% to 18.6%.

Table 3.7: NHS staff in AfC roles by sexual orientation, in England, September 2019 and December 2023, headcount

	Bisexual	Gay or Lesbian	Heterosexual or Straight	Other sexual orientation	Undecided	Not known
September 2019	0.7%	1.5%	69.4%	0.0%	0.0%	28.4%
December 2023	1.5%	2.0%	77.6%	0.2%	0.2%	18.6%

Source: NHS England

Our assessment of the AfC workforce

- 3.72 Overall, the size of the AfC workforce over the past twelve months has grown strongly, and it is encouraging that turnover and vacancy rates have reduced for the majority of workforce groups, including registered nursing and midwifery staff. Data from the ONS Vacancy Survey, while not directly comparable with NHS data, suggest that the AfC vacancy rate on a like-for-like basis would be higher than the average across all sectors.
- 3.73 It is too early to assess the extent of progress towards the targets in the LTWP in England. Both demand and supply will likely change over the Plan period in ways that are unforeseeable, making extrapolations from early years of the programme to provisional final targets difficult. From February 2020 to February 2024, the AfC workforce grew at an average annual rate of 4.3%, greater than the implied required annual rate of growth of the workforce of around 4% contained in the LTWP. We note, however, that workforce growth over the past few years has been strongly supported by international recruitment which may not be sustainable. Domestic training and recruitment and a sustained improvement in retention rates will become increasingly important in delivering the LTWP ambitions.
- 3.74 We welcome the increased pension flexibilities that make it easier for experienced staff to stay in the workforce for longer, especially during a period of rapid recruitment. However, with nearly a quarter of the NHS workforce in England over the age of 55, there are obvious workforce risk factors associated with having such a percentage of staff above the age at which they can draw their occupational pension. Specifically, the generous benefits within the NHS pension scheme add an element of fragility to efforts to retain older workers in the NHS.
- 3.75 Although the representation of BME staff at Bands 7 and above has increased in England, the highest representation of BME staff is at Band 5 where they account for 43.5% of all staff, compared with 12% of staff at Bands 8d and 9. The high representation and large increase in staff from ethnic minorities at Band 5 is likely reflective of the significant levels of recruitment of nurses from overseas.
- 3.76 At 76% of NHS trusts in England, the 2023 WRES (Workforce Race Equality Standard) survey found White applicants were significantly more likely than BME applicants to be appointed from shortlisting. This indicates that BME staff are finding it harder to progress than their White counterparts. We support NHSE in further progressing their work under their equality, diversity and inclusion improvement plan to improve workforce equality, and fulfil their ambitions set out in the LTWP. We welcome any further data parties can supply, for each of the three nations, on other protected characteristics across the AfC workforce.

Recruitment

Apprentices

3.77 NHSE said that since the implementation of the apprenticeship reforms and inception of the levy in 2016, there have been over 134,000 apprenticeship starts, of which 60% were clinical and 40% non-clinical. NHSE said that the most popular apprenticeships in the NHS were: nursing associates (18,000); business administrator (15,000); senior healthcare support worker (11,000); healthcare support worker (10,000); registered nurse degree (9,000); team leader/supervisor (7,000). The proportion of apprenticeships at higher levels has increased, from 2017/18, when 27% of apprenticeships were at level 4 and above, to 2021/22 when 64% were at level 4 and above. Evidence suggests that retention from apprenticeships, both on-programme and post-qualification, is high.

3.78 In its written evidence, NHSE said that there were over 25,000 apprenticeship starts in 2021/22, more than in previous academic years, which NHSE said was an indicator of recovery following the COVID-19 pandemic. NHS trusts have committed to spend more levy against the rising forecast apprenticeship numbers, having spent over £203 million in 2021/22 against a total levy of £300 million.

3.79 The LTWP requires an expansion of nursing and allied health profession apprenticeships. Looking ahead, table 3.8 shows the share of new intakes, for a range of professions and branches of professions, that will be met by apprenticeships. For example, by 2031, NHSE expects between 30-42% of new adult, mental health and learning disability nurses to come through the apprenticeship route, and between 25-50% of new prosthetists and orthotists, dietitians, occupational therapists, paramedics and diagnostic radiographers to come through the apprenticeship route.

Table 3.8: Expansion of nursing and AHP apprenticeships by role, England, by 2031

Apprenticeship type	Role	Apprenticeships (% of annual intake)
Nursing	Adult	30%
	Learning disability	42%
	Mental health	30%
Allied Health Professions	Prosthetists and orthotists	25-50%
	Dietitians	25-50%
	Occupational therapists	25-50%
	Operating department practitioners	80%
	Paramedics	25-50%
	Physiotherapists	5%
	Podiatrists	80%
	Radiographers (diagnostic)	25-50%
	Radiographers (therapeutic)	80%
	Speech and language therapists	5%

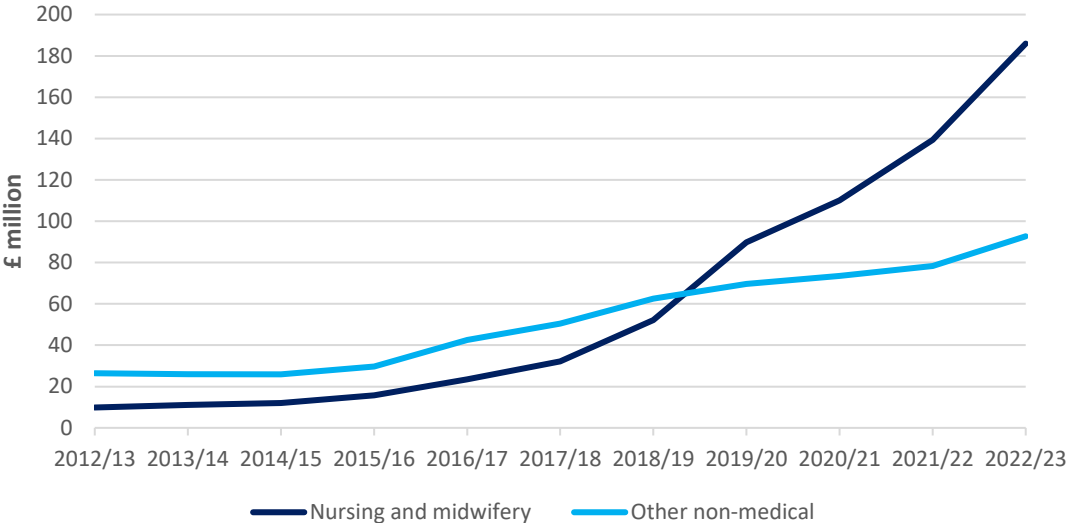
Source: NHS England

Temporary staff and spend

- 3.80 Bank staff are an important source of temporary staffing and give NHS Trusts the flexibility to respond to demand pressures whilst offering continuity of care. Although agency staff are also a useful source of temporary staffing, they are externally contracted and come at a much higher cost. Regular use of agency staff in the NHS is widespread and has become part of the routine way of meeting day-to-day staffing requirements as the service deals with ongoing staff shortages.
- 3.81 In **England**, NHSE said that in 2022/23 expenditure on bank and agency was £9.3 billion, of which £3.5 billion was agency spend²⁸. It said that agency spend had fallen from a peak of £3.6 billion in 2015/16. This reduction of £100 million means that agency spend as a percentage of the wage bill has fallen from 7.9% in 2015/16 to 4.5% in 2022/23.
- 3.82 NHSE said that it was able to reduce agency spending by increasing the percentage of temporary staffing covered by bank shifts. Between 2017/18 and 2022/23 the share of shifts covered by bank increased from 55% to 78%, while the share covered by agency reduced from 45% to 22%. The proportion of agency spend (excluding medical and dental) as a share of overall temporary staffing costs have fallen from 38% in 2017/18 to 35% in 2022/23.
- 3.83 This reflects NHSE's strategy to procure more of the NHS's temporary staffing through internal staff banks rather than agency. 67 trusts are proceeding with collaborative bank arrangements. 27 such arrangements are set up and a further 30 trusts are in the planning stage. Collaborative banks enable systems to work in partnership to make the most effective use of available resources.
- 3.84 Figure 3.26 shows agency spend in **Northern Ireland** for nursing and midwifery staff and other non-medical staff increasing sharply since 2014/15, from £38 million to £279 million in 2022/23. The increase in expenditure on nursing and midwifery staff over that period was particularly large, from £12 million to £186 million. In addition, the Department of Health said that spending on staff through banks in 2022/23 was £136 million, of which £91 million was on nursing and midwifery staff.

²⁸ <https://www.england.nhs.uk/publication/financial-performance-reports/>

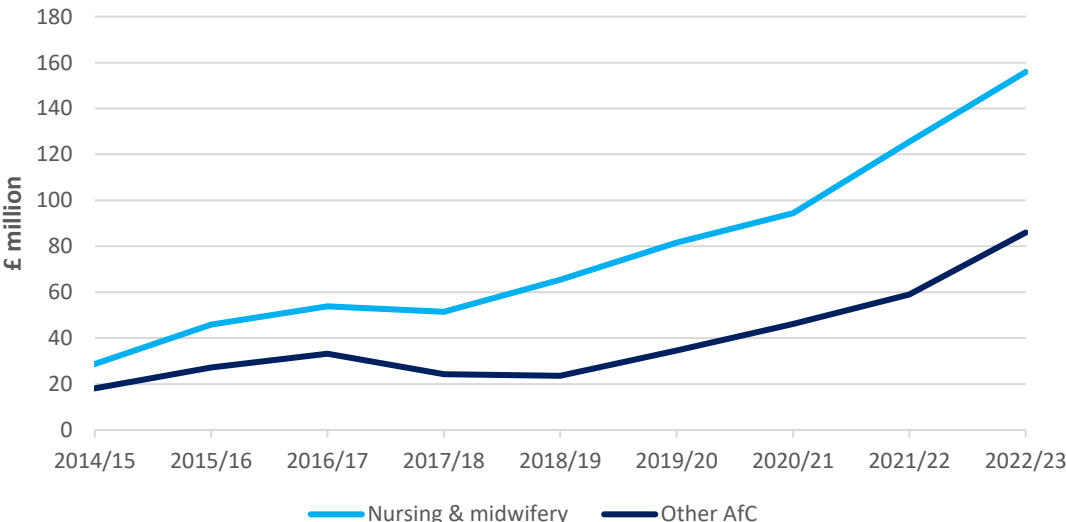
Figure 3.26: Agency spend, for AfC staff groups, Northern Ireland, 2012/13 to 2022/23



Source: Department of Health, Northern Ireland

3.85 The **Welsh Government**'s evidence points to agency expenditure on nursing and midwifery increasing sharply in 2022/23, compared with 2021/22. Overall agency expenditure on AfC posts was £242 million, an increase of £57 million (31%) from 2021/22. The Welsh Government provide agency spend split by some staff groups, and this shows that over that period expenditure to cover nursing and midwifery staff increased by £30 million (24%) while expenditure on other AfC posts increased by £27 million (46%) (Figure 3.27). The Welsh Government said that it is committed to reducing agency spend and is projecting a reduction in agency expenditure of £50 million in 2023/24.

Figure 3.27: Agency spend, for AfC staff groups, Wales, 2014/15 to 2022/23

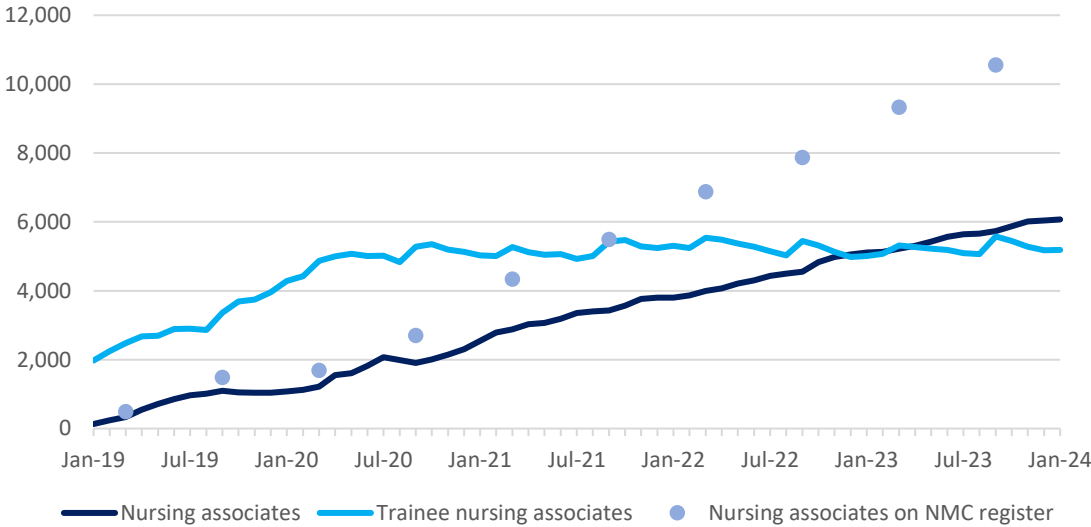


Source: Welsh Government

Recruitment of nursing associates in England

3.86 Since March 2019, the Nursing and Midwifery Council (NMC) has registered nursing associates and its latest data, for September 2023, showed that there were 10,560 nursing associates registered. Data from NHSE showed that in January 2024 there were 6,071 FTE nursing associates working in the NHS in England (Figure 3.28), the highest number recorded to date and an increase of 19% from a year earlier. NHSE data also shows there were 5,184 FTE trainee nursing associates working in the NHS in England, an increase of 3% from a year earlier.

Figure 3.28: Nursing associates and trainee nursing associates, FTE, England, January 2019 to January 2024



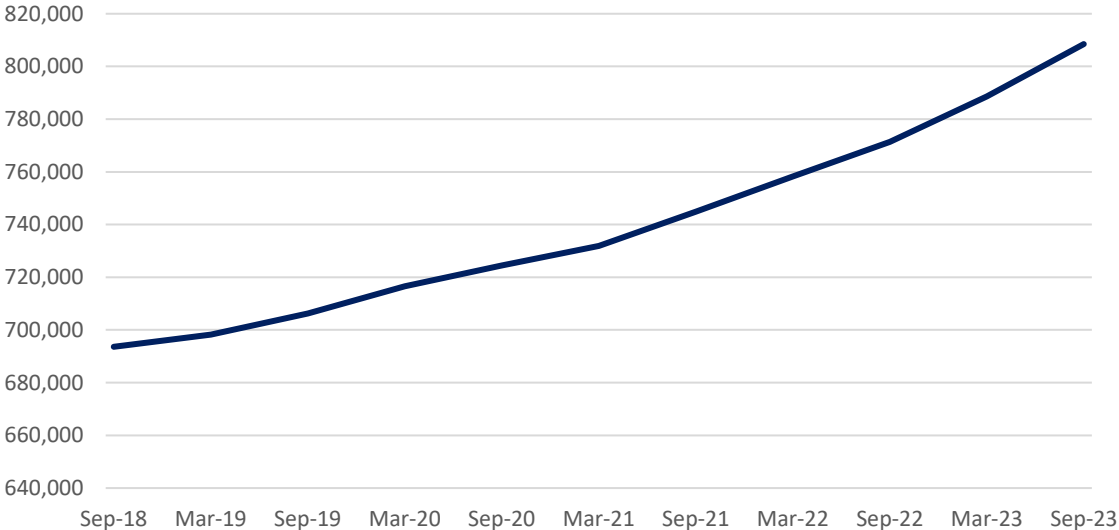
Source: NHS England

Nursing and Midwifery Council (NMC) Register

3.87 Data on the NMC Register helps us understand the total available workforce for nurses, midwives and nursing associates. It shows the numbers able to practice in the United Kingdom, although it will cover those working in the NHS, private and independent sectors or the third sector, and not all of those on the register will be working in their registered roles or working at all.

3.88 The latest data for September 2023, showed that there were 808,488 nurses and midwives registered to work in the UK (Figure 3.29), an increase of 37,091 (4.8%) from a year earlier.

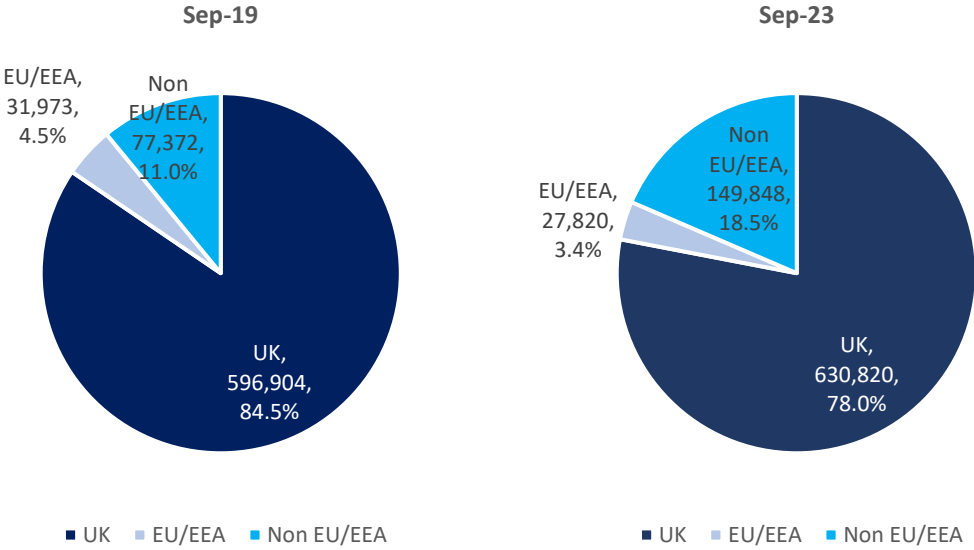
Figure 3.29: Number of nurses and midwives on the NMC register, September 2018 to September 2023



Source: NMC

- 3.89 Of the overall total, 630,820 (78.0%) were initially registered in the UK, 27,820 (3.4%) were initially registered in the EU/EEA, and 149,848 (18.5%) initially registered outside the UK and the EU/EEA (Figure 3.30).
- 3.90 Compared with September 2019, the numbers on the NMC register have increased by 102,000 (14%). There was an increase in the number initially registered in the UK of 34,000 (6%), a fall in the number initially registered in the EU/EEA of 4,000 (-13%) and an increase in the number initially registered outside the UK and the EU/EEA of 72,000 (94%).
- 3.91 Between September 2019 and September 2023, the share of those on the register initially registered outside the UK and EU/EEA increased from 11.0% to 18.5%, while the share initially registered in the UK fell from 84.5% to 78.0%, and the share initially registered in the EU/EEA fell from 4.5% to 3.4%.

Figure 3.30: Overall number of nurses and midwives on the NMC register by area of qualification, UK, September 2019 and September 2023

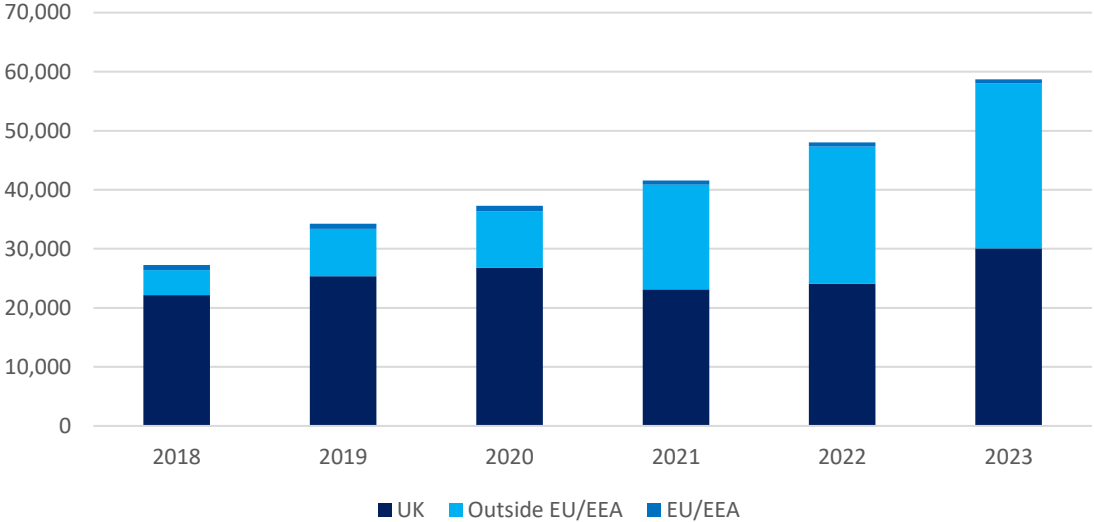


Source: NMC

- 3.92 In the year to September 2023, there was an increase of 37,091 (4.8%) nurses and midwives on the register, as 58,680 joined the register for the first time and 26,903 left the register²⁹.
- 3.93 Figure 3.31 shows the numbers joining the register for the first time between the year to September 2018 and the year to September 2023. Overall, the numbers joining the register increased each year. In the year to September 2023, the numbers joining the register were 22% higher than in the previous year. There were: 30,102 joining from the UK, an increase of 5,978 (25%) from the previous year; 27,973 joining from outside the EU/EEA, an increase of 4,778 (21%) from the previous year; and 605 joiners from the EU/EEA, a fall of 112 (16%) from the previous year. The increase in joiners trained in the UK suggests that the recent increases in the numbers accepted by universities to study nursing and midwifery courses is starting to feed through to the NMC register.

²⁹ The joiners data only includes ‘new’ joiners - those who joined the register for the first time. If someone leaves the register they count as a leaver, but if they re-join the register they do not count as a joiner.

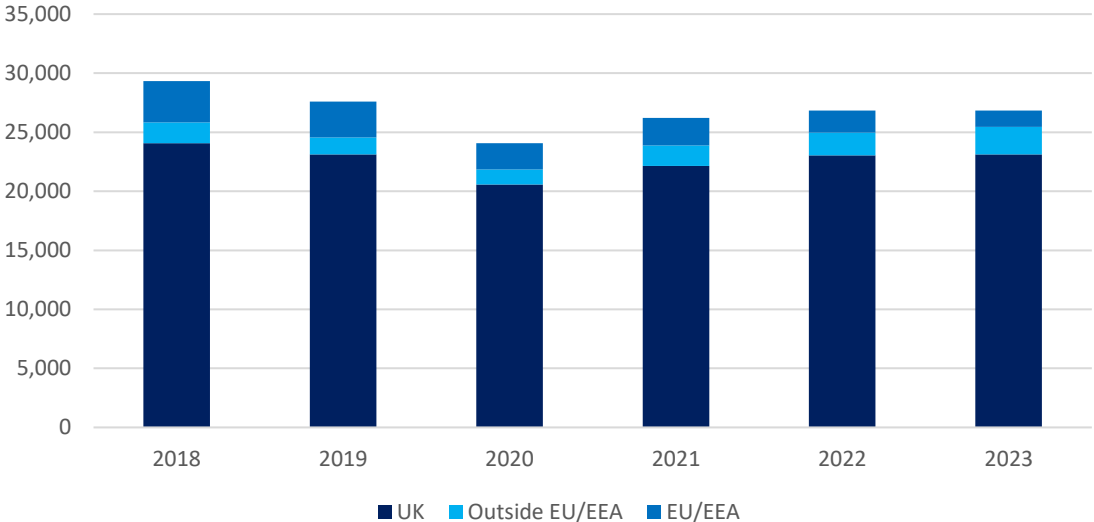
Figure 3.31: Joiners to the NMC register, between year to September 2018 and year to September 2023, from the UK, EU/EEA and outside the EU/EEA



Source: NMC

3.94 Figure 3.32 shows the numbers leaving the register between the year to September 2018 and the year to September 2023. Overall, the numbers leaving the register fell in 2019 and 2020, increased in 2021 and 2022 but fell slightly in 2023. The number of leavers each year remains below the number of joiners, as numbers on the register continue to increase. In the year to September 2023, there was a fall in the numbers leaving the register of 27 (0.1%). There was a fall in the number of leavers from the EU/EEA of 488 (26%), offset by an increase in the numbers leaving the register from outside the UK and the EU/EEA of 405 (21%) and from the UK of 85 (0%).

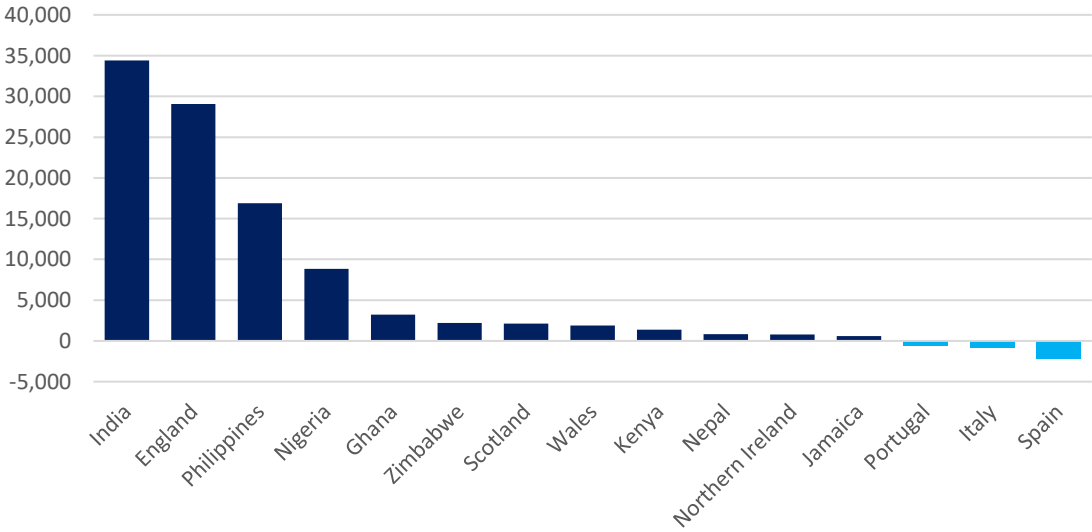
Figure 3.32: Leavers from the NMC register, between year to September 2018 and year to September 2023, from the UK, EU/EEA and outside the EU/EEA



Source: NMC

3.95 Figure 3.33 shows the change in the numbers on the NMC register, between September 2019 and September 2023, by country of training. This shows that the growth in the numbers on the register trained in India (34,400) were larger than the growth in the numbers trained in England (29,100). There were also marked increases in the numbers on the register trained in the Philippines (16,900), and Nigeria (8,800). Three of the countries showing the largest increases in numbers on the register were Nigeria, Ghana and Zimbabwe which are red listed in the code of practice for the international recruitment for health and social care, and so are deemed countries from which employers should not be actively recruiting. The three countries with the largest fall in numbers on the register over the period were Portugal, Italy and Spain.

Figure 3.33: Changes in the numbers on the NMC register, by country of training, September 2019 to September 2023

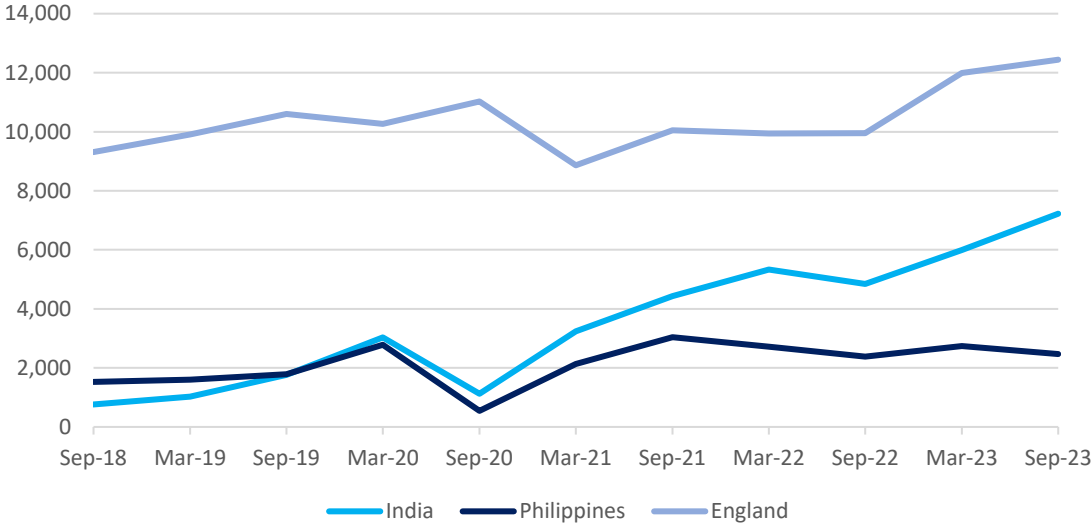


Source: NMC

Note: Only includes those countries where the net change was greater than +/- 500

3.96 Figure 3.34 highlights the growth in the numbers joining the NMC register who were trained in India and the Philippines between the six months to September 2018 and the six months to September 2023.

Figure 3.34: New joiners to the NMC register, by country of training, England, India and the Philippines, September 2018 to September 2023

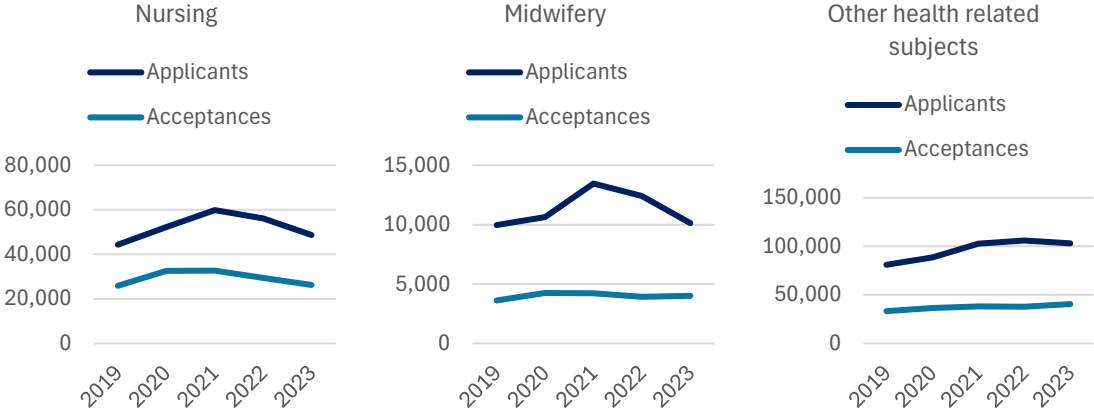


Source: NMC

Pre-registration entrants

3.97 Figure 3.35 shows the number of applicants and acceptances to study for nursing, midwifery, and other health related degrees between 2019 and 2023. The numbers of applicants for nursing, midwifery and other health related degrees all rose in 2020 and 2021. The numbers of applicants for nursing and midwifery courses fell in both 2022 and 2023, while applicants to study other health related degrees continued to rise in 2022 but fell back in 2023. Overall, between 2021 and 2023, applicants to study nursing fell by 19%, applicants to study midwifery fell by 25%, while the number of applicants to study other health related degrees was little changed over the same period.

Figure 3.35: Number of applicants and acceptances for nursing, midwifery and other health related degrees³⁰, 2019 to 2023



Source: UCAS

3.98 Further data published by UCAS for the 2024 cycle³¹ showed that at the end of January 2024, compared with the same point in the 2023 cycle, the number of applicants to study nursing had fallen from 33,570 to 31,100 (-7%) and the number of applicants to study midwifery had fallen from 8,910 to 7,740 (-13%). By way of comparison, the number of applicants to study all subjects fell from 596,580 in 2023 to 594,940 in 2024, a fall of less than 1%.

3.99 The LTWP in England envisions a substantial increase in staffing numbers between now and 2037. One of the three components of the LTWP is concerned with training. Meeting the training target requires sufficient numbers applying to study and train in the appropriate subjects, the ability of universities to increase the number of undergraduate places, and the NHS to be able to provide increased student placements with the experienced staff needed to provide training, support and mentoring.

3.100 The latest data from UCAS are yet to show a sustained increase in the numbers being accepted to study nursing or midwifery. The increase in the number of students accepted on to courses in both 2020 and 2021 was not maintained in 2022 and 2023, although the numbers starting courses in 2023 in these subjects remained higher than the number of acceptances in 2019, the last intake prior to the COVID-19 pandemic. More positively, the number of acceptances to study other health related subjects, despite falling back slightly in 2022, increased again in 2023, and to a level greater than that seen in 2019.

³⁰ Covers: CAH02-02 (pharmacology; toxicology; pharmacy), CAH02-05 (medical technology; healthcare science; biomedical sciences; anatomy, physiology and pathology), CAH02-06 (health sciences; nutrition and dietetics; ophthalmics; environmental and public health; physiotherapy; complementary and alternative medicine; counselling, psychotherapy, and occupational therapy).

³¹ <https://www.ucas.com/undergraduate-statistics-and-reports/ucas-undergraduate-releases/applicant-releases-2024-cycle/2024-cycle-applicant-figures-31-january-deadline>

Our assessment of recruitment

- 3.101 We welcome the growth in apprenticeships over the past few years and are encouraged by the further planned expansion of apprenticeships across the NHS, especially in the context of the aspirations of the LTWP in England.
- 3.102 Apprenticeships help create new talent pipelines into the NHS through identifying and attracting staff from a wide range of backgrounds. The retention rate amongst apprentices mean it is an attractive training option for the service. NHSE told us at evidence that on-programme attrition is low, and retention post-qualification is high. Since their introduction, there has been no agreed national pay rate for apprenticeships.
- 3.103 We welcome the reduction in temporary staffing spend in England; however, we remain concerned over the high and growing agency spend in Northern Ireland and Wales. Agency usage is seen as a poor use of resources and sub-optimal for patients. It can also affect the working experience of staff in terms of continuity of care and the quality of teamwork.
- 3.104 International recruitment has been a key driver of the growth in nurses into the NHS in England. The number of nurses and health visitors grew by 60,000 between September 2019 and December 2023. Over this period the overall number of nurses and health visitors with a non-UK nationality increased by more than 55,000, the number with a UK nationality increased by over 12,000, and there was a fall of almost 8,000 in the numbers where nationality was unknown. Although international recruitment has been exceptionally important over the past couple of years, NHSE plans for the delivery of the LTWP to re-balance domestic and international supply. DHSC told us at evidence that the LTWP aims to reduce international recruitment from 25% to between 9% and 10.5% of recruitment activity.
- 3.105 There was not a consensus in the evidence received from parties on whether high levels of international recruitment are sustainable in the longer term. However, given the global shortage of healthcare workers, it is inevitably uncertain if the UK will remain a destination of choice for international recruits as other countries, including Australia, Canada, New Zealand and the US have all recently announced measures to attract more nurses from overseas. Over-reliance on international recruitment may introduce an element of risk into the stability of the workforce if recruits decide not to settle in the UK.
- 3.106 Applicants to healthcare courses are falling; however, the number of admissions has held up. DHSC and NHSE told us that the bump to applicant numbers seen throughout the COVID-19 pandemic was never expected to be sustained, and the recent falls reflect adjustment following this. Despite this, they recognised the need to reverse the trend in application levels and have committed to a plan, working with UCAS, to resolve this. We look forward to hearing how plans have progressed next year and how they plan to meet the aspirations set out in the LTWP.
- 3.107 There was no consensus among the parties about any specific staff groups being especially vulnerable to recruitment difficulties.
- 3.108 In their evidence, the Royal College of Nursing requested a Recruitment and Retention Premium (RRP) for nursing staff. We have previously set out, in our 35th report, the evidence we would seek in assessing requests for RRP. In that context, the Royal College of Nursing proposal remains underdeveloped.

Retention

- 3.109 Turnover data, for **England**, showed that the outflow rate for AfC staff as a whole, reached 12.3% in the year to June 2022, the highest rate recorded since at least 2010. Since then, outflow rates have fallen back, to 10.0%, in the year to December 2023, the lowest rate since the year to March 2021, and slightly below the rate in the year to December 2019, 10.3%, prior to the COVID-19 pandemic.
- 3.110 Table 3.9 shows leaving rates, by staff group, for the years to December 2023 (the latest available data), December 2022 (the data available when NHSPRB submitted its 2023 report) and December 2019 (prior to the COVID-19 pandemic). The columns on the right-hand side of the table shows the percentage point changes in leaving rates between 2019 and 2023 and 2022 and 2023. Between 2022 and 2023, the turnover rate for all AfC staff fell by 1.9 percentage points, with most staff groups seeing falls of between 1.6 and 2.1 percentage points, although among support to ambulance staff, the turnover rate fell by just one percentage point.
- 3.111 The turnover rate in 2023, for AfC staff as a whole, was 0.3 percentage points below that of 2019, prior to the COVID-19 pandemic. For all staff groups, the turnover rate in 2023 is lower or the same as in 2019, with the exceptions of support to ambulance staff, where the turnover rate remains 3.7 percentage points higher than in 2019, and support to doctors, nurses and midwives where the turnover rate remains 0.2 percentage points higher than in 2019.

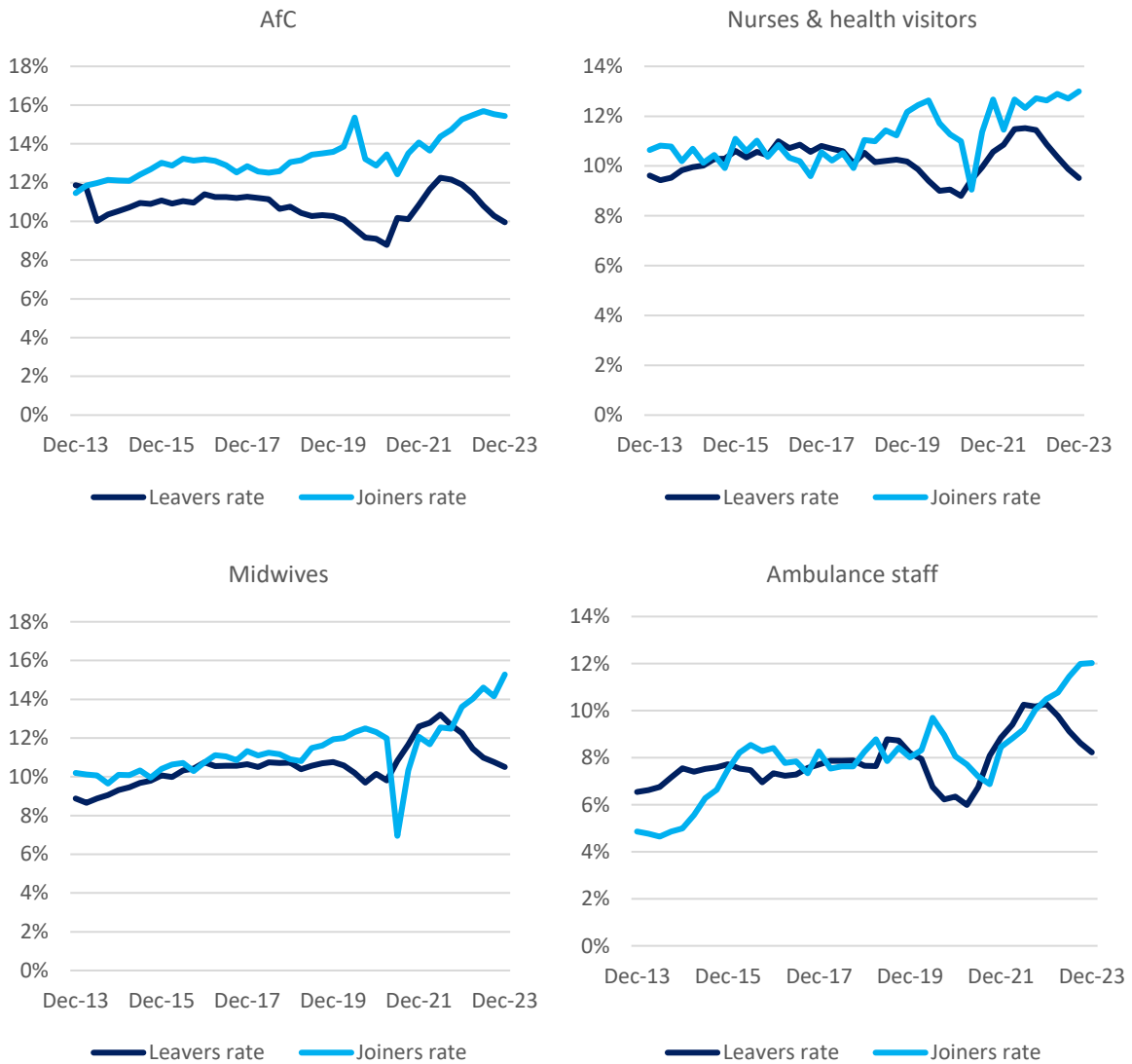
Table 3.9: Leaving rates from the NHS by staff group, headcount, year to December 2019, December 2022 and year to December 2023, England

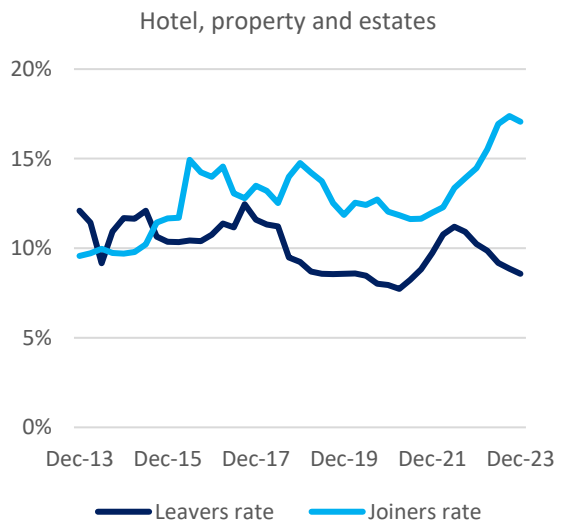
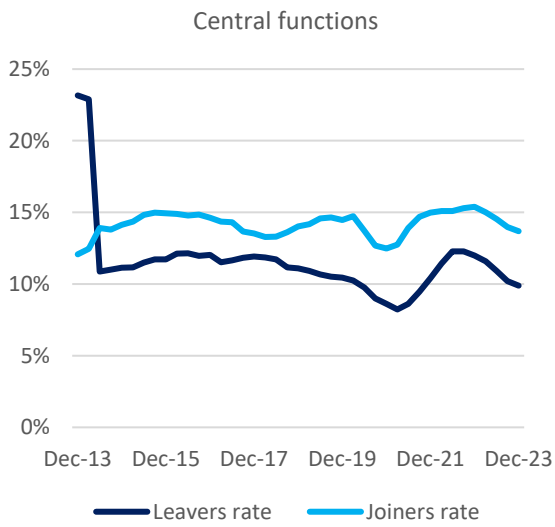
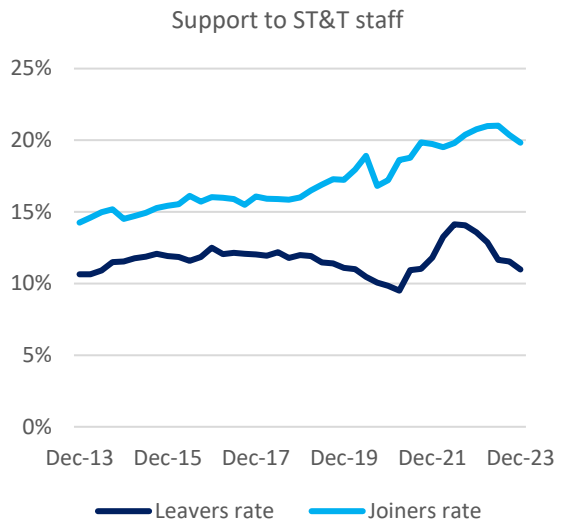
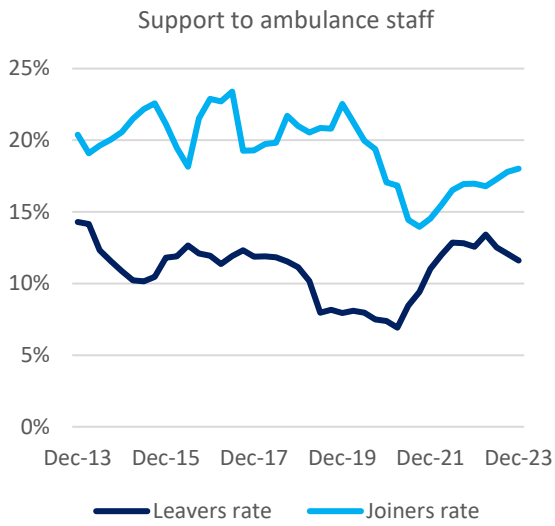
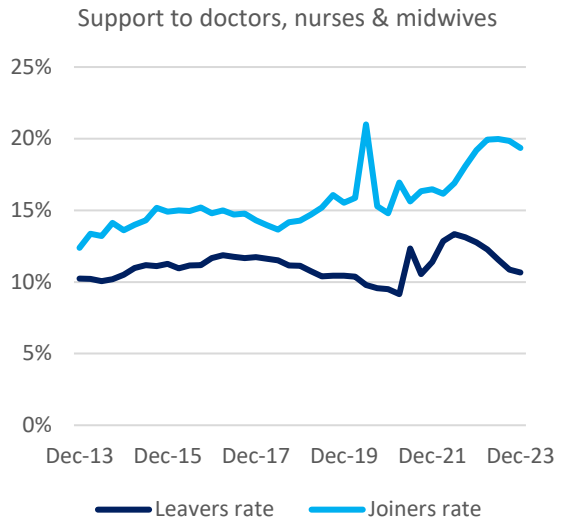
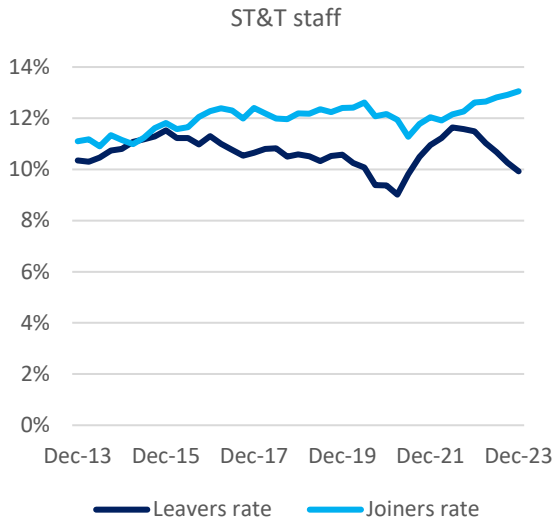
	Turnover in the year to December			Percentage point change between	
	2019	2022	2023	2019 and 2023	2022 and 2023
AfC	10.3%	11.9%	10.0%	-0.3	-1.9
Nurses & health visitors	10.2%	11.4%	9.5%	-0.7	-1.9
Midwives	10.8%	12.3%	10.5%	-0.3	-1.7
Ambulance staff	8.2%	10.3%	8.2%	0.0	-2.1
Scientific, therapeutic & technical (ST&T) staff	10.6%	11.5%	9.9%	-0.7	-1.6
Support to doctors, nurses, midwives	10.4%	12.8%	10.7%	0.2	-2.1
Support to ambulance staff	7.9%	12.6%	11.6%	3.7	-1.0
Support to ST&T staff	11.1%	13.6%	11.0%	-0.1	-2.6
Central functions	10.5%	12.0%	9.9%	-0.6	-2.1
Hotel, property and estates	8.6%	10.2%	8.6%	0.0	-1.7
Senior managers	10.5%	10.7%	8.9%	-1.6	-1.8
Managers	9.5%	9.8%	7.6%	-1.8	-2.1

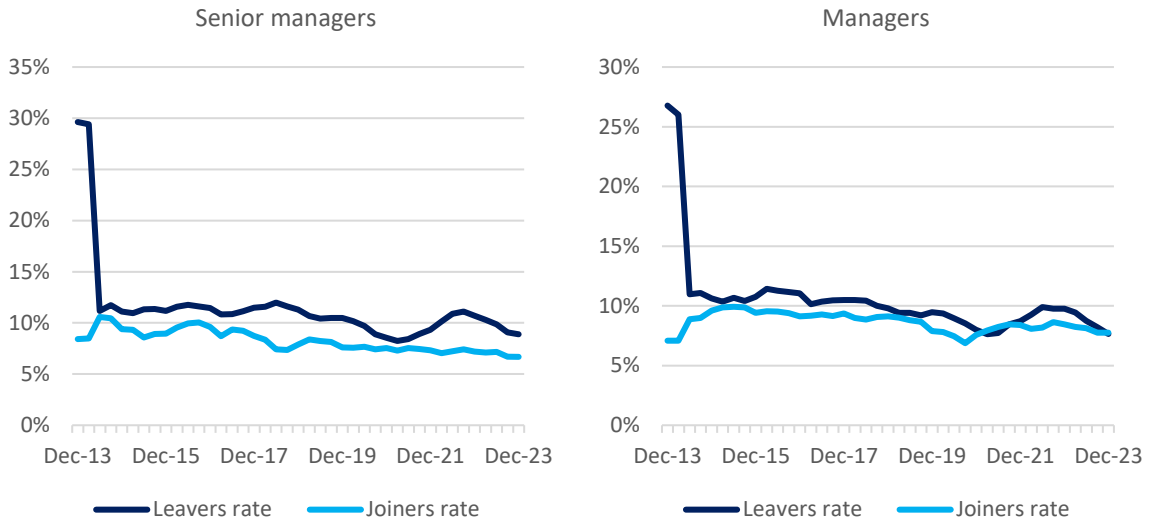
Source: NHS England

3.112 Figure 3.36 shows the leaving and joining rates for staff groups in England, between 2013 and 2023.

Figure 3.36: Leaving rates and joining rates from the NHS by staff group, headcount, year 2013 to 2023, England





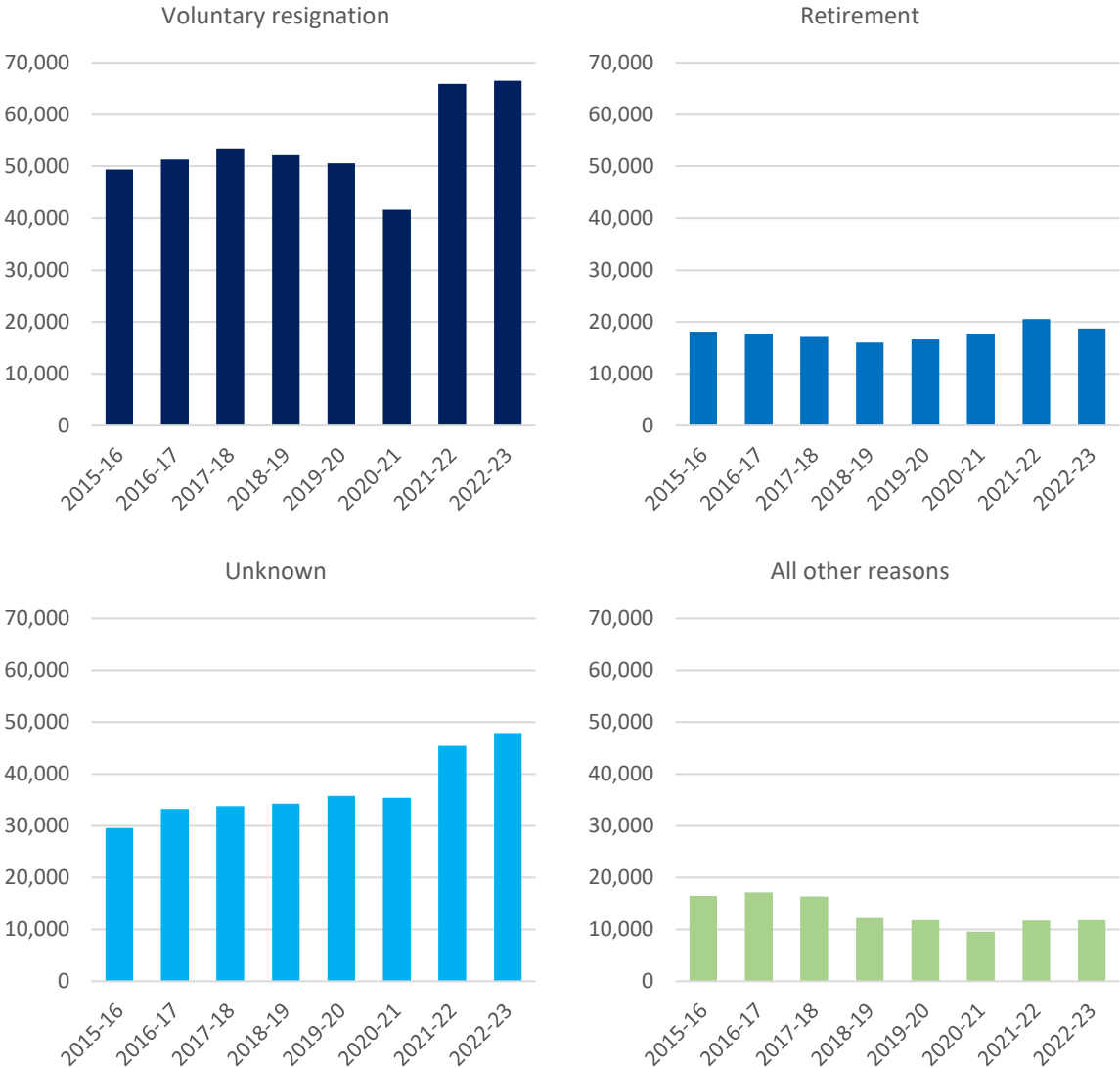


Source: NHS England

3.113 NHSE publish data for England showing reasons why staff have left the NHS in England. Figure 3.37 shows that, for those leaving between April 2022 and March 2023, the most common reasons given for leaving were voluntary resignation and retirement. In 2022/23, there were over 144,000 AfC leavers, of which 67,000 were voluntary resignations (46% of all leavers), 19,000 were retirements (13% of all leavers), and 12,000 (8% of all leavers) were for other specified reasons³². However, there were a further 48,000 people who left the NHS, 33% of all leavers, for whom the reason for leaving was unknown.

³² These include: dismissal; redundancy; end of fixed-term contract.

Figure 3.37 Numbers leaving the NHS, by reason for leaving, 2015-16 to 2022-23, England



Source: NHS England

3.114 For many of those who were identified as voluntary resignations, some more specific information on the reason for leaving is available. In 2022/23, far more people said they were leaving for a better work life balance (14,758) than for a better reward package (3,919). However, there were over 17,000 staff identified as resigning voluntarily for whom no further information was available. Some of those who left the direct employment of the NHS may still be providing services for the NHS, for example, through working in primary care organisations. Others may be working in other areas of healthcare such as the private sector or social care. As the NHS is the primary source of trained healthcare staff for these other sectors, there is a symbiotic relationship where they are both dependent on NHS resourcing strategies, and in competition with the NHS for trained staff.

3.115 In evidence, NHSE told us about the People Promise Exemplar programme. The programme was launched in April 2022 in response to the understanding that a ‘bundle’ of actions is needed to deliver improved retention across the whole workforce.

- 3.116 23 trusts in England have been implementing a People Promise improvement action plan to address retention, drawing from a standard menu of interventions (for example, flexible working, health and wellbeing, line management support). Together these trusts represent every region and a range of types (excluding ambulance trusts) and sizes.
- 3.117 NHSE have seen positive impacts for these organisations through the second year of the programme. The average all-staff leaver rate for the 23 exemplar organisations reduced by 14.2% more than for non-exemplar trusts over the ten months since the programme started. This is equivalent to 2,632 fewer FTE leavers.
- 3.118 In Northern Ireland, the leaving rate for all HSC staff in 2022/23 was 8.4%, up from 8.1% in 2021/22 and 5.6% in 2020/21.

Our assessment of retention

- 3.119 Overall, retention of staff in England has improved over the past year with a reduction seen in the overall leaver rate. Staff Survey responses also show an improved response when staff were asked about their intention to leave; however, the results are still worse than the survey results in 2019. Surveys carried out by trade unions also show a high rate of those with the intention to leave. For example, the Royal College of Nursing's 2023 Employment Survey found 45.5% of respondents stated they were either thinking about leaving their job, or actively planning to leave their job.
- 3.120 The LTWP sets out an aim to reduce the overall leaver rate for NHS employed staff to between 7.4% and 8.2% over the course of the modelling period. Although it is too early to assess progress against the LTWP, we welcome the reduction in the leaver rate to date and look forward to assessing how this progresses.
- 3.121 We are encouraged to see NHSE's People Promise Exemplar programme is showing early signs of effectiveness in retaining an increased number of staff. We support NHSE in further roll out of the programme and look forward to seeing the results and understanding how the programme could be applied nationally.
- 3.122 Changes to the 1995 pension scheme means it is now significantly easier for staff to retire and return to the NHS as staff can now earn a salary and take their pension concurrently. NHSE told us that 30% of retirees are now returning. This means the service benefits from the skills and expertise of more experienced colleagues for longer and can provide better training and support to new recruits.
- 3.123 We are disappointed that the detail captured in the leaver data does not fully reflect the destination of leavers, and so for most staff it is unknown whether they are leaving the NHS entirely and the reasons why. We have repeatedly called for leaver data which effectively records reasons for leaving at a system level. That this remains unsolved is of significant concern.

Morale and motivation

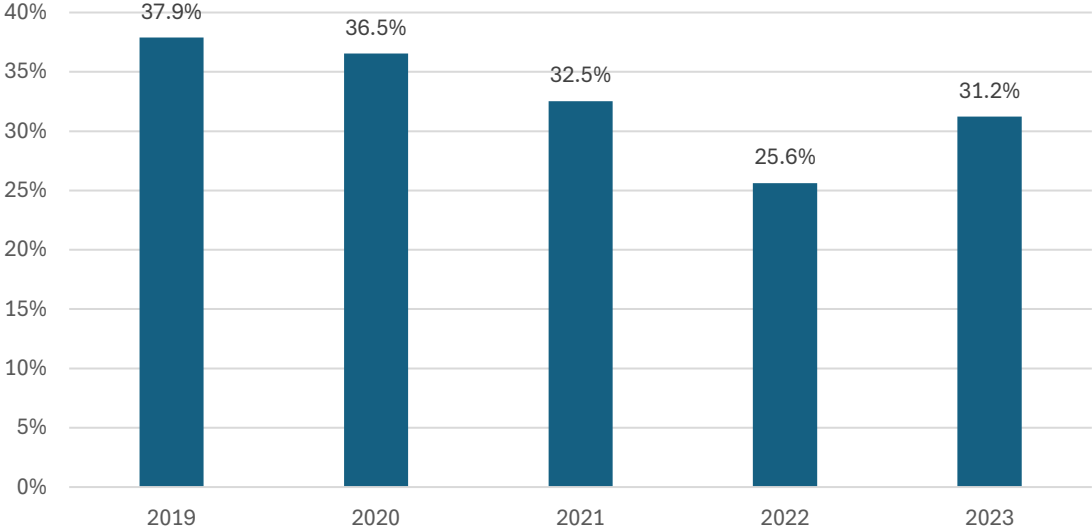
NHS Staff Survey (England)

- 3.124 Since our 2023 Report, the NHS Staff Survey in England has been published. It was conducted between September and November 2023. There were 707,000 responses, a response rate of 48%, up from 46% in 2022.

3.125 In general, the 2023 results for NHS staff were better than those recorded in 2022 and 2021, albeit from a low base. However, the results for 2023 remain much worse than those recorded in 2019 and 2020.

3.126 Figure 3.38 shows that in 2023, 31% of NHS staff who responded said they were satisfied³³ with their pay, an increase of six percentage points, from 26% in 2022, but a decrease of seven percentage points from 2019 (pre COVID-19).

Figure 3.38: NHS staff, satisfaction with level of pay, England, 2019 to 2023

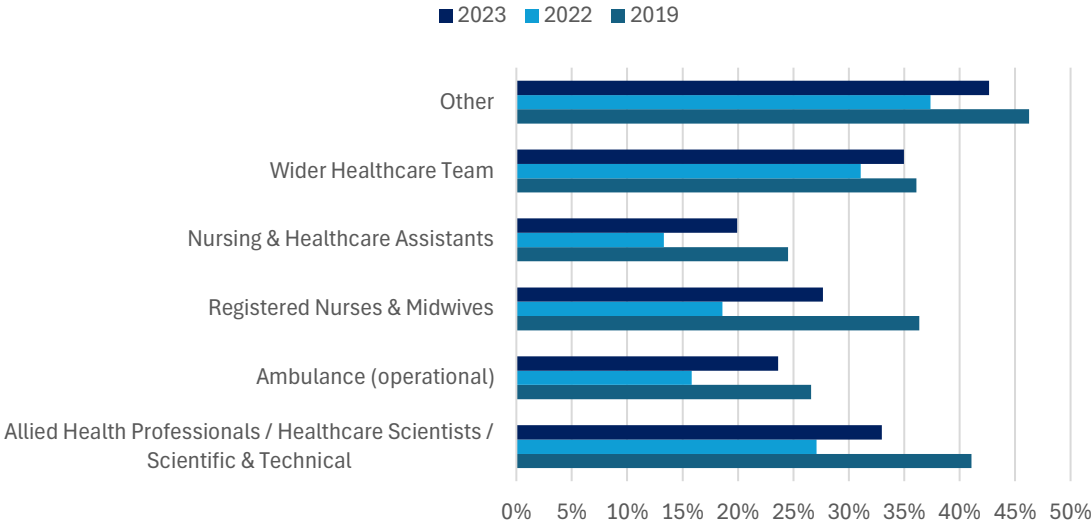


Source: NHS England

3.127 Figure 3.39 shows satisfaction with pay, broken down by staff group, in 2022 and 2023. In 2023, the percentage of staff saying they were satisfied with their pay, by staff group were: 35% of the wider healthcare team; 33% of allied health professionals/healthcare scientists/scientific and technical staff; 28% of registered nurses and midwives; 24% of operational ambulance staff; 20% of nursing and healthcare assistants; and 43% of ‘other’ staff. Compared with 2022, there was an increase in the percentage of staff saying they were satisfied with their pay in 2023 for each of the staff groups included in Figure 3.38. However, the percentage of staff saying they satisfied with their pay in 2023 remains well below levels recorded in 2019. The survey was conducted after the 2023/24 award for AfC staff had been paid.

³³ Satisfied refers to participants answering that they were ‘satisfied’ or ‘very satisfied’ with their level of pay.

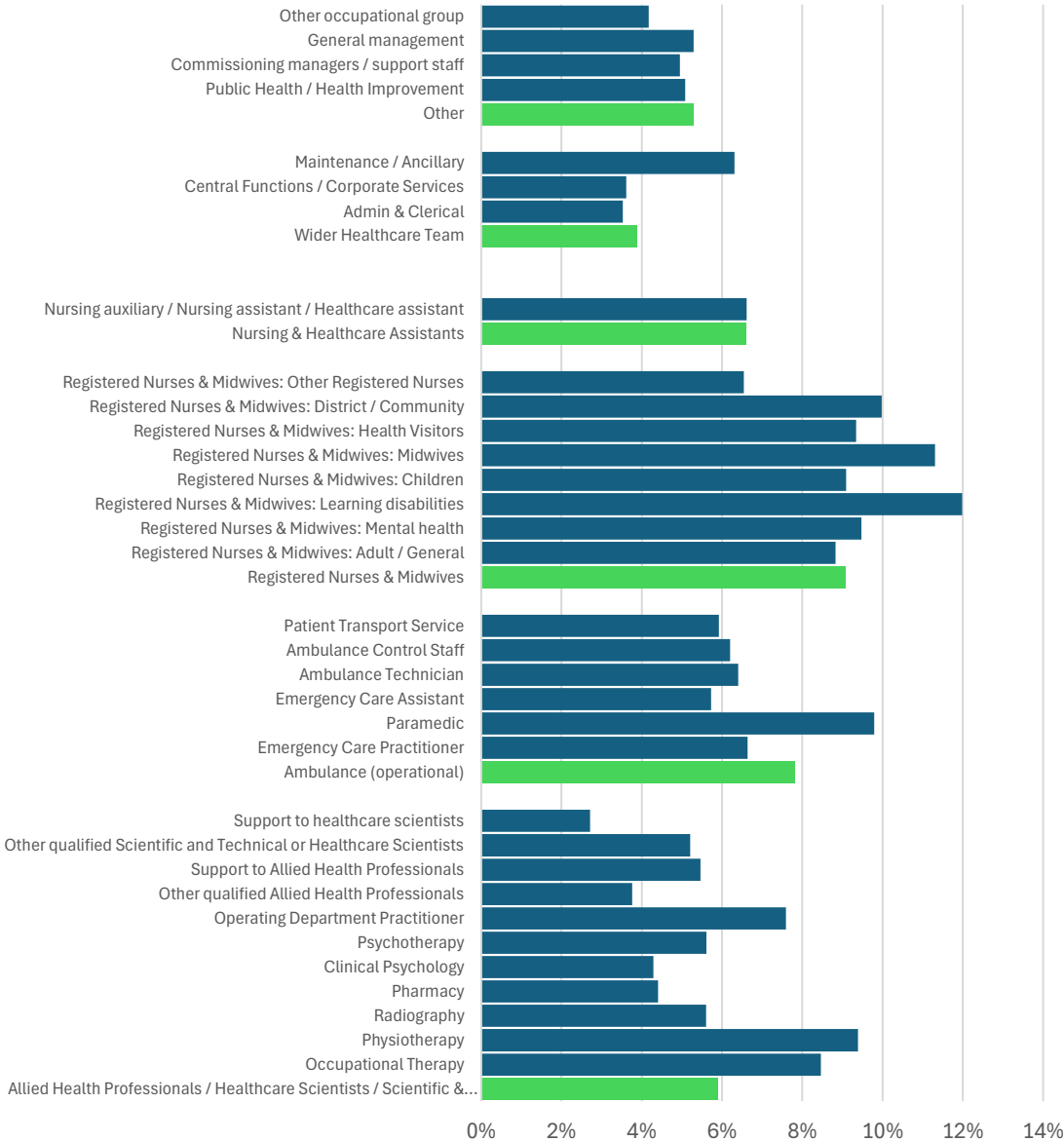
Figure 3.39: NHS staff, satisfaction with level of pay, by staff group, England, 2019, 2022 and 2023



Source: NHS England

3.128 Figure 3.40 shows that even after being broken down into smaller sub-groups, all non-medical and dental staff groups recorded an increase in satisfaction with pay between 2022 and 2023. The groups with the largest increases in satisfaction were: learning disabilities nurses (12%); midwives (11%); paramedics (10%); and district/community nurses (10%).

Figure 3.40: NHS staff, satisfaction with level of pay, by detailed staff group, percentage point change, England, 2022 to 2023



Source: NHS England

3.129 Across a range of measures related to job satisfaction (Table 3.10) and workload (Table 3.11), the results for 2023, were generally better than in 2022 and 2021, but worse than in both 2020 and 2019 (pre COVID-19).

3.130 Table 3.10 shows that in 2023, compared with 2022, staff were more likely to say that they: looked forward to going to work; were enthusiastic about their job; felt valued by their line manager and organisation; and were more likely to recommend their organisation as a place to work. Staff were also less likely to say: they were considering leaving the NHS; they had experienced harassment, bullying or abuse from patients, relatives or the public.

3.131 Table 3.11 shows that in 2023, compared with 2022, staff were more likely to say that they: could meet demands on their time; there were sufficient staff, materials and equipment to be able to do their job; and achieved a good work-life balance. Staff were also less likely to: say they felt unwell because of work-related stress and were feeling burnt out because of work. The percentage of staff saying that they worked over and above their contracted hours, both paid and unpaid hours, was lower in 2023 than in 2022.

Table 3.10: Selected job satisfaction results from the national NHS staff survey, all staff, England, 2019 to 2023

Measure	Question number in 2023 survey	2019	2020	2021	2022	2023	Trend ¹
Engagement and job satisfaction							
I look forward to going to work	2a	59.5%	58.7%	52.4%	52.6%	55.2%	
I am enthusiastic about my job	2b	74.9%	73.0%	67.4%	66.9%	69.0%	
Time passes quickly when I am working	2c	76.9%	75.6%	72.9%	72.2%	71.9%	
The recognition I get for good work	4a	58.1%	57.3%	52.0%	52.5%	54.7%	
My immediate manager values my work	9e	73.5%	72.7%	70.8%	71.5%	72.7%	
Considering leaving the NHS ²	26d (3 to 5)	19.6%	18.2%	22.4%	24.0%	21.5%	
Recommend my organisation as a place to work	25c	63.4%	66.8%	59.4%	57.4%	61.1%	
The extent to which my organisation values my work	4b	48.1%	48.0%	42.1%	42.2%	44.9%	
My level of pay	4c	37.9%	36.5%	32.5%	25.6%	31.2%	
Percentage of staff experiencing harassment, bullying or abuse from patients, relatives or the public in last 12 months ²	14a	28.8%	26.9%	27.6%	27.7%	25.8%	

Source: NHS staff survey, England, 2023

Notes:

[1] Trend lines do not have any common scale; they show the general direction of travel of individual key findings (which may exaggerate fairly small changes), and must be viewed in both the context of the preceding columns and the full range of possible scores for each measure.

[2] Lower scores are better in these cases, however, in all other cases, higher scores are better.

Table 3.11: Selected workload results from the national NHS staff survey, all staff, England, 2019 to 2023

Measure	Question number in 2023 survey	2019	2020	2021	2022	2023	Trend ¹
Workload							
I am able to meet all the conflicting demands on my time at work	3g	46.0%	47.6%	43.1%	43.0%	46.7%	
I have adequate materials, supplies and equipment to do my work	3h	56.2%	60.3%	57.3%	55.6%	58.5%	
There are enough staff at this organisation for me to do my job properly	3i	32.3%	38.3%	27.1%	26.4%	32.4%	
During the last 12 months have you felt unwell as a result of work related stress? ²	11c	40.5%	44.2%	46.9%	44.8%	41.7%	
Achieve good balance between work and home life	6c			52.2%	52.6%	55.9%	
Feeling burnt out because of work ²	12b			34.5%	34.0%	30.4%	
Percentage of staff working PAID hours over and above their contracted hours? ²	10b	34.7%	33.5%	36.6%	38.2%	36.5%	
Percentage of staff working UNPAID hours over and above their contracted hours? ²	10c	56.2%	55.5%	57.3%	56.5%	52.7%	

Source: NHS England staff survey, England, 2023

Notes:

[1] Trend lines do not have any common scale; they show the general direction of travel of individual key findings (which may exaggerate fairly small changes), and must be viewed in both the context of the preceding columns and the full range of possible scores for each measure.

[2] Lower scores are better in these cases, however, in all other cases, higher scores are better.

3.132 Similar tables, for: registered nurses and midwives; AHPs; ambulance staff; nursing and healthcare assistants; the wider healthcare team; and ‘other’ staff, are set out in Appendix E to this report.

NHS Staff Survey (Wales)

3.133 In 2023, NHS Wales conducted its first staff survey since 2020. There were over 22,000 responses, a response rate of 21%. Detailed results have yet to be published, but the average staff engagement score fell from 75 in 2020 to 73 in 2023.

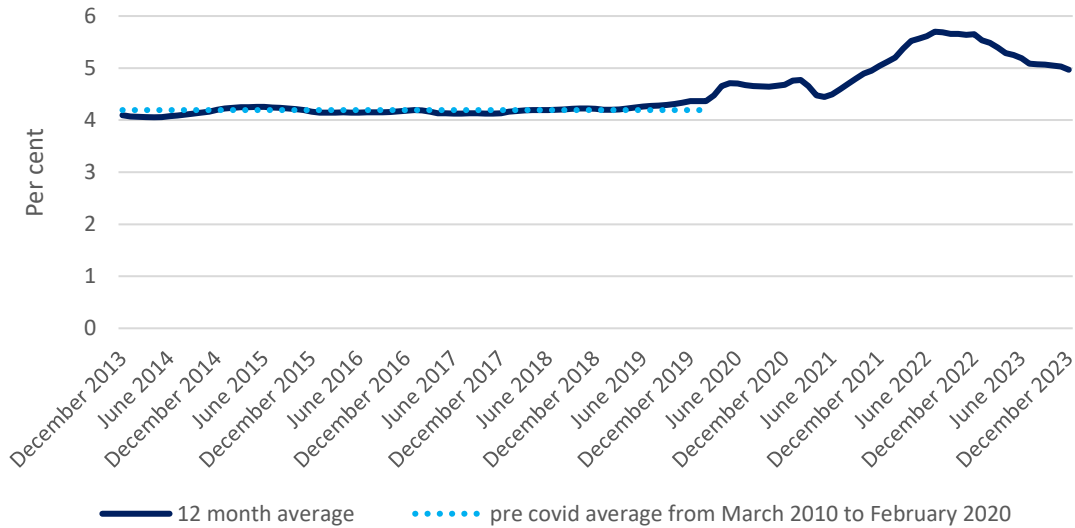
Staff sickness

3.134 Sickness absence reduces the number of suitably qualified staff available to work and is an indicator of staff engagement and the wellbeing of the workforce. Data for both England and Wales show that sickness absence rates have lowered over the last year, but still remain higher than the rates seen prior to the COVID-19 pandemic. Data for England show increases in the number of days lost to sickness absence for infectious diseases and chest and respiratory problems, which might be directly related to COVID-19, but by far the greatest increase was in days lost to anxiety, stress, depression and other psychiatric illnesses.

3.135 Figure 3.41 shows sickness absence rates in **England** for staff as a whole between December 2013 and December 2023. Between March 2010 and February 2020 (prior to the COVID-19 pandemic) monthly sickness absence rates fluctuated in a narrow range, between 4% and 5%, averaging 4.2% over that period. Since early 2020 there has been more volatility in sickness absence rates, with spikes in absence in the spring of 2020 and the winter of

2020/21, followed by periods when sickness absence rates dropped back to 4%. However, following a further spike in sickness absence in the winter of 2021/22 absence rates remained above 5% throughout 2022.

Figure 3.41: Sickness absence rates in England, all staff, December 2013 to December 2023



Source: NHS England

- 3.136 The data for the 12 months to December 2023 shows an average monthly sickness rate of 4.97%, down from a peak of 5.7% in the 12 months to July 2022. The difference between the sickness absence rate for the 12 months to December 2023 and the long-term average is still 0.8 percentage points, the equivalent of having 9,200 fewer AfC FTE staff.
- 3.137 Table 3.12 shows average rates of sickness absence in **England**, by **staff group**, in the year to February 2020 (prior to the COVID-19 pandemic) and the year to December 2023. The staff groups with the highest rates of sickness absence in the year to December 2023 were support to ambulance staff (8.1%), hotel, property and estates staff (6.9%), support to doctors, nurses and midwives (6.8%), and ambulance staff (6.0%).

Table 3.12: Rates of sickness absence, England, 12 month average to February 2020 and 12 month average to December 2023, by staff group %

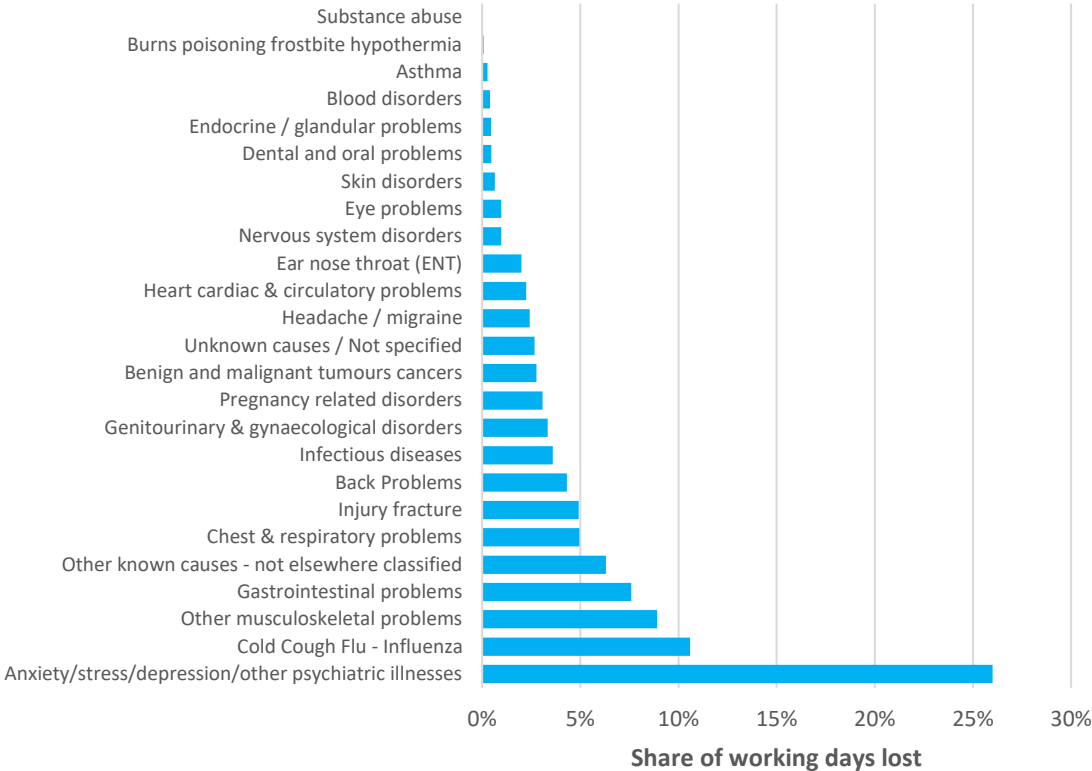
Staff group	12-month average to February 2020	12-month average to December 2023	Change between February 2020 and August 2023
	Percentage points		
All staff groups	4.4	5.0	0.6
Nurses & health visitors	4.6	5.3	0.7
Midwives	5.0	5.6	0.6
Ambulance staff	5.3	6.0	0.7
Scientific, therapeutic & technical staff	3.1	3.8	0.7
Support to clinical staff	5.9	6.7	0.8
Support to doctors, nurses & midwives	6.0	6.8	0.8
Support to ambulance staff	6.6	8.1	1.5
Support to ST&T staff	5.1	5.7	0.6
NHS infrastructure support	4.0	4.2	0.2
Central functions	3.6	3.6	0.0
Hotel, property & estates	6.0	6.9	0.9
Senior managers	1.8	1.8	0.0
Managers	2.3	2.3	-0.1
Other staff or those with unknown classification	1.6	1.0	-0.6

Source: NHS England

3.138 The staff groups with the largest changes in sickness absence rates between the 12-months to February 2020 and the 12-months to December 2023 were support to ambulance staff (1.5 percentage points), hotel, property and estates staff (0.9), and support to doctors, nurses and midwives (0.8). The staff groups with the smallest changes in sickness absence rates over the period were central functions (0.0 percentage points), senior managers (0.0) and managers (-0.1).

3.139 Figure 3.42 shows the reasons for sickness absence in England, for AfC staff, in the 12 months to December 2023. The most common reason for sickness absence was 'anxiety, stress, depression and other psychiatric problems', accounting for 26% of all absence. The next most common reasons for sickness were 'cold, cough, flu' (11%), 'other musculoskeletal problems' (9%), 'gastrointestinal problems' (8%).

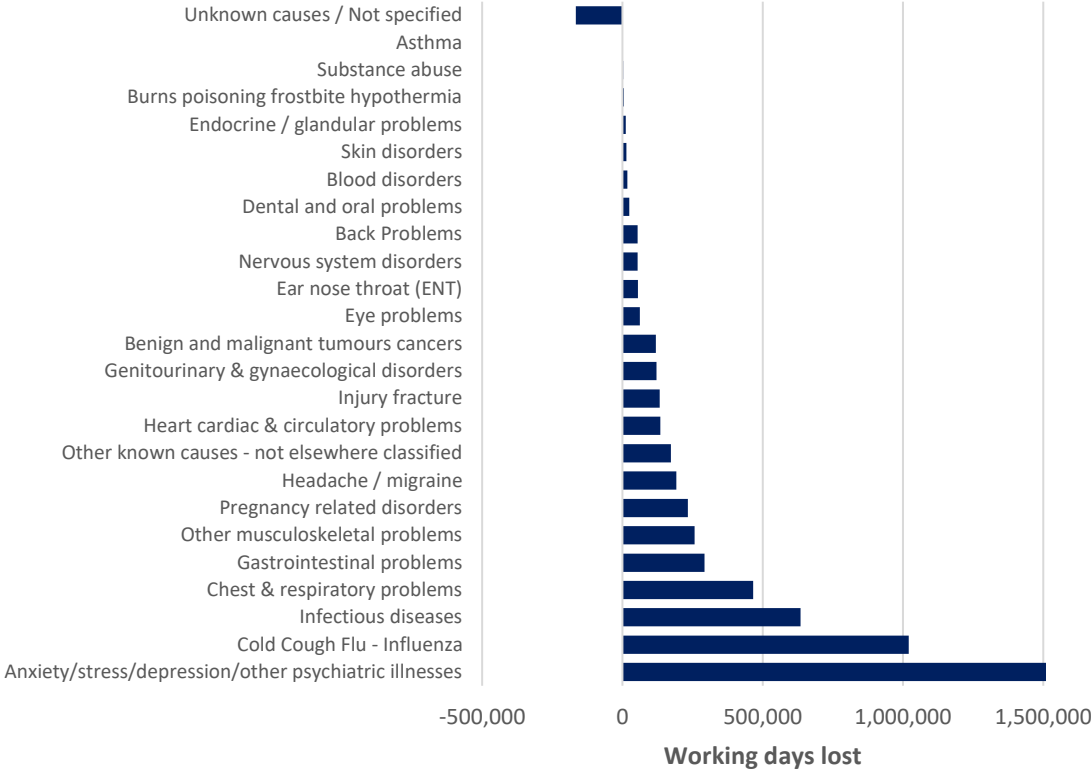
Figure 3.42: Sickness absence days, by reason for absence, % of all sickness absence, England, 12 months to December 2023



Source: NHS England

3.140 In the 12 months to December 2023, there were 24.1 million AfC staff days lost to sickness absence, an increase of 5.4 million, from 18.7 million in the 12 months to March 2020. Figure 3.43 shows that most of the extra sickness absence was related to ‘anxiety, stress, depression and other psychiatric problems’ (1.5 million), ‘cold, cough, flu’ (1.0 million), ‘infectious diseases’ (0.6 million days), and ‘chest & respiratory’ problems’ (0.5 million).

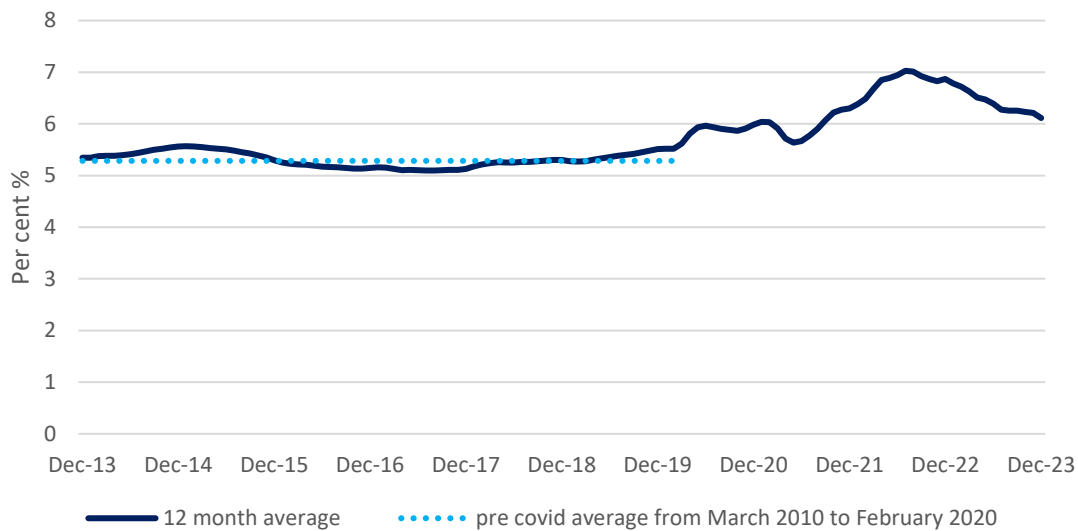
Figure 3.43: Change in the number of sickness absence days between 12 months to March 2020 and 12 months to December 2023, by reason for absence, England, AfC staff



Source: NHS England

- 3.141 Figure 3.44 shows sickness absence rates in **Wales** for staff as a whole, between December 2013 and December 2023. Between 2010 and February 2020 (prior to the COVID-19 pandemic) monthly sickness absence rates fluctuated in a narrow range, between 5% and 6%, with a 12-month average around 5.3%. Since early 2020 there has been more volatility in sickness absence rates, with spikes in absence in the spring of 2020 and the winter of 2020/2021, followed by periods when sickness absence rates dropped back to 5%. However, following a further spike in sickness absence in the winter of 2021/2022 absence rates remained above 6% every month between June 2021 and March 2023.
- 3.142 In each month of 2023, the sickness absence rate was lower than in the same month a year earlier. In the 12 months to December, the monthly average sickness absence rate was 6.1%, down from a peak of 7.0% in the 12 months to August 2022. The difference between the sickness absence rate for the 12 months to December 2023, and the long-term average is 0.8 percentage points, the equivalent of having 740 fewer AfC FTE staff in Wales.

Figure 3.44: Sickness absence rates in Wales, all staff, December 2013 to December 2023



Source: Stats Wales

3.143 Table 3.13 shows average rates of sickness absence in **Wales**, by **staff group**, in the year to March 2020 (the 12 months prior to the COVID-19 pandemic) and the year to December 2023. The staff groups with the highest rates of sickness absence in the year to December 2023 were healthcare assistants and support workers (9.5%), ambulance staff (9.4%), and nursing, midwifery and health visiting staff (7.5%).

Table 3.13: Rates of sickness absence, Wales, 12 month average to March 2020 and 12 month average to December 2023, by staff group %

Staff group	12 month average to March 2020	12 month average to Dec 2023	Change between March 2020 and Dec 2023
	Percentage points		
All staff groups	5.6	6.1	0.5
Scientific, Therapeutic and Technical staff	4.4	4.8	0.4
Administration, Estates and General Payments staff	4.8	5.1	0.4
Nursing, Midwifery and Health Visiting staff	6.8	7.5	0.7
Ambulance staff	7.6	9.4	1.8
Healthcare Assistants and Support Workers	8.0	9.5	1.5

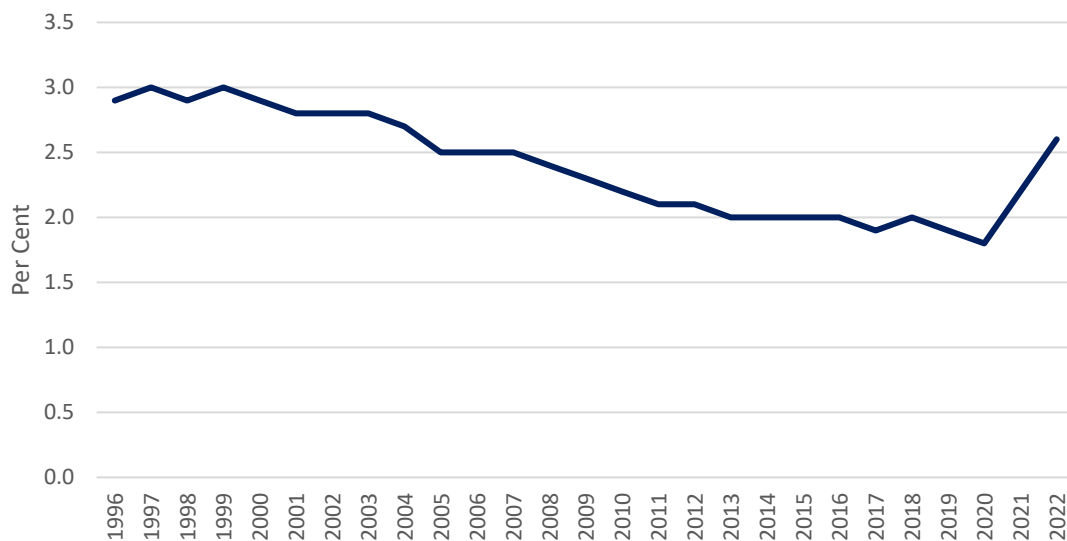
Source: Stats Wales

3.144 The staff groups with the largest changes in sickness absence rates between the year to March 2020 and the year to December 2023 were ambulance staff (1.8 percentage points), healthcare assistants and support workers (1.5) and nursing, midwifery and health visiting staff (0.7). The staff groups with the smallest change in sickness absence rates over the

period was administrators, estates and general payments staff, and scientific, therapeutic and technical staff (both 0.4 percentage points).

3.145 Figure 3.45 shows ONS estimates of sickness absence rates across the UK economy as a whole, between 1996 and 2022. It shows that between 1999 and 2020 sickness absence had been on a downwards trend, falling from around 3% to 2%. However, increases in 2021 and 2022, to 2.2% and 2.6% respectively, meant that in 2022 the overall sickness absence rate was at its highest level since 2004.

Figure 3.45: National sickness absence rate, whole economy, United Kingdom, 1996 to 2022



Source: ONS

Our assessment of morale and motivation

3.146 In general, the 2023 results for the NHS Staff Survey in England were better than those recorded in 2022 and 2021, albeit from a low base. However, the results for 2023 remain much worse than those recorded in 2019 and 2020. In 2023, 31% of NHS staff who responded said they were satisfied with their pay, an increase of five percentage points, from 26% in 2022, but a decrease of seven percentage points from 2019 (prior to the COVID-19 pandemic).

3.147 Beyond base pay, total reward encompasses the total value of an employee’s reward package. Aspects of the total reward package in the NHS, such as pension, annual leave and sick pay may be more valuable than those on offer from other employers. Currently, the NHS Staff Survey in England only asks about satisfaction with pay levels, rather than satisfaction with the total reward package. We would encourage NHSE to use the annual Staff Survey to gain greater understanding of how aware staff are of the wider reward package and how they value it.

3.148 Sickness absence reduces the effective size of the workforce, can increase pressure on colleagues and is strongly related to workforce morale and motivation. Whilst the average has come down over the past year, sickness absence in the NHS remains above the pre COVID-19 long term average and above the average across the wider economy.

- 3.149 The latest data goes some way to explain the change from prior to the COVID-19 pandemic, and we are concerned by the increase seen in the number of sickness absence days due to anxiety, stress and depression. We are also troubled by reports of staff burnout during visits and evidence. NHSE told us they are focussed on a preventative approach and are looking to identify when colleagues need help.
- 3.150 Parties told us at evidence that industrial action across the NHS workforce has had a negative impact on morale. Although most AfC trade unions in England and Wales have not taken industrial action since Spring 2023, industrial action by junior doctors and consultants has continued. We heard from parties that continued industrial action by medical colleagues has been disruptive across the service due to the interdependency of healthcare delivery and the combined contribution of multiple professions in providing care to patients. Many parties remained concerned about the risk of further industrial action.

National, regional and local variations in the labour market across the NHS

National variations

- 3.151 In 2023, the UK and Welsh Governments negotiated separate deals with their respective social partners. One consequence of those separate deals is that consolidated pay in Wales is 1.5% higher than in England and Northern Ireland.
- 3.152 For 2024/25, the Welsh Government are committed to paying at least the Living Foundation’s Real Living Wage to staff, pay at Band 1 and 2 is £12 an hour as of 1 April 2024 and so is 4.8% ahead of Band 1 and 2 in England and Wales prior to any award for 2024/25.
- 3.153 AfC pay is higher in Scotland than in England, Northern Ireland and Wales. The percentage difference varies across the bands.
- 3.154 In evidence, some parties told us that higher rates of pay in Scotland were causing both staff and students to move to Scotland from other parts of the UK. We also heard from the Royal College of Nursing that staff had moved into roles in the Republic of Ireland from Northern Ireland due to higher levels of pay in the Republic of Ireland. However, in neither case has evidence been presented about the scale of any such flows.

Regional and local variation and HCAS

- 3.155 The High-Cost Area Supplement (HCAS) allowance, also referred to as London Weighting, is a payment made to employees who work in London and the surrounding areas. The allowance is divided into three levels, Inner, Outer and Fringe (set out in Table 3.14).

Table 3.14: HCAS rates

Area	Rate
Inner London	20% of basic salary, subject to a minimum payment of £5,132 and a maximum payment of £7,746
Outer London	15% of basic salary, subject to a minimum payment of £4,313 and a maximum payment of £5,436
Fringe	5% of basic salary, subject to a minimum payment of £1,192 and a maximum payment of £2,011

Source: NHS Employers

- 3.156 Although there were no specific proposals on changes to HCAS from parties this year, over the past few years we have heard concerns from parties about HCAS and its need to be reformed. Parties have called for HCAS to be applied in other areas of the UK where the cost of living is perceived to be elevated and for the total amount paid to staff to be reviewed.
- 3.157 DHSC told us that, at the time they gave evidence, they do not have conclusive evidence that there are differences in recruitment and retention indicators that are related to HCAS and could be alleviated if the system were changed. They also said that the longer-term impacts of the pandemic on hybrid working in the NHS and wider economy are yet to be fully realised. This may alter the pattern of where people choose to live and work in the future which will then influence what an optimal pay policy should look like.

Our assessment of national, regional and local variations in the labour market across the NHS

- 3.158 As discussed above, we have not yet received evidence that the different rates of pay in place across the UK are impacting on where staff choose to live and work. If parties hold or can develop robust evidence, we would consider it in the future.
- 3.159 Whilst there have been calls for reform to HCAS from parties over the past few years, we have not yet received evidence to support a review. If in future years, parties advocate a full review of HCAS, the NHSPRB would require evidence as listed at Appendix B in our 35th report.

Affordability

- 3.160 The remit letter from the Secretary of State for Health and Social Care noted that pay review bodies should consider the government’s affordability position, which is one of the criteria set out in our Terms of Reference. Government evidence detailed the significant reprioritisation decisions that have had to be made to fund previous years’ pay awards above affordability.
- 3.161 HMT evidence, which included the Office of Budget Responsibility’s (OBR) assessment of the UK government’s forecasted performance against its fiscal target and mandate, concluded that continued fiscal consolidation is necessary to limit inflationary pressures and get debt falling and reduce the deficits that arose from pandemic and energy related support.
- 3.162 In written evidence, DHSC told us the SR21 settlement provided DHSC with a budget allocation for each year of 2022/23, 2023/24 and 2024/25. Since SR21 was concluded in 2021, the financial landscape has changed significantly, with both inflation and pay awards across the economy substantially higher than anticipated and planned for at that time. In response to financial challenges, HMT have provided DHSC and NHSE with additional funding to cover day-to-day running costs.
- 3.163 DHSC told us its financial pressures have been compounded by the costs of recovering services which have been disrupted by the ongoing impacts of COVID-19 and by the direct and indirect costs of industrial action. All of these have a recurrent financial impact into 2024/25, which has necessitated the reprioritisation of budgets. DHSC told us that this pay award should be considered in the context of the SR21 settlement and its underpinning assumptions, as well as changes to the broader context since.
- 3.164 In oral evidence, DHSC told us that funding for a 2% pay award was in budgets, as set at SR21. They said that as a consequence, acceptance of a recommendation above 2% would have to be met through additional funding from HMT, reprioritisation within DHSC’s

budgets or a combination of the two. DHSC noted the implications of managing financial pressures to date have included the reduction of capital budgets, and that scope is limited to manage further additional pressures going forward without impacting key patient targets.

- 3.165 NHSE told us that if reprioritisation following an award of above 2% did not free up the required funding, greater efficiency savings would be expected of local systems.
- 3.166 DHSC told us that the direct financial cost of industrial action across the NHS in 2023/24 was £1.7 billion. NHSE told us this includes the direct costs of having to secure staff cover on strike days and catching up on activity that has been rescheduled. Although these costs have mainly been incurred through action taken by junior doctors and consultants, DHSC told us that the need to avoid such costs is a relevant consideration in assessing affordability, as is the need to avoid industrial action by AfC staff groups.
- 3.167 The Department of Health Northern Ireland told us that whilst they were in conversation with the Department of Finance, there was no funding available for a pay award in 2024/25.
- 3.168 At the time of oral evidence, the Welsh Government suggested that prior to the Spring Budget, a 4% award was affordable. However, at that point they did not have the complete health budget for 2024/25 and funding allocated through Barnett consequential was not confirmed so they were making assumptions based on spending in 2023/24.
- 3.169 NHS Employers and NHS Providers stressed that a pay award should be fully funded. NHS Providers said that funding the award from existing budgets will undermine vital plans for service transformation.
- 3.170 The Society of Radiographers told us that staff shortages mean a significant amount is spent on funding bank and agency staff which could be re-distributed into funding a pay uplift for substantive staff.

Our assessment of affordability

- 3.171 As discussed above, the context has changed significantly since SR21 was concluded. The financial landscape has changed with both inflation and pay awards across the economy substantially higher than anticipated and planned for at that time.
- 3.172 We note that whilst DHSC told us there was 2% in budget for the 2024-25 pay award, they also said that the cost of industrial action is a relevant factor when assessing affordability. Industrial action creates significant knock-on financial implications and impacts on patient care, waiting lists and staff morale. All parties held a strong view about the importance of avoiding future industrial action by AfC staff. This context means that assessing the affordability of an award is challenging.
- 3.173 We were told that decisions about how to fund past pay awards have resulted in difficult choices being made. DHSC told us these have included reprioritisation exercises in which capital expenditure has been reduced to help fund pay increases. We note that a number of parties stated that further reprioritisation of budgets would be required, with consequences for patients and service delivery, if any recommended pay award for 2024/25 exceeded current budget allocations.
- 3.174 DHSC highlighted that the consequences of a pay award above the budgeted 2% would require either additional funding from HMT, reprioritisation within DHSC's budgets or a combination of the two. We are conscious of the challenging position of the public finances

as set out in HMT evidence which noted the economic shocks of recent years and the risk that increasing borrowing would create further inflationary pressures, potentially necessitating interest rates to remain higher for longer than currently expected.

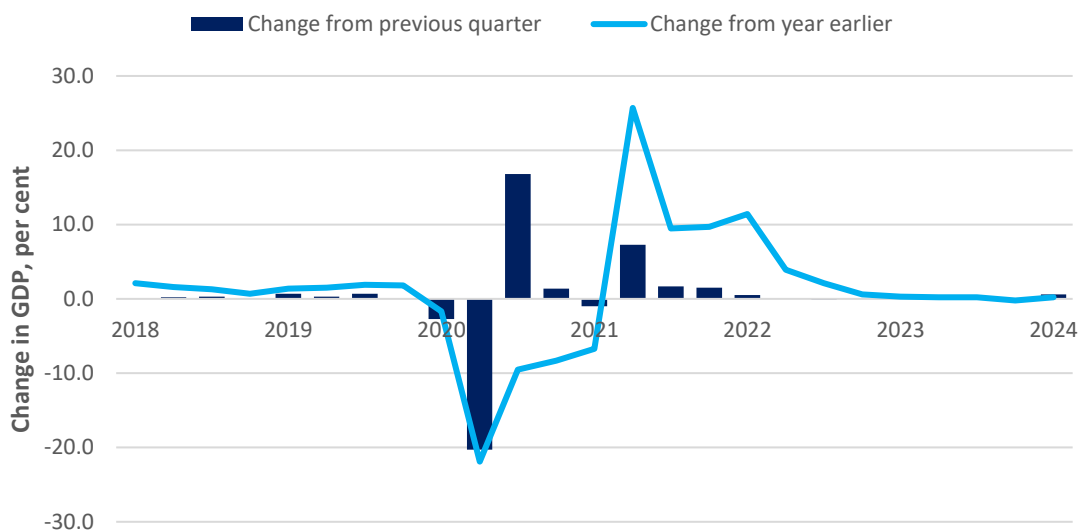
3.175 At evidence, Northern Ireland and Wales told us they did not know what funding through Barnett consequential would be available to them for pay. Absence of clarity about their budgets for the following financial year makes it very difficult for the devolved administrations to provide fuller advice on affordability to the NHSPRB even a few weeks before that year begins.

The Government’s inflation target and the economy

Economic growth

3.176 UK gross domestic product (GDP) is estimated to have grown by 0.6% in the first quarter of 2024, following a contraction of 0.3% in the fourth quarter of 2023, and a contraction of 0.1% in the third quarter of the 2023 (see Figure 3.46). GDP growth was 0.1% overall in 2023. The GDP level in the first quarter of 2024 was 1.7% higher than the level in the final quarter of 2019, prior to the COVID-19 pandemic.

Figure 3.46: GDP growth, UK, 2018 to 2023



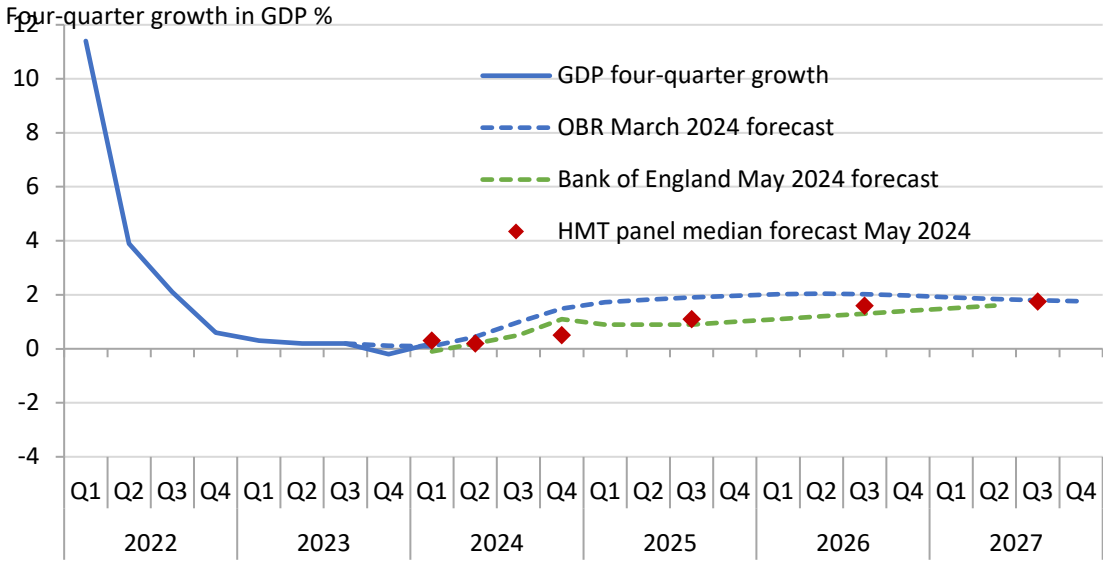
Source: ONS (IHYP, IHYP)

Note: Chained volume measure at market price, seasonally adjusted.

3.177 In its March 2024 *Economic and fiscal outlook*, the OBR made little change to its growth outlook. It said that lower expected inflation strengthened the near-term growth prospects and should enable a faster recovery in living standards from last financial year’s record decline. But the medium-term economic outlook remained challenging, in particular high and rising levels of inactivity.

3.178 In its May 2024 *Monetary Policy Report*, the Bank of England revised up its growth forecast. It forecast GDP to grow by 0.2% in 2024 Q2 (up from 0.1% in February 2024), and for growth to accelerate through the rest of 2024. Despite the upward revision, this remains less optimistic than the OBR forecast (Figure 3.47).

Figure 3.47: GDP forecasts, four-quarter growth



Source: ONS(IHYR); OBR; Bank of England; HM Treasury

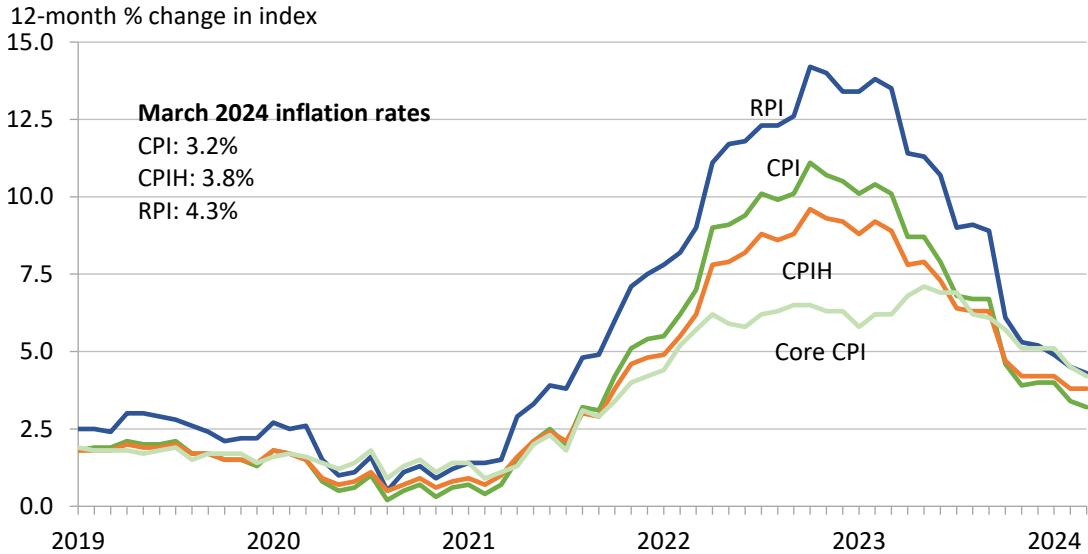
Consumer prices

3.179 Inflation, as measured by Consumer Prices Index (CPI), was at 3.2% in March 2024. Core inflation (CPI excluding energy, food, alcohol and tobacco) was 4.2%, Consumer Prices Index including owner occupiers' housing costs (CPIH) inflation was at 3.8%, and the Retail Price Index (RPI) rate was at 4.3% (see Figure 3.48)³⁴.

³⁴ The target set by the Government for the Monetary Policy Committee is to maintain inflation (measured by the Consumer Prices Index, CPI) at 2%. Unlike the Retail Prices Index (RPI), the CPI excludes mortgage interest payments and some other housing components. The two indices also have differences in the coverage of goods and services and are calculated using a different formula. RPI is no longer an official national statistic.

CPIH (H for housing) is based on the CPI measure, plus owner occupiers' housing costs. These are the costs associated with owning, maintaining and living in one's own home and have a weight of 16.5% in the CPIH index. It uses 'rental equivalence', the rent paid for an equivalent house, as a proxy for the cost of housing services. The rental equivalence approach does not capture changes in asset value; rather it measures the change in price of housing services provided. CPIH also includes council tax which is excluded from the CPI, and has a weight of 2.8% in the index. Owner-occupier housing inflation was at 6.3% in March 2024, and council tax inflation was at 5.1%.

Figure 3.48: Inflation, 12 month change, %, 2019 to 2024

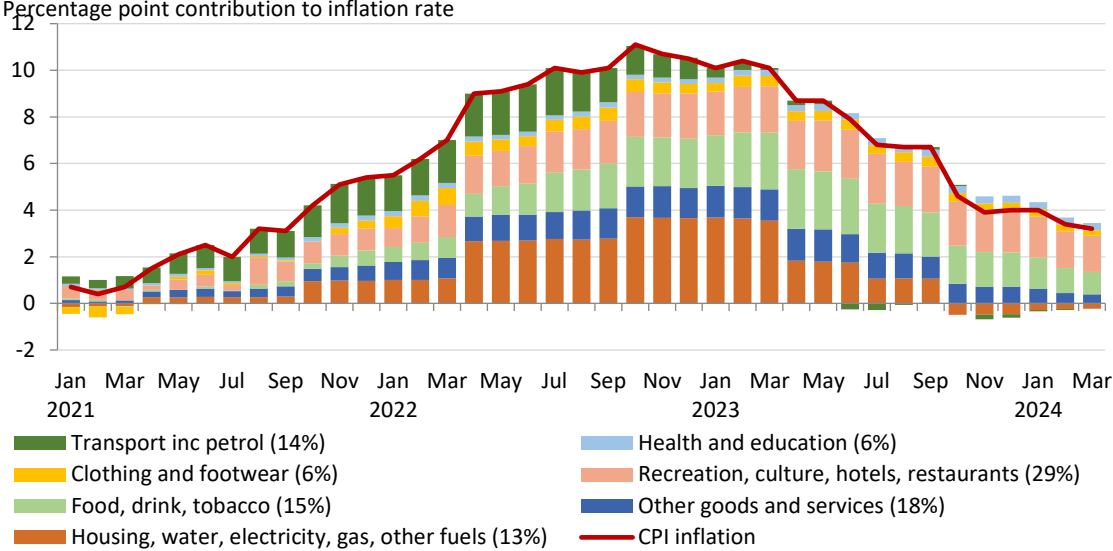


Source: ONS, CPI (D7G7), CPIH (L550), RPI (CZBH), monthly, not seasonally adjusted, UK.

Note: Core CPI excludes energy, food, alcohol and tobacco.

3.180 Between 2013 and the first half of 2021 CPI inflation was relatively stable, and below 3%. Since the second half of 2021, CPI has been higher and until recently more volatile, reflecting external events. CPI peaked at 11.1% in October 2022 and has since fallen back to 3.2% in March 2024. Energy prices, which had been a driver of higher inflation, have fallen sharply in recent months. Electricity prices fell by 13.0% over the year to March 2024, having fallen back from annual increases of 67% in the first three months of 2023. Gas prices fell by 26.5% over the year to March 2024, having peaked at 129% inflation in the last quarter of 2022 and the first quarter of 2023. Petrol prices fell by 3.7% in the year to March 2024. Food prices continue to increase, by 3.9% in the year to March 2024, but down from the peak of 19.6% seen in March 2023. Whilst the overall inflation rate is falling, it remains positive, so prices are continuing to rise.

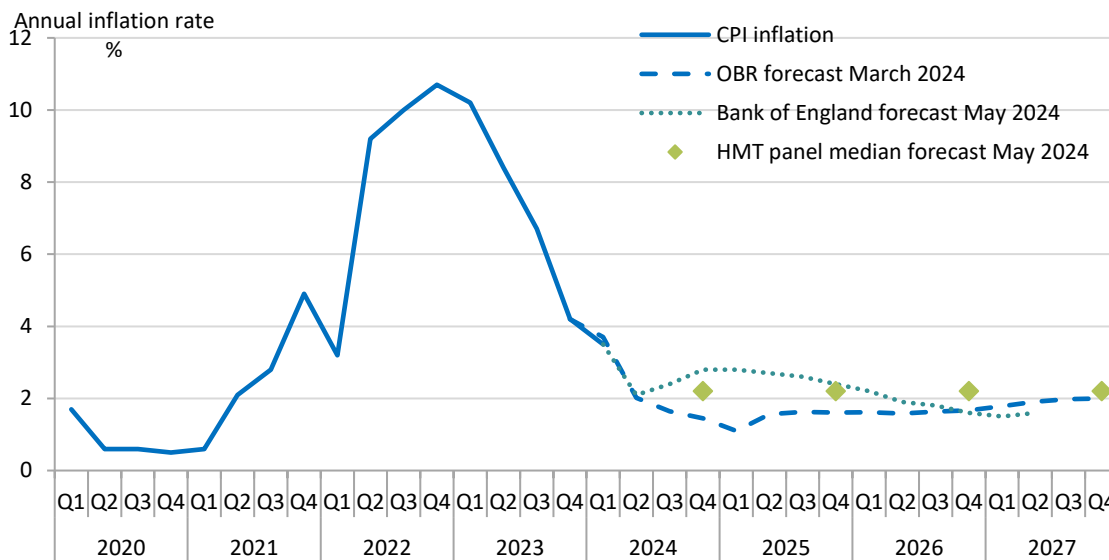
Figure 3.49: Contributions to CPI inflation, January 2021 to March 2024



Source: ONS, Consumer price inflation detailed reference tables, table 26. Figures in brackets are weights in the overall index in February 2024.

- 3.181 In its March forecast, the OBR expected CPI inflation to fall to an average of 2.2% in 2024 and 1.5% in 2025. The forecast was 2.0% for quarter 2 of 2024, 1.6% for quarter 3, and 1.4% for quarter 4. The lower forecast than November (which was for 3.6% inflation in 2024) was partly driven by larger than anticipated falls in global energy prices. The OBR also expected domestically generated inflation to be weaker, as falling energy prices passed through into lower economy-wide costs and the labour market continued to loosen. Its central forecast assumed current disruptions in the Red Sea made only a small (0.2%) upward contribution to inflation.
- 3.182 In May 2024, the Bank of England said that it expected CPI inflation to fall to around the 2% target in 2024 Q2, before rising back to 2.8% in 2024 Q4, before falling back to 2.4% in 2025 Q4 and 1.6% in 2026 Q4.
- 3.183 Each month HMT publishes a summary of the latest economic forecasts across a range of organisations (Table 3.15). In May 2024 the latest median forecasts were for CPI to fall to 2.2% in the final quarter of 2024, and to be 2.2% in the final quarter of 2025 (Figure 3.50).

Figure 3.50: Inflation forecasts, 2020 to 2027



Source: ONS, CPI inflation, quarterly (D7G7); OBR, Economic and fiscal outlook, March 2024, Bank of England, Monetary Policy Report, February 2024, HMT, Forecasts for the UK economy, February and May 2024

Table 3.15: Inflation forecasts

	Office for Budget Responsibility %		Bank of England central projection %		Treasury independent median %	
	March 2024		May 2024		May 2024*	
	CPI	RPI	CPI	RPI	CPI	RPI
2024 Q4	1.4	2.1	2.8		2.2	3.2
2025 Q4	2.3	2.2	2.4		2.2	2.9
2026 Q4	2.5	2.7	1.6		2.0	2.9
2027 Q4	2.9	3.0			2.0	3.5

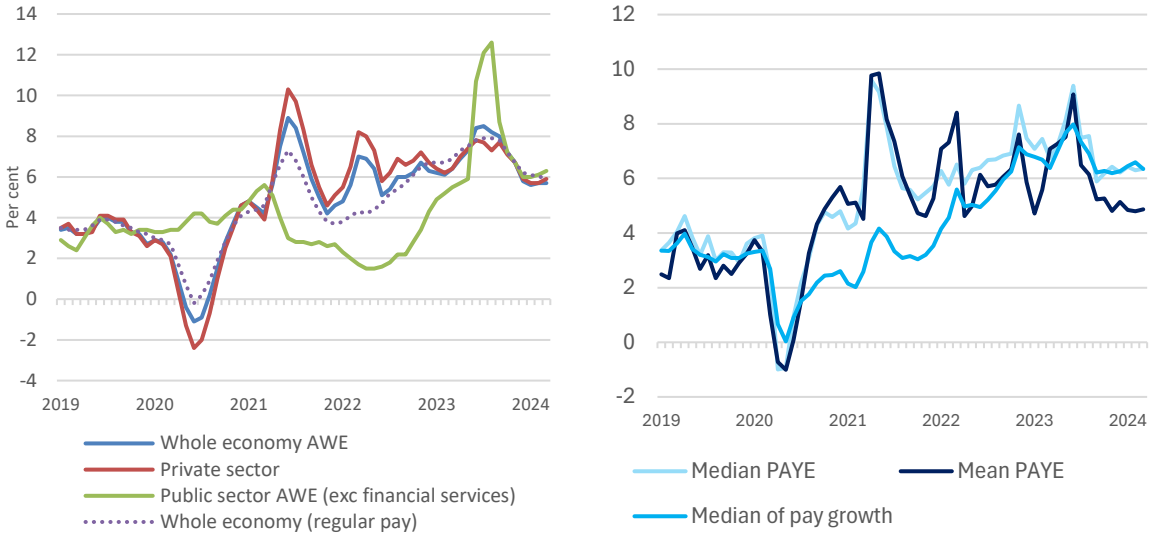
Note: * Forecasts for 2024 and 2025 from May 2024. Forecasts for 2026 and 2027 are annual averages, not Q4 and from February 2024.

Earnings growth

3.184 Whole economy average weekly earnings growth was at 5.7% in the three months to March 2024. Regular earnings growth (i.e. excluding bonuses) was at 6.0% (see figure 3.51).

3.185 Whole economy average earnings saw a jump in the middle of 2023 as the NHS pay award, which included an average bonus of 6%, was paid in June 2023 (despite being part of the 2022/23 NHS award), and a £1,500 bonus was paid to civil servants in delegated grades in July. Public sector (excluding financial services) average earnings growth was at 6.3% in the three months to March 2024, having fallen back from 12.6% in August 2023. Regular pay growth in the public sector was 6.3% in the three months to March 2024. Private sector average earnings growth was at 5.9% in the three months to March 2024, with regular earnings growth at 5.9%.

Figure 3.51: Average earnings growth, AWE and PAYE measures, 2019 to 2024

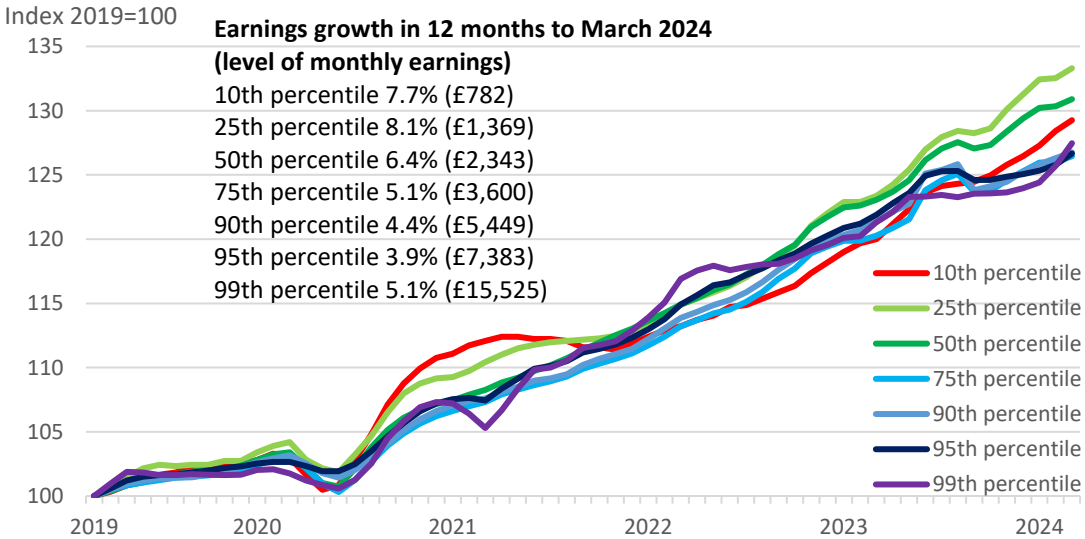


Source: ONS, average weekly earnings (AWE) annual three-month average change in total pay for: the whole economy (KAC3); private sector (KAC6); public sector (KAC9); seasonally adjusted, GB. PAYE RTI data, 12-month growth in mean and median monthly earnings, median of pay growth, seasonally adjusted, UK.

Note: PAYE RTI estimates are calculated on a person basis while AWE estimates are calculated on a job basis. As people can have more than one job – in which case the pay from their multiple jobs would be summed together in PAYE RTI – this difference will cause the PAYE RTI estimates of pay levels to be higher than the AWE estimate.

3.186 PAYE data on earnings shows average monthly earnings growth at 4.9% in March 2024 (see Figure 3.51, right hand panel). The estimate of median pay growth was at 6.4% in March 2024. Earnings growth was stronger in the lower half of the earnings spectrum in the most recent figures, and weaker at the top end (Figure 3.52).

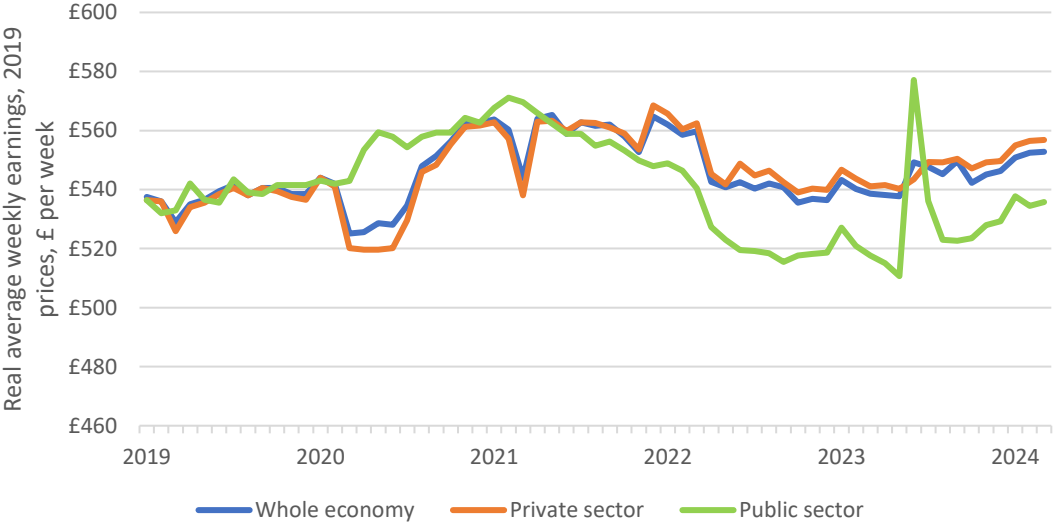
Figure 3.52: Earnings across the earnings distribution, 2019 to 2024 (2019=100)



Source: ONS, PAYE RTI, March 2024

3.187 Real average earnings growth has been weak in recent years (see Figure 3.53). Average earnings in the public sector declined relative to the private sector between 2010 and 2018. Both sectors experienced similar levels of growth in 2018 and 2019 before diverging as the pandemic hit. Working hours, and therefore average earnings, fell sharply in the private sector in 2020, but expanded in the public sector, while the private sector also saw a significant loss of lower-paid jobs. The public sector saw falling real average earnings in 2021 and 2022 as working hours fell back and inflation increased, with public sector real average earnings in May 2023 at their lowest level since 2003. Lump sums in the public sector last year saw a temporary reversal to this trend, with recent pay awards enabling average public sector earnings to maintain their real value since 2022.

Figure 3.53: Real average weekly earnings, public and private sectors (2019 prices)

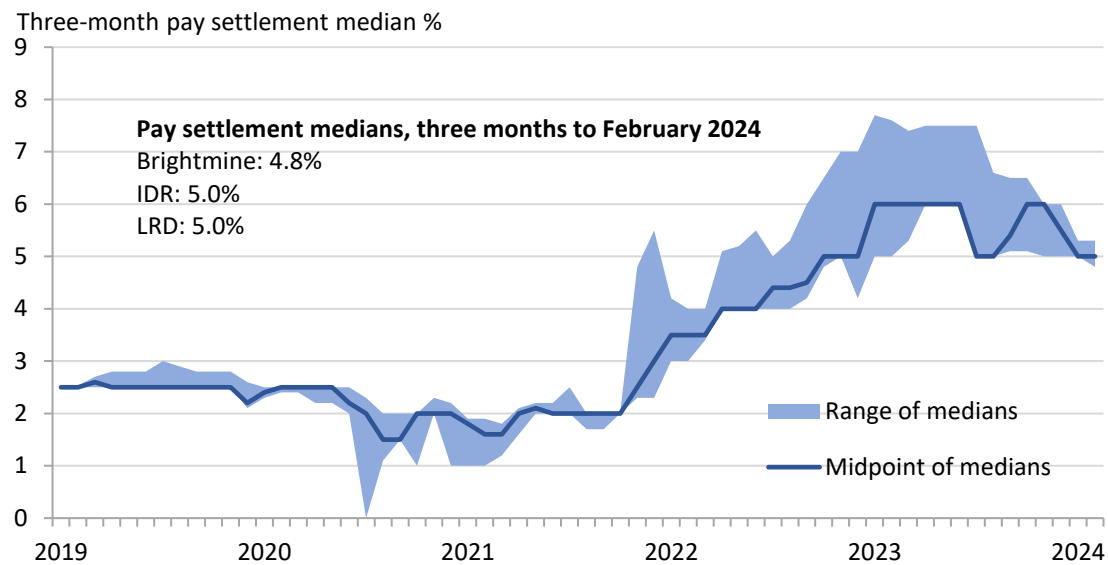


Source: ONS, Average weekly earnings, KAB9, KAC4, KAD8. Adjusted by CPI (D7BT). Public sector excludes financial services.

Pay settlements

3.188 Pay settlement medians were at 6% in 2023. The latest data shows a fall to around 5% for 2024 pay reviews (see Figure 3.54). Brightmine (formerly XpertHR) report a median pay award of 4.8% for the three months to February 2024; Incomes Data Research (IDR) report a median of 5.0% for the three months to February 2024; and the Labour Research Department (LRD) report a 5.0% median for all employees, and 5.3% for the lowest rate of pay, for the three months to February 2024.

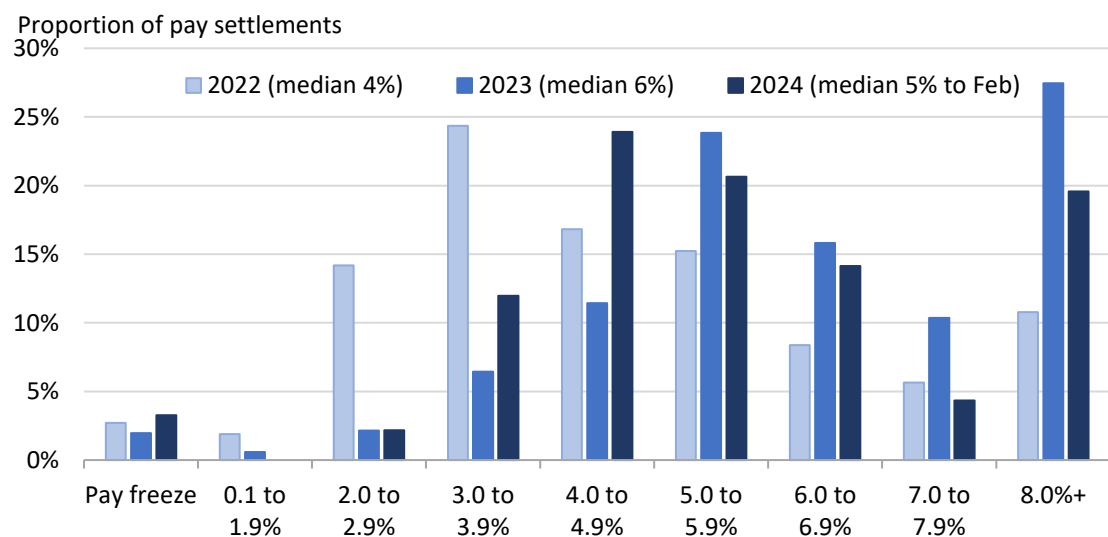
Figure 3.54: Pay settlement medians, 2019 to 2024, three-month average



3.189 The shift in the distribution of pay awards is shown in Figure 3.55: around three-fifths (59%) of pay awards in 2024 are at 5% or higher, compared to over three-quarters (77%) in 2023 and two-fifths (40%) in 2022. Only 17% of awards so far in 2024 are below 4%.

3.190 NHS Providers told us that 42% of respondents to their pay survey supported a 5% uplift for AfC staff. 18% of respondents supported an uplift of 4%, and 13% supported a 6% increase. 13% supported an uplift of 7-9%, while 4% supported an uplift of 10% or more.

Figure 3.55: Distribution of pay settlements, 2022, 2023 and 2024



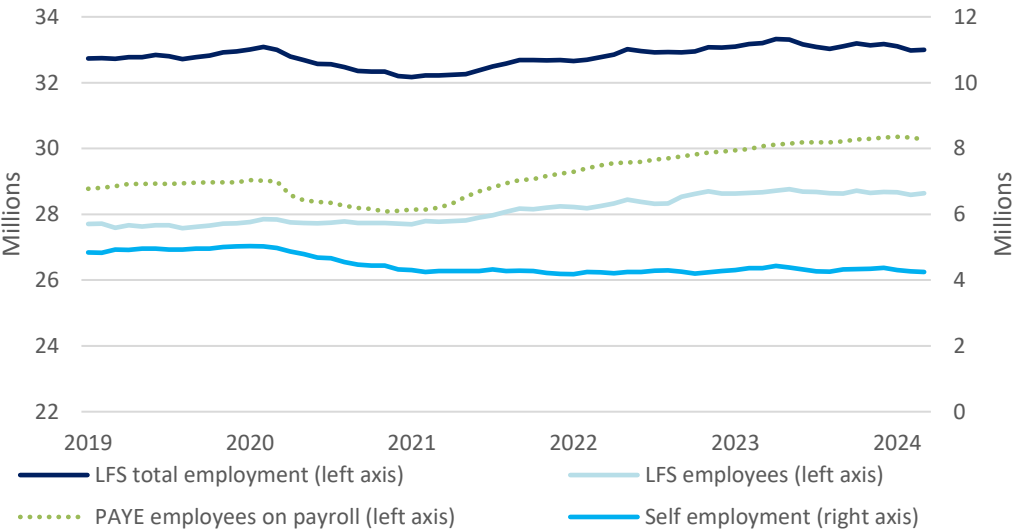
Source: OME analysis of Brightmine data

- 3.191 A March 2024 survey by Brightmine collected details of 213 pay award forecasts for 2024, representing close to a quarter of a million UK employees (238,273) from 158 organisations. It found that the median pay award forecast for 2024 was 4%. 47% of forecast pay awards were expected to be lower than the 2023 award employees received. 34% were expected to be the same, while 19% were expected to be worth more than the previous settlement.
- 3.192 Preliminary analysis of the first April 2024 deals by Brightmine found a median basic pay award for April of 5%, with an inter-quartile range of 4-5.5%. IDR analysis of settlements for the three months to April shows that the median pay award across the economy is likely to remain at 5%.

The labour market

- 3.193 Pay as you earn real time information data indicates that the number of employees on payrolls in April 2024 was 30.2 million, up 129,100 (0.4%) over the year, but down 84,600 from the previous month (see Figure 3.56).
- 3.194 The Labour Force Survey (LFS) shows that the overall level of employment was 33.0 million in the three months to March 2024, down 204,000 over the year and 93,000 lower than the peak prior to the COVID-19 pandemic in the three months to February 2020. The number of employees is estimated to have increased by 779,000 (2.8%) since February 2020, while self-employment is estimated to have fallen by 778,000 (15.5%).

Figure 3.56: Employment levels, Labour Force Survey (LFS) and payroll data, 2019 to 2024

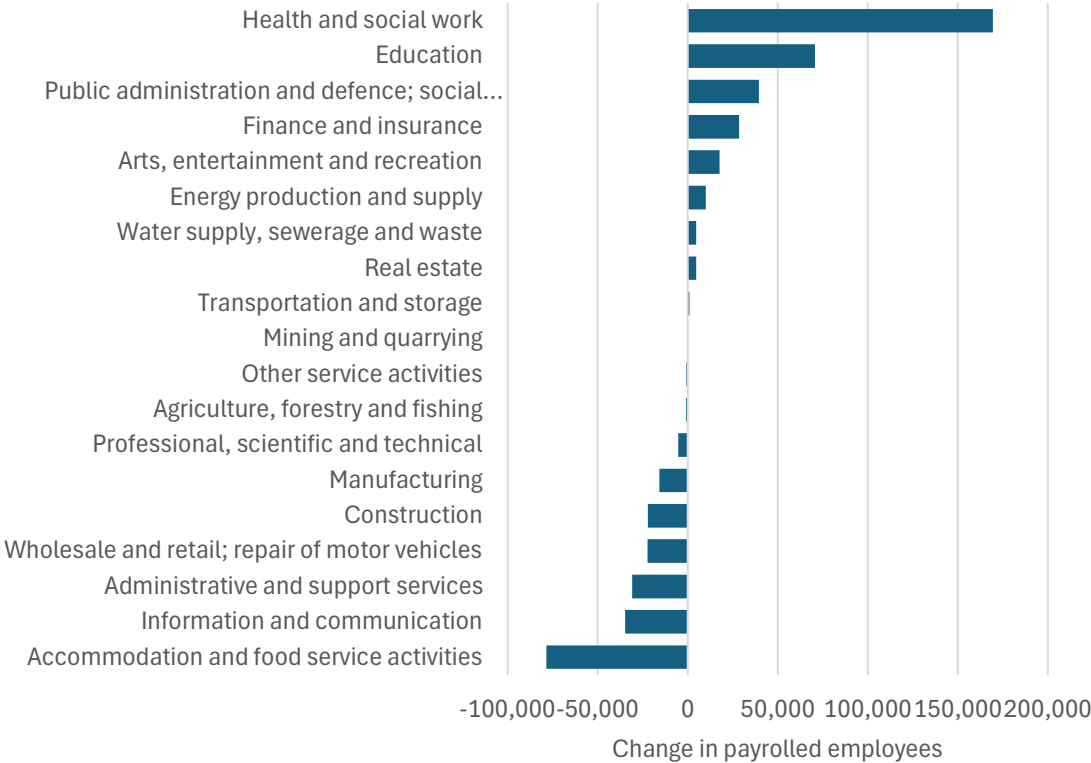


Source: ONS (MGRZ, MGRN, MGRQ); PAYE RTI data

- 3.195 Employment changes in different sectors of the economy are shown in Figure 3.57. Between April 2023 and April 2024 the number of payrolled employees in the health and social work sector increased by 170,000, greater than the overall increase in the number of UK payrolled employees across the economy as a whole, of 129,000. Between January 2020 and April 2024, the number of employees in the health and social work sector increased by 528,000, accounting for more than 40% of the total growth in payrolled employees (1.21 million).

3.196 The ONS estimated that in the final quarter of 2023, there were just over two million people employed in the NHS across the UK, an increase of almost 90,000 from a year earlier, and more than 250,000 than in the first quarter of 2020.

Figure 3.57: Change in payrolled employees April 2023 to April 2024



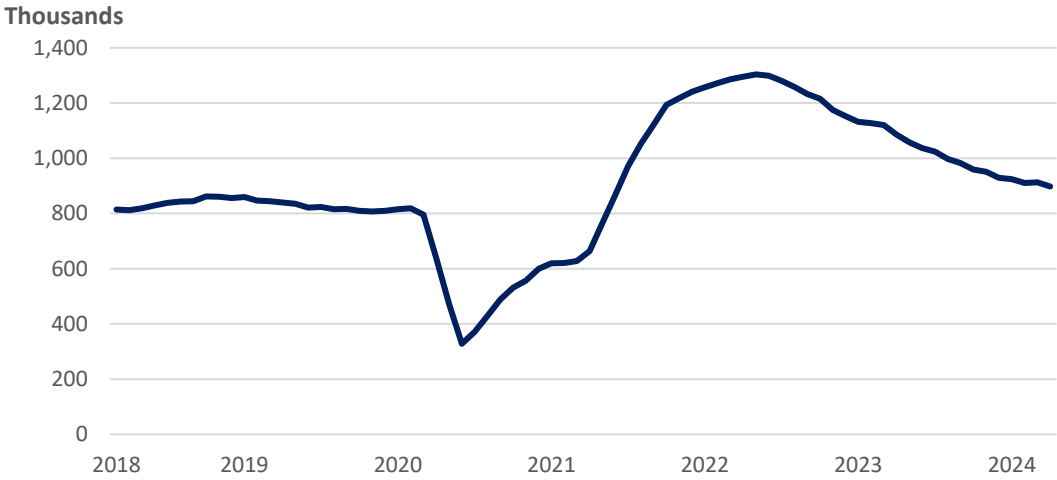
Source: PAYE RTI, seasonally adjusted.

3.197 The ONS recorded 898,000 job vacancies in the three months to April 2024, a fall of 188,000 (17%) from a year earlier, and over 400,000 lower than the peak of 1.30 million in May 2022, but still more than 100,000 above levels seen prior to the COVID-19 pandemic (three months to March 2020) (see Figure 3.58).

3.198 Figure 3.59 shows the ONS estimates of the number of vacancies, broken down by industry. It shows that in the three months to April 2024 there were 160,000 vacancies in health and social work, 116,000 in retail and wholesale and repair of motor vehicles, and 107,000 in accommodation and food services.

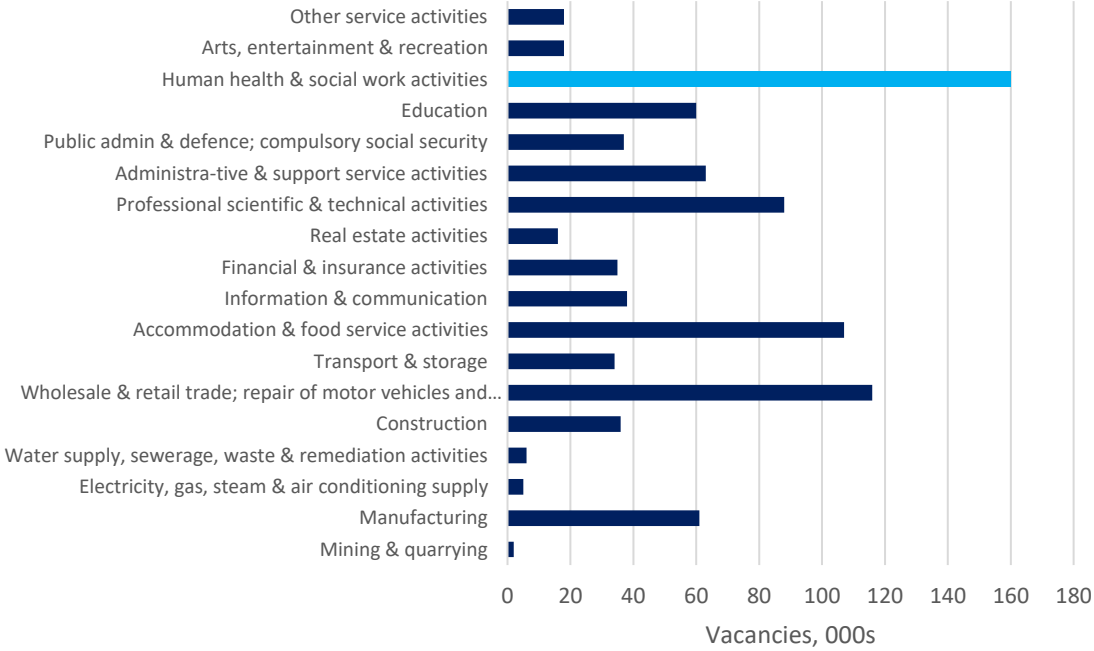
3.199 Figure 3.60 shows the change in the ONS estimates of the number of vacancies, broken down by industry, between April 2023 and April 2024. It shows that in the three months to April 2024 the number of vacancies in almost all industries was lower than a year earlier. The largest fall, of 33,000 (-17%), was in the number of vacancies in health and social work, with falls of 24,000 (-17%) in retail and wholesale and repair of motor vehicles, and 29,000 (-21%) in accommodation and food services.

Figure 3.58: Job vacancies, three-month average, 2018 to 2024



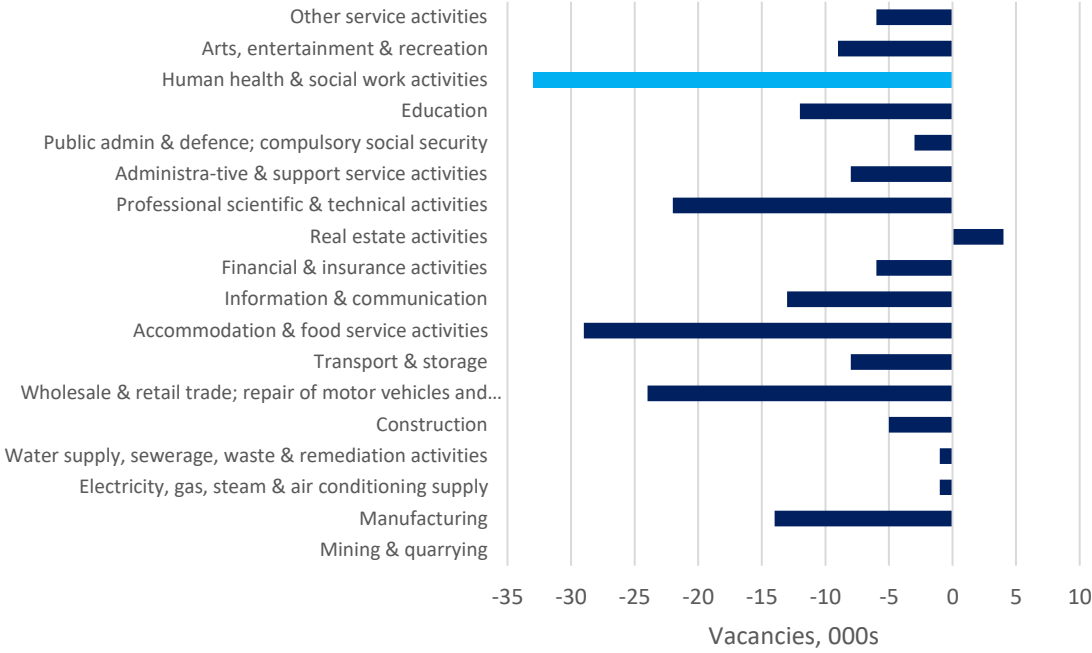
Source: ONS, all vacancies (AP2Y); LFS, rolling three-month estimates.

Figure 3.59: Job vacancies, three-month average, by industry, 2018 to 2024



Source: ONS, all vacancies; LFS, rolling three-month estimates.

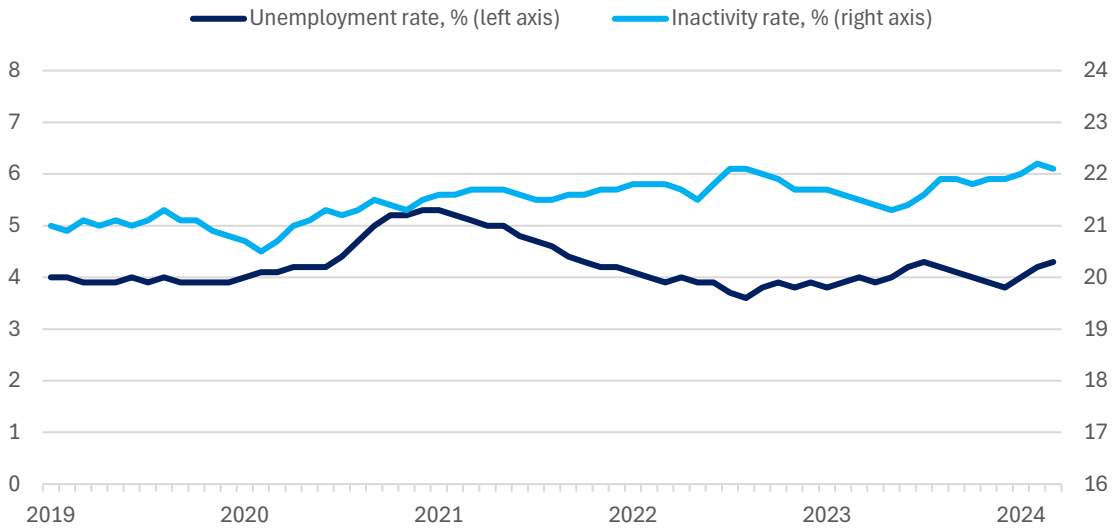
Figure 3.60: Job vacancies, three-month average, by industry, change between 3 months to April 2023 and 3 months to April 2024



Source: ONS, all vacancies; LFS, rolling three-month estimates.

- 3.200 The unemployment rate, at 4.3% in the three months to March 2024 was up from 4.0% a year earlier (see Figure 3.61). The level is estimated to have increased by 103,000 over the year, to 1.49 million. Despite increasing recently, the UK unemployment rate remains below the long-term average.
- 3.201 The economic inactivity rate was at 22.1% (9.4 million people) in the three months to March 2024, up from 21.5% (9.1 million) a year earlier and from 20.7% (8.6 million) in the three months to February 2020.

Figure 3.61: Unemployment and inactivity rates, 2019 to 2024



Source: ONS, LFS (MGSX, LF2S)

3.202 Inactivity among those aged 50 to 64 increased from a rate of 25.5% at the start of 2020 to a peak of 28.0% in mid-2022, an increase of 422,000 to 3.7 million. Since then, inactivity among those aged 50 to 64 has fallen back to 27.3% (3.6 million) but is still 343,000 higher than prior to the COVID-19 pandemic.

Our assessment of the Government’s inflation target and the economy

3.203 In November 2023, the UK Government re-confirmed that Bank of England’s inflation target remains at 2% as measured by the 12-month increase in the CPI. After a long period of relatively low and stable price inflation, since the mid-point of 2021 CPI inflation has been above target and, until recently, more volatile, peaking at a 41-year high of 11.1% in October 2022, before falling to 3.2% in March 2024, the lowest rate since September 2021. The reduction in the inflation rate over the last year has been due to lower energy prices compared with a year ago, as well as slower increases in food prices in recent months.

3.204 Most forecasters expect that CPI will continue to fall, with the Bank of England predicting inflation will fall below its 2% target in the second quarter of 2024, and the OBR forecasting inflation to fall to 1.4% in the final quarter of 2024. Independent forecasters also expect CPI to continue to fall, but, with a median forecast of 2.2%, expect CPI in the final quarter of 2024 to still remain above the 2% target.

3.205 However, falling inflation does not reverse previous steep increases in prices. Average consumer prices were 22% higher in March 2024 than three years before, in February 2021. Bank Rate is still high by standards of recent years at 5.25% which is having a significant impact on personal finances. Higher interest rates are intended to constrain economic growth and do so through a number of channels including reducing demand for goods and services.

3.206 Regular earnings excluding bonuses were 6.0% higher in the three months to March 2024 compared with the year before. CPI inflation over this period was 3.2%. Earnings growth was stronger in the lower half of the earnings spectrum which reflects increases in the National

Living Wage (NLW) and targeted strategies to provide more support to the lower paid during the period of high inflation.

- 3.207 A March survey from Brightmine predicts pay settlements will fall to a median of 4% in 2024 from a median of 6% in 2023. Most employers are forecasting pay awards the same or lower than the 2023 award, reflecting the reduction in inflation. Preliminary analysis of the first April 2024 deals by Brightmine found a median basic pay award for April of 5%, with an inter-quartile range of 4-5.5%. IDR analysis of settlements for the three months to April shows that the median pay award across the economy is likely to remain at 5%. LRD report a 5.0% median for all employees for the three months to February 2024.
- 3.208 The number of employees is up by 779,000 since February 2020, with the growth in employees in health and social work making up much of this increase. Payrolled employment in health and social work is up 528,000 (13.7%) on the January 2020 level. Self-employment is estimated to have fallen by 778,000.
- 3.209 Economic inactivity has shown little change over the past year, and it is still significantly above pre-pandemic levels with over 800,000 more people out of the workforce since before the pandemic. 6.7% of 16-64-year-olds are now economically inactive for health reasons, a record high since 1993. A sustained increase in economic inactivity reduces the number of people available to work. An increase in the number of people suffering with long-term sickness also places an increased burden on the NHS.
- 3.210 Vacancies in the NHS in England and Northern Ireland have fallen recently, but there still remain over 100,000 AfC vacancies in England. The number of vacancies across the economy as a whole has also fallen but remains above the levels seen prior to the COVID-19 pandemic.
- 3.211 A further sign of an easing of the labour market is that unemployment has increased by 100,000 in the year to March 2024, from 4.0% to 4.3%, but it still remains below the long term average. In this context it is important that pay in the NHS remains competitive, and that it is seen as offering an attractive package of pay and benefits relative to other sectors.

Equal pay for work of equal value

The NHS Job Evaluation Scheme (JES)

- 3.212 The NHS JES measures the skills, responsibilities and effort that are required for a job, and allocates it to an AfC pay band. It does this by comparing jobs to national job profiles or evaluating jobs locally, to set the basic pay for staff.
- 3.213 Over the past couple of years, we have heard a range of views from staff on the effectiveness of the scheme at a local level. Staff at some organisations report having access to a well-publicised and effective job evaluation process, whilst at other organisations, staff believe their local JES is ineffective and does not operate as intended. The latter view is the one more commonly expressed to us. In those places where the JES does not operate as intended, job evaluation processes are often perceived as taking too long to deal with immediate issues and in some cases, financial constraints are perceived as holding back appropriate re-gradings.
- 3.214 As part of the deal the UK Government agreed with trade unions in England for 2023/24, a Job Evaluation Task and Finish Group was formed. NHS Employers told us that the

workstream is in its early stages, however, it has been agreed to concentrate on five key areas:

- Increasing awareness/knowledge about the JES, its purpose and its processes.
- Examining capacity and resource requirements to operate the JES effectively.
- Ensuring equity of access and consistency of outcomes locally and system wide.
- Improving accountability and assurance locally, system wide and nationally.
- Relooking at the scheme architecture, getting the processes fit for purpose now and in the future.

3.215 The group is aiming to complete its work and produce a report by August 2024.

3.216 As part of their deal, the Welsh Government agreed to review all job descriptions that are more than three years old. We understand the review is yet to start.

3.217 In previous reports, we have commented on the nursing and midwifery profile review, noting the review should be completed as soon as feasibly possible. The Job Evaluation Task and Finish Group have now produced an initial evidence report as part of the review and have told us in their evidence that they now do not expect that the review of national profiles will automatically result in revised bandings for nurses and midwives. However, they have noted that a significant number of job descriptions have not been reviewed in recent years and are therefore potentially out of date and inaccurate, especially where overtime and additional duties have been taken on. This means there is likely to be attention given at individual employer level to reviews of job descriptions, resulting in an increase in job matching panels being required, which may lead to banding changes.

3.218 In its initial evidence report, the Job Evaluation Task and Finish Group highlighted a number of issues. They expressed concern about the quality and currency of job descriptions being used throughout the NHS. They recommended that job descriptions should be reviewed as part of the annual appraisal process and that work should be undertaken to consider whether a standardised approach is beneficial for job evaluation purposes.

3.219 The evidence also indicated that there is less job evaluation activity at a local level for lower banded roles. The Task and Finish Group initial report says that this may be because higher banded roles are likely to be more specialised or unique but could also indicate a reluctance to consider the banding of lower roles that are more prolific.

3.220 The Task and Finish Group also noted their concern over local job evaluation resource and capacity. They are concerned about employing organisations' capacity to undertake job evaluation locally as requests are likely to increase across all occupational groupings, not just nursing and midwifery. At the time of the report, they had released guidance which stressed the importance of building and maintaining capacity and resource for job evaluation locally.

A separate pay spine for nursing

3.221 The UK Government has committed to considering a separate pay spine for nursing, and a call for evidence closed on April 4th. The commitment was made as a way of addressing issues identified in the 2023 pay negotiations in England by the Royal College of Nursing who have advocated for a separate spine to address concerns raised about how the AfC pay

structure is affecting career progression and professional development of nurses, and the direct impact that this is having on recruitment and retention.

- 3.222 The Royal College of Nursing told us in evidence that they are looking for a solution to properly recognise and reward nurses. They would like a clinical progression framework for nurses that does not mean, that in order to progress, nurses need to step away from patient care.
- 3.223 No other party told us that they were in support of a separate pay spine. We heard from some parties that the AfC contract supports equal pay for work of equal value. The Royal College of Midwives have described the proposals as ‘divisive and unfair’ and the Chartered Society of Physiotherapy have robustly opposed the proposals. NHS Employers have said ‘they do not support anything that would threaten the integrity of the original AfC agreement, as this created the unified pay and banding system they have in place.’

Our assessment of equal pay for work of equal value

- 3.224 As discussed in our 36th report, since the inception of the AfC contract in 2004, the nature of healthcare roles has changed and, in general, the complexity of roles has increased. However, in many cases, job banding has not reflected the changing nature of a role.
- 3.225 We continue to hear from staff that the JES is not effectively or evenly applied across the system. We welcome the development of the Job Evaluation Task and Finish Group and look forward to their final report and recommendations in August 2024.
- 3.226 Nurses and midwives represent the biggest group of staff in the NHS and, given the variety of roles they undertake, we were clear in our 34th, 35th and 36th reports that the review of nursing and midwifery banding carried out by the NHS Staff Council is important and timely work. We welcome the progress made and the initial evidence report. The review should now be completed promptly, and any resulting job profile reviews should be planned and budgeted for as soon as feasibly possible.
- 3.227 We note the commitment the Welsh Government made to review job profiles and we look forward to hearing how implementation progresses.

AfC Earnings

AfC awards

- 3.228 In our 35th report, for 2022/23 we recommended a £1,400 consolidated uplift, which was enhanced for the top of Band 6 and at Band 7, so it was equal to a 4% uplift for those staff. This recommendation was accepted and implemented with effect from April 2022.
- 3.229 In the spring of 2023, the Welsh Government made an additional offer for 2022/23 of 3% on top of the NHSPRB’s recommendations. Of this, 1.5% was consolidated and 1.5% was non-consolidated. The offer was accepted and backdated to April 2022.
- 3.230 In March 2023, the UK Government proposed a non-consolidated award for 2022/23 made up of two components: a 2% payment, and a further tiered cash payment equivalent to 4% of the pay bill. In total the non-consolidated payment was worth between 3.5% at the top of the AfC pay scale and 8.2% at the bottom end of the scale. The UK Government also proposed a 5% consolidated award for 2023/24 for all staff, plus further investment to uplift the Band 1 spot rate and the entry point for Band 2 to the top of Band 2 (an increase of

10.4%). This saw entry-level pay in the NHS in England increase to £11.45 per hour. This combined offer was accepted by the NHS Staff Council in May 2023.

- 3.231 Following the offer from the UK Government, the Welsh Government made an enhanced offer. They offered a non-consolidated tiered cash payment and a 5% consolidated increase with effect from April 2023. They also proposed uplifting the Band 1 spot rate and the entry point for Band 2 to the top of Band 2. This offer was collectively accepted by NHS trade unions in Wales.
- 3.232 In February 2024, the Department of Health Northern Ireland made a pay offer to trade unions for 2023/24. They offered a 5% consolidated increase alongside a non-consolidated cash payment of £1505. This offer was collectively accepted by NHS trade unions in Northern Ireland.

Earnings growth

- 3.233 Table 3.16 shows mean annual earnings, by staff group, in England, for the 12 months to December 2023, and the change from the 12 months to December 2022. By staff group, mean annual earnings range between £90,945 for senior managers and £24,271 for hotel, property and estates staff.
- 3.234 All staff groups saw an increase in average earnings in the 12 months to December 2023, compared with the previous year of between 12.4% (support to scientific, therapeutic and technical staff) and 5.2% (ambulance staff). All groups saw an increase in basic pay of between 6.6% (support to scientific, therapeutic and technical staff) and 4.0% (midwives). The largest increases in basic pay tended to be for the groups with relatively high numbers of staff in the lower pay bands.
- 3.235 All staff groups saw an increase in non-basic pay – reflecting the late payment of non-consolidated awards for 2022/23. Excluding ambulance staff and staff supporting ambulance staff, non-basic pay increased by at least 30% for all staff groups. Ambulance staff and staff supporting ambulance staff already had a higher share of their total earnings accounted for by non-basic pay (notably shift work payments), so it is not surprising that their non-basic earnings increased by less than those for other groups. However, the increase of just 8% in ambulance staff non-basic earnings reflects a reduction in the value of overtime and shift work payments over the past 12 months, compared with the previous 12 months.
- 3.236 The share of overall earnings accounted for by non-basic pay varies substantially by staff group. The groups with the largest non-basic pay in overall earnings per person are ambulance staff (28% of total earnings), support to ambulance staff (27%), and hotel, property and estates staff (20%).

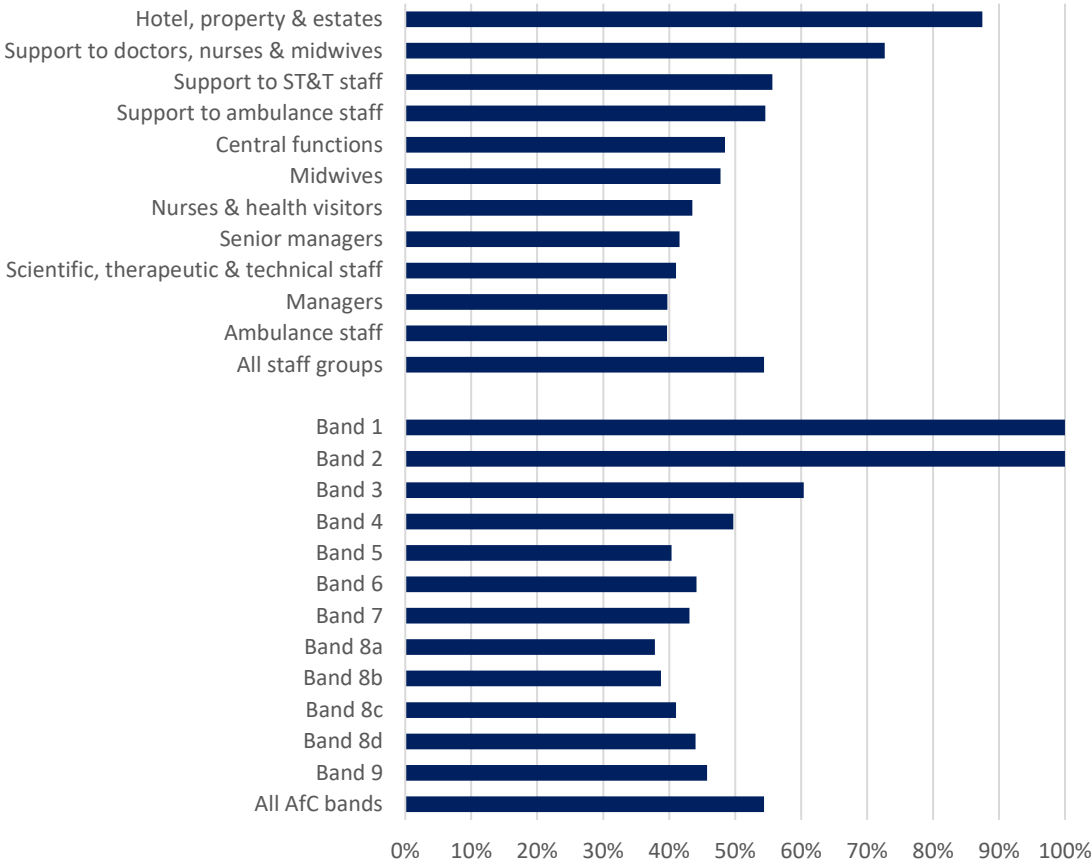
Table 3.16: Average basic pay and annual earnings per person, England, December 2023 and change from December 2022

Staff Group	Average earnings		Basic pay per person		Non-basic pay per person		
	£	annual change	£	annual change	£	% of average earnings	annual change
Nurses & health visitors	£40,267	9.0%	£34,132	4.6%	£6,134	15%	42.2%
Midwives	£39,138	7.7%	£32,537	4.0%	£6,601	17%	30.2%
Ambulance staff	£49,207	5.2%	£35,523	4.2%	£13,684	28%	8.0%
Scientific, therapeutic & technical staff	£42,022	9.2%	£37,197	4.9%	£4,826	11%	59.9%
Support to clinical staff	£25,490	11.6%	£21,331	6.2%	£4,160	16%	51.1%
Support to doctors, nurses & midwives	£24,887	11.9%	£20,801	6.1%	£4,086	16%	54.6%
Support to ambulance staff	£32,074	7.3%	£23,500	5.4%	£8,575	27%	13.2%
Support to ST&T staff	£25,617	12.4%	£22,534	6.6%	£3,083	12%	85.4%
NHS infrastructure support	£36,803	9.9%	£32,573	5.3%	£4,230	11%	65.0%
Central functions	£33,387	10.7%	£30,026	5.5%	£3,361	10%	97.0%
Hotel, property & estates	£24,271	11.1%	£19,356	6.1%	£4,916	20%	36.7%
Senior managers	£90,945	6.9%	£84,955	4.2%	£5,990	7%	69.8%
Managers	£61,850	8.1%	£56,655	4.3%	£5,195	8%	80.0%

Source: NHS England

3.237 Figure 3.62 shows that in England, at the end of March 2023, 54% of AfC staff were at the top of their pay band. The proportion varied across staff groups, between 40% of managers and ambulance staff and 87% of hotel, property and estates staff. Other than Bands 1 and 2, which are both single pay points, the bands with the largest percentage of staff on the top of their pay band were Band 3 (60%) and Band 4 (50%), while the bands with the smallest percentage of staff on top of their pay band were Band 8a (38%) and Band 8b (39%) where there is only one step.

Figure 3.62: Estimated share of staff (FTWE) on top of band by staff group and band, March 2023, England

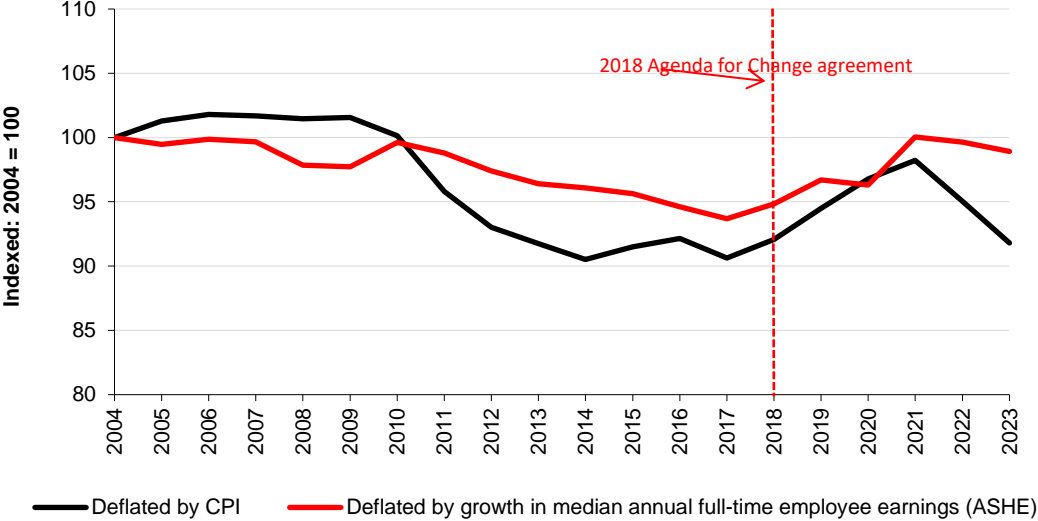


Source: DHSC

Nurse starting pay

3.238 Figure 3.63 shows changes to the nurse starting pay point in England since the introduction of AfC in 2004, adjusted either for inflation, or earnings growth in the wider economy. Following the introduction of AfC, the nurse starting pay point in England maintained its value against both inflation and average earnings growth until 2009, shortly after the financial crash. Between 2009 and 2017, the first point on the scale lost value compared with inflation as measured by CPI, and to a lesser extent relative to full-time employee earnings growth. The increase in value of the starting pay point for nurses contained in the 2018 AfC pay agreement meant that between 2017 and 2021 starting pay for nurses grew more quickly than CPI and median earnings. In 2022, nurses starting pay increased by 5.5%, almost retaining its value against median full-time employee earnings (grew by 5.9%) but lost ground against CPI (grew by 9.0% in April 2022). In 2023 nurses starting pay increased by 5%, losing value against CPI (grew by 8.7% in April 2023) and against median full-time employee earnings (grew by 5.8% in 2023).

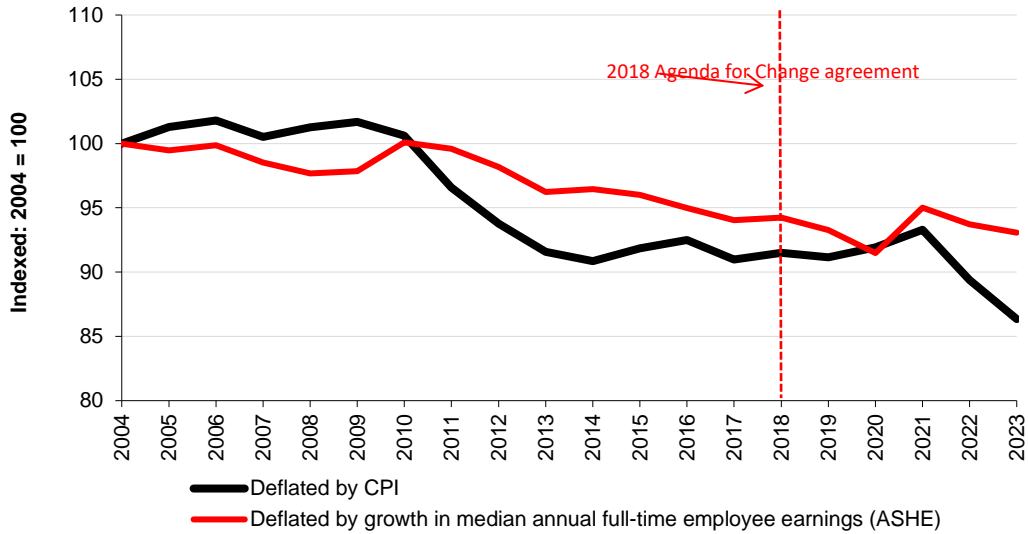
Figure 3.63: Nurse starting pay point deflated by the growth in median average earnings and inflation, England, 2004 to 2023



Source: OME analysis of ONS data (Annual Survey of Hours and Earnings (ASHE), CPI (D7G7) April each year

3.239 There are more nurses and health visitors paid on Band 5 than any other Band and 40% of staff at Band 5 are on the top of the pay band. Figure 3.64 shows changes to the value of the pay point at the top of Band 5 since the introduction of AfC in 2004, adjusted either for inflation, or earnings growth in the wider economy. Following the introduction of AfC the pay point at the top of Band 5 maintained its value against inflation until 2009 and average earnings growth until 2010. However, between 2011 and 2017 the value of the top point of Band 5 increased by 4%, meaning that this point lost value compared with both inflation and earnings growth. The 2018 AfC pay agreement saw the Band 5 maximum increase by 3.0% in the first year of the deal and 1.7% in each of the second and third years. These increases meant that although the Band 5 maximum continued to lose ground against average earnings growth, it did maintain its value against CPI over the course of the agreement. In 2021, the Band 5 maximum increased by 3.0%, a greater rate of increase than CPI, while full-time median earnings fell in 2021. In 2022, the Band 5 maximum increased by £1,400 (4.4%), a smaller increase than for CPI (9.0% in April 2022) and full-time median earnings (5.9% in 2022). In 2023 the Band 5 maximum increased by 5%, losing value against CPI (grew by 8.7% in April 2023) and full-time median earnings (5.8% in 2023).

Figure 3.64: Top of Band 5, deflated by the growth in median average earnings and inflation, England, 2004 to 2023



Source: OME analysis of ONS data (Annual Survey of Hours and Earnings (ASHE), CPI (D7G7) April each year

Pay and earnings by gender and ethnicity

3.240 NHSE have published data showing the differences in mean basic pay, between male and female staff and White and all other ethnic minorities combined (Table 3.17).

Table 3.17: Differences in mean monthly basic pay per FTE, by gender and ethnicity, England, May 2023

	Gender pay gap (2022 figure in brackets)		Ethnicity pay gap (2022 figure in brackets)	
	White	BME	Female	Male
	Female/Male	Female/Male	BME/White	BME/White
All AfC	-8% (-8%)	0% (-1%)	-6% (-5%)	-13% (-12%)
Nurses and health visitors	-4% (-4%)	-2% (-2%)	-14% (-13%)	-16% (-15%)
Professionally qualified staff	-5% (-5%)	-4% (-4%)	-13% (-12%)	-13% (-12%)
Support to clinical staff	-3% (-3%)	1% (1%)	-1% (-1%)	-5% (-5%)
Infrastructure support	-11% (-12%)	-2% (-3%)	-6% (-5%)	-14% (-14%)

Source: DHSC

3.241 For basic pay:

- White female staff were paid 8% less than White males, with the difference ranging between 11% for infrastructure support staff and 3% for staff supporting clinical staff.
- Female staff from ethnic minorities were paid the same as male staff from ethnic minorities. But there were differences by staff group, with the differences ranging between 4% for infrastructure support staff and female staff supporting clinical staff paid 1% more than their male colleagues.
- Female staff from ethnic minorities were paid 6% less than White female staff, with the difference ranging between 14% for nurses and health visitors and 1% for staff supporting clinical staff.

- Male staff from ethnic minorities were paid 13% less than White male staff, with the difference ranging between 16% for nurses and health visitors and 5% for staff supporting clinical staff.
- Workforce data shows that male staff were more likely than female staff to reach the higher pay bands and that White staff were more likely than staff from ethnic minorities to reach the higher pay bands. This will be a factor that contributes to the size of these pay gaps.

3.242 As discussed in paragraph 3.76, NHSE are working to deliver the NHS equality, diversity, and inclusion improvement plan which looks to achieve improvement in equality and enhance the sense of belonging for NHS staff to improve their experience at work.

Pay comparisons: ASHE

3.243 The Annual Survey of Hours and Earnings (ASHE) has been used for a number of years to compare earnings for the human health and social work activities sector with employees in the public and private sector as well as to certain broad occupational groups. These sector and group earnings (median gross weekly pay) are shown in in Table 3.18. In April 2023, compared with April 2022, median gross weekly pay for full-time employees in the human health and social work activities sector increased by 5.4%, compared with 6.2% across the economy as a whole, 3.7% across the public sector and 7.7% across the private sector. Over a longer period, between 2019 and 2023, median gross weekly pay in the human health and social work activities sector increased by 17%, compared with 16% across the economy as a whole, 14% across the public sector and 17% across the private sector.

3.244 Table 3.18 also shows earnings growth in some broad occupational groups. In 2023, compared with 2022, median gross weekly pay increased by: 5.7% for professional occupations; 3.2% for associate professional and technical occupations; 6.0% for administrative and secretarial occupations; 4.2% for skilled trades occupations; and 9.4% for caring, leisure and other service occupations. Over a longer period, between 2019 and 2023, median gross weekly pay increased by: 12% for professional occupations; 5% for associate professional and technical occupations; 16% for administrative and secretarial occupations; 14% for skilled trades occupations; and 23% for caring, leisure and other service occupations. Despite the relatively large increases in earnings for caring, leisure and other service occupations, weekly earnings for these occupations remain lower than those for other occupations listed in the table – this is likely to be due to a relative high reliance on employees paid at rates at or close to the NLW.

Table 3.18: Change in median gross weekly pay for full time employees at adult rates, 2019 to 2023, April each year, United Kingdom

	Median gross weekly pay (change on previous year)					
	2019	2020	2021	2022	2023	Change 2019 to 2023
Human health and social work activities sector	£552 (4.3%)	£563 (2.0%)	£575 (2.0%)	£613 (6.6%)	£646 (5.4%)	17%
All employees	£585 (3.0%)	£586 (0.1%)	£610 (4.1%)	£642 (5.2%)	£682 (6.2%)	16%
Public sector	£632 (3.2%)	£648 (2.5%)	£664 (2.5%)	£697 (4.9%)	£723 (3.7%)	14%
Private sector	£571 (4.1%)	£566 (-0.8%)	£585 (3.4%)	£622 (6.3%)	£670 (7.7%)	17%
Professional occupations [1]	£769 (3.2%)	£777 (1.1%)	£794 (2.1%)	£811 (2.2%)	£858 (5.7%)	12%
Associate professional and technical occupations [2]	£624 (0.8%)	£612 (-1.9%)	£603 (-1.6%)	£633 (5.1%)	£654 (3.2%)	5%
Administrative and secretarial occupations	£457 (2.7%)	£461 (0.8%)	£479 (4.1%)	£499 (4.0%)	£528 (6.0%)	16%
Skilled trades occupations	£541 (3.3%)	£506 (-6.5%)	£551 (8.9%)	£590 (7.2%)	£615 (4.2%)	14%
Caring, leisure and other service occupations	£392 (5.0%)	£404 (3.0%)	£414 (2.6%)	£442 (6.7%)	£483 (9.4%)	23%

Source: ONS (Annual Survey of Hours and Earnings)

Notes:

[1] Includes, for example, teachers, solicitors, accountants, doctors and some AHPs and ST&Ts, nurses and midwives

[2] Includes, for example, police officers and some AHPs and ST&Ts.

Pay comparisons: Longitudinal Education Outcomes (LEO)

3.245 Data from the Longitudinal Education Outcomes (LEO) data set are published each year by the Department for Education (DfE) and track the employment and earnings outcomes of UK-domiciled first-degree higher education (HE) graduates from: HE institutions in the United Kingdom; Further Education Colleges; and Alternative Providers. The latest data is for the tax year 2020/21 (the first year to be affected by the COVID-19 pandemic) and is broken down by subject studied. The data covers graduate earnings and employment by subject: one; three; five; and, ten years after graduation (YAG), for those studying: nursing and midwifery; medical sciences³⁵; pharmacology, toxicology and pharmacy; allied health subjects³⁶; and health and social care³⁷. The figures for each group include the earnings of both full and part time workers, and is not adjusted for geography, age or other factors. It

³⁵ Covers (CAH02-05): Anatomy; physiology; pathology; pathobiology; neuroscience; audiology; medical technology; cardiography; radiography.

³⁶ Covers (CAH02-06): Subjects allied to medicine; physiotherapy; podiatry; osteopathy; alternative medicine and therapies; Chinese medicine; herbalism; beauty therapies; nutrition; dietetics; ophthalmics; optometry; orthoptics; aural and oral sciences; speech science; language pathology; environmental health; occupational health; occupational therapy; counselling; paramedical science; chiropractic; acupuncture; psychotherapy; complementary medicines and therapies.

³⁷ Covers (CAH15-04) social work, childhood and youth studies, health studies.

also includes the earnings of those working in areas unrelated to their degree subject, for example someone with a nursing degree working outside the health sector.

3.246 Table 3.19 shows that one year after graduation median annual gross earnings of those who studied the following subjects were higher than the median for graduates as a whole: nursing and midwifery (38% higher than the median); medical sciences (24%); pharmacology, toxicology and pharmacy (20%); allied health subjects (9%); and health and social care (7%). However, Table 3.19 also shows that the longer the time since graduation, the gap between median earnings for health-related subjects and the median for all graduates as a whole narrows, especially for nurses and midwifery, allied health and health and social care graduates. Ten years after graduation, median earnings of those who studied nursing and midwifery were in line with the overall graduate median, while median earnings for allied health and health and social care graduates were around 10% below the overall graduate median. Median earnings for medical science and pharmacology, toxicology and pharmacy graduates better maintained their relative value and were still 20% higher than the overall graduate median.

3.247 Charts showing earnings, at the lower quartile, median and upper quartile, in 2020/21, by subject studied one, five, and ten YAG are at Figures 3.67 to 3.69.

Table 3.19: Difference between median earnings by subject, compared with overall graduate median, by years after graduation (YAG), %, 2020/21

	1 year	3 years	5 years	10 years
Nursing and midwifery	38%	21%	10%	0%
Medical sciences	24%	24%	23%	19%
Pharmacology, toxicology and pharmacy	20%	27%	31%	20%
Allied health	9%	7%	3%	-10%
Health and social care	7%	-3%	-8%	-11%

Source: OME analysis of LEO data set

3.248 Table 3.20 shows that between 2014/15 and 2019/20 median earnings for those who studied health related subjects, for a given number of years after graduation, declined relative to median earnings for graduates as a whole, after the same number of years since graduation. However, in 2020/21 median earnings for those who studied health related subjects, for a given number of years after graduation, improved relative to median earnings for graduates as a whole. This is probably because many health graduates work in health and social care, where working hours and earnings in 2020/21 were less adversely affected, by restrictions on economic activity resulting from COVID-19, than for those working in other sectors of the economy.

Table 3.20: Difference between median earnings for graduates of health related subjects and overall graduate median, by years after graduation (YAG), %, 2014/15 to 2020/21

Nursing and midwifery					Medical sciences			
Tax year	1 YAG	3 YAG	5 YAG	10 YAG	1 YAG	3 YAG	5 YAG	10 YAG
2014/15	38%	23%	13%	0%	26%	25%	22%	13%
2015/16	35%	19%	10%	-1%	27%	18%	20%	14%
2016/17	30%	16%	8%	0%	20%	20%	19%	13%
2017/18	29%	16%	8%	-2%	20%	19%	17%	12%
2018/19	28%	13%	5%	-4%	18%	18%	17%	12%
2019/20	29%	18%	6%	0%	20%	23%	20%	15%
2020/21	38%	21%	10%	0%	24%	24%	23%	19%

Pharmacology, toxicology, pharmacy					Allied Health			
Tax year	1 YAG	3 YAG	5 YAG	10 YAG	1 YAG	3 YAG	5 YAG	10 YAG
2014/15	24%	45%	33%	13%	10%	2%	-2%	-10%
2015/16	21%	32%	30%	10%	10%	2%	-4%	-12%
2016/17	22%	30%	31%	5%	6%	0%	-4%	-12%
2017/18	18%	25%	24%	12%	5%	2%	-3%	-13%
2018/19	13%	30%	19%	15%	5%	3%	-4%	-12%
2019/20	13%	24%	23%	15%	7%	4%	-1%	-13%
2020/21	20%	27%	31%	20%	9%	7%	3%	-10%

Health and social care				
Tax year	1 YAG	3 YAG	5 YAG	10 YAG
2014/15	6%	-3%	-4%	-13%
2015/16	6%	-7%	-10%	-13%
2016/17	2%	-7%	-13%	-11%
2017/18	1%	-5%	-11%	-9%
2018/19	3%	-4%	-11%	-9%
2019/20	3%	-6%	-10%	-9%
2020/21	7%	-3%	-8%	-11%

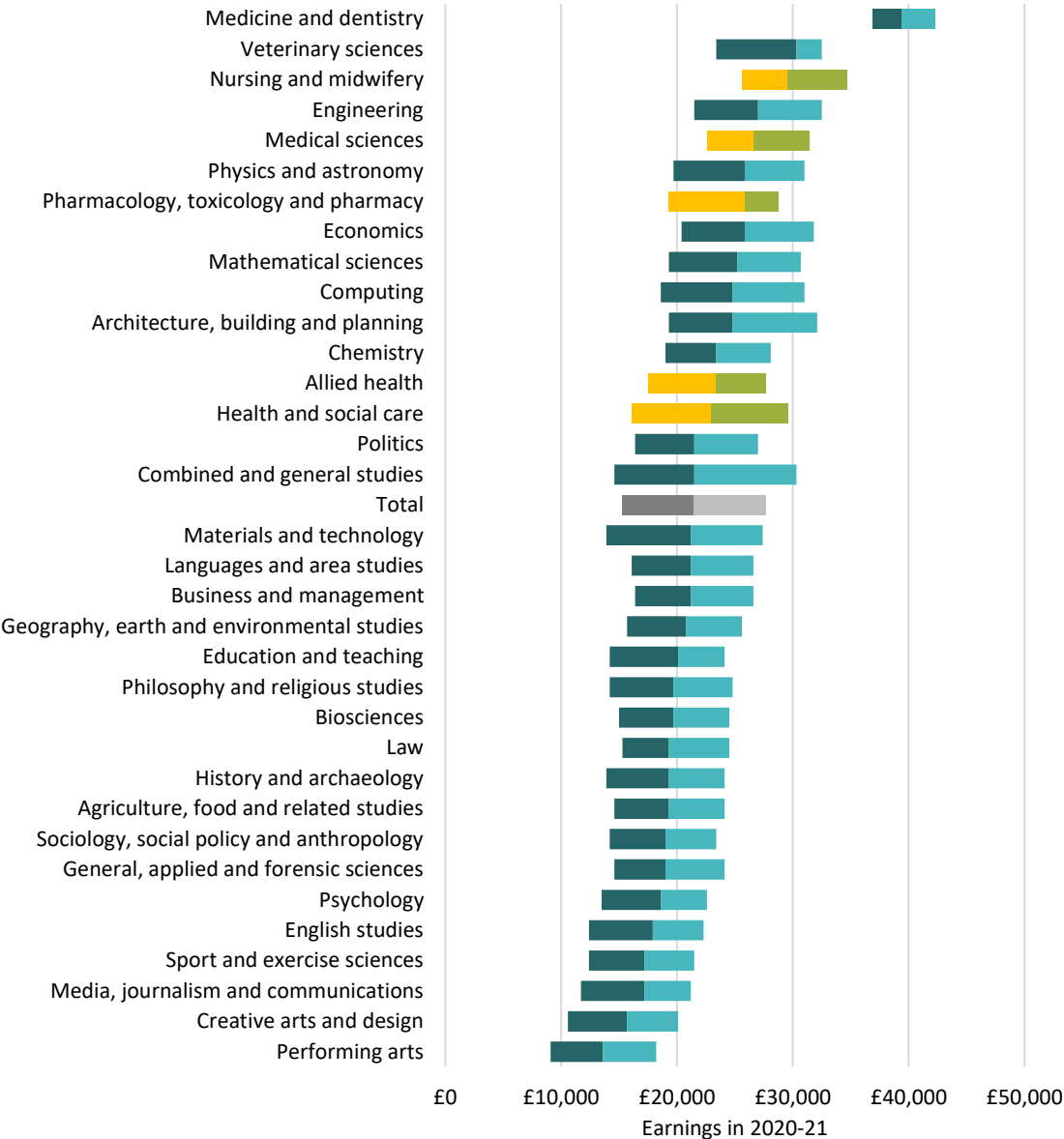
Source: OME analysis of LEO dataset

3.249 Figure 3.65 shows median earnings one year after graduation. Only those who studied: medicine and dentistry and veterinary sciences had higher median earnings than those who studied nursing or midwifery. Median earnings of those who studied: medical sciences; pharmacology, toxicology and pharmacy; allied health subjects; and subjects related to health and social care, were also above the median for graduates as a whole.

3.250 Figure 3.66 shows that median earnings, five years after graduation, for those who studied pharmacology, toxicology and pharmacy, and medical sciences were still considerably above median earnings for graduates as a whole. For those who studied nursing or midwifery, median earnings were still above the median for graduates as a whole, but by less than they had been one year after graduation. Median earnings for those who had studied allied health subjects were in line with the overall graduate median, while median earnings for those who studied subjects related to health and social care had fallen below the median for graduates as a whole.

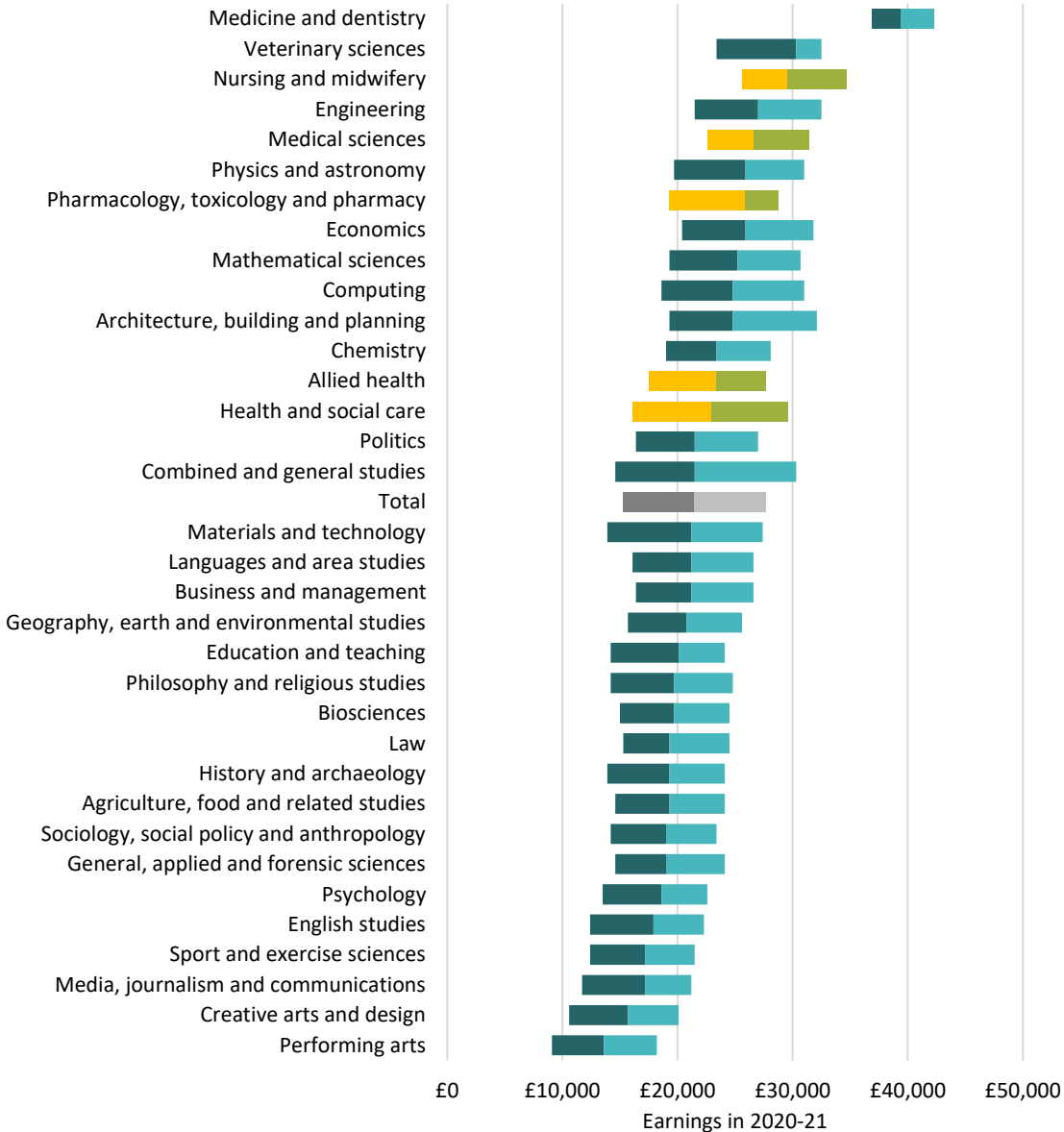
3.251 Figure 3.67 shows that median earnings, ten years after graduation, for those who studied pharmacology, toxicology and pharmacy, and medical sciences were still above median earnings for graduates as a whole. However, median earnings for those who studied nursing or midwifery, were in line with the overall graduate median, while median earnings of those who studied allied health subjects and subjects related to health and social care were below the overall graduate median.

Figure 3.65: Annual gross earnings one year after graduation (2018/19 cohort), median £



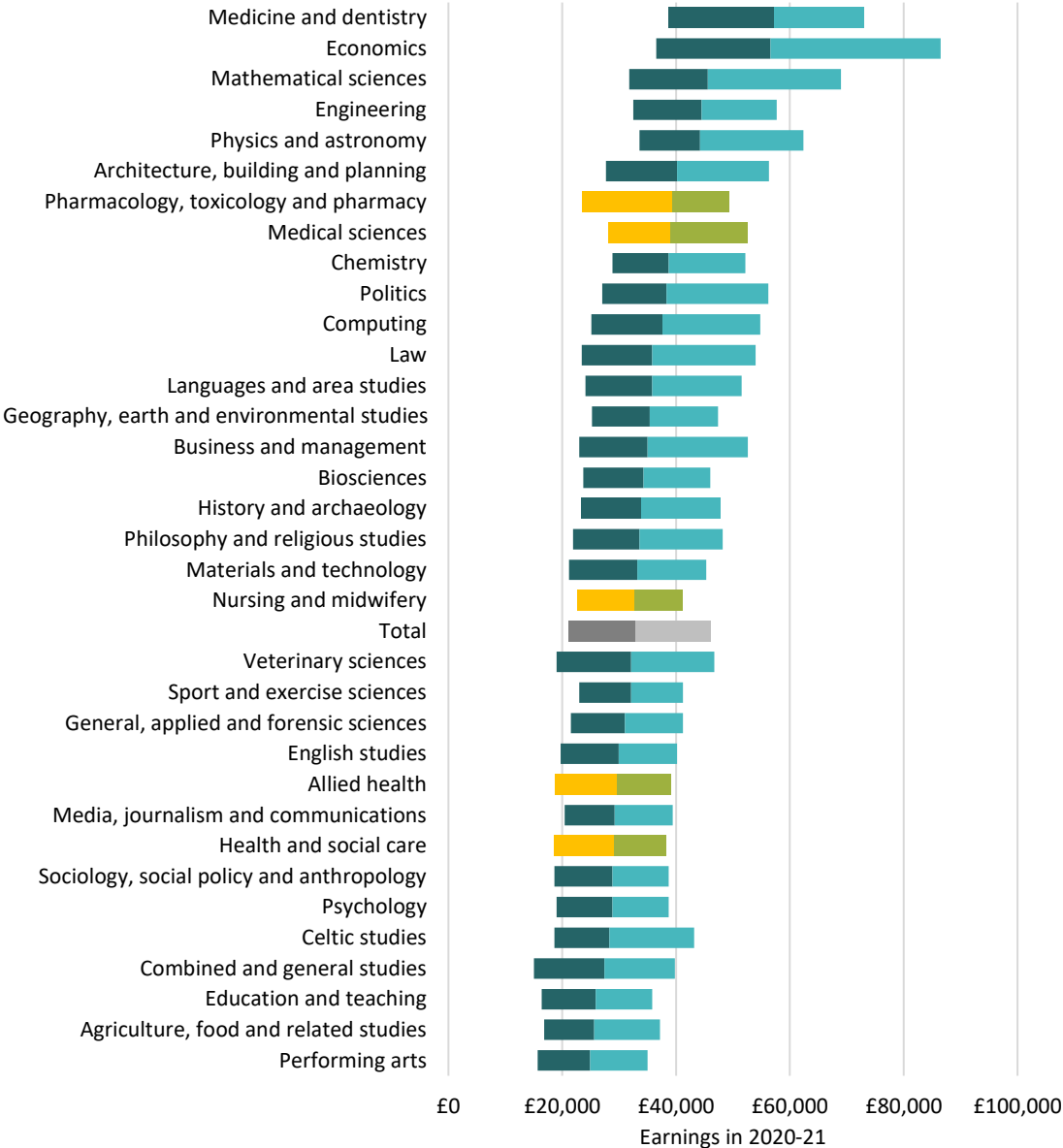
Source: OME analysis of LEO dataset

Figure 3.66: Annual gross earnings five years after graduation (2014/15 cohort), median £



Source: OME analysis of LEO dataset

Figure 3.67: Annual gross earnings ten years after graduation (2009/10 cohort), median £



Source: OME analysis of LEO dataset

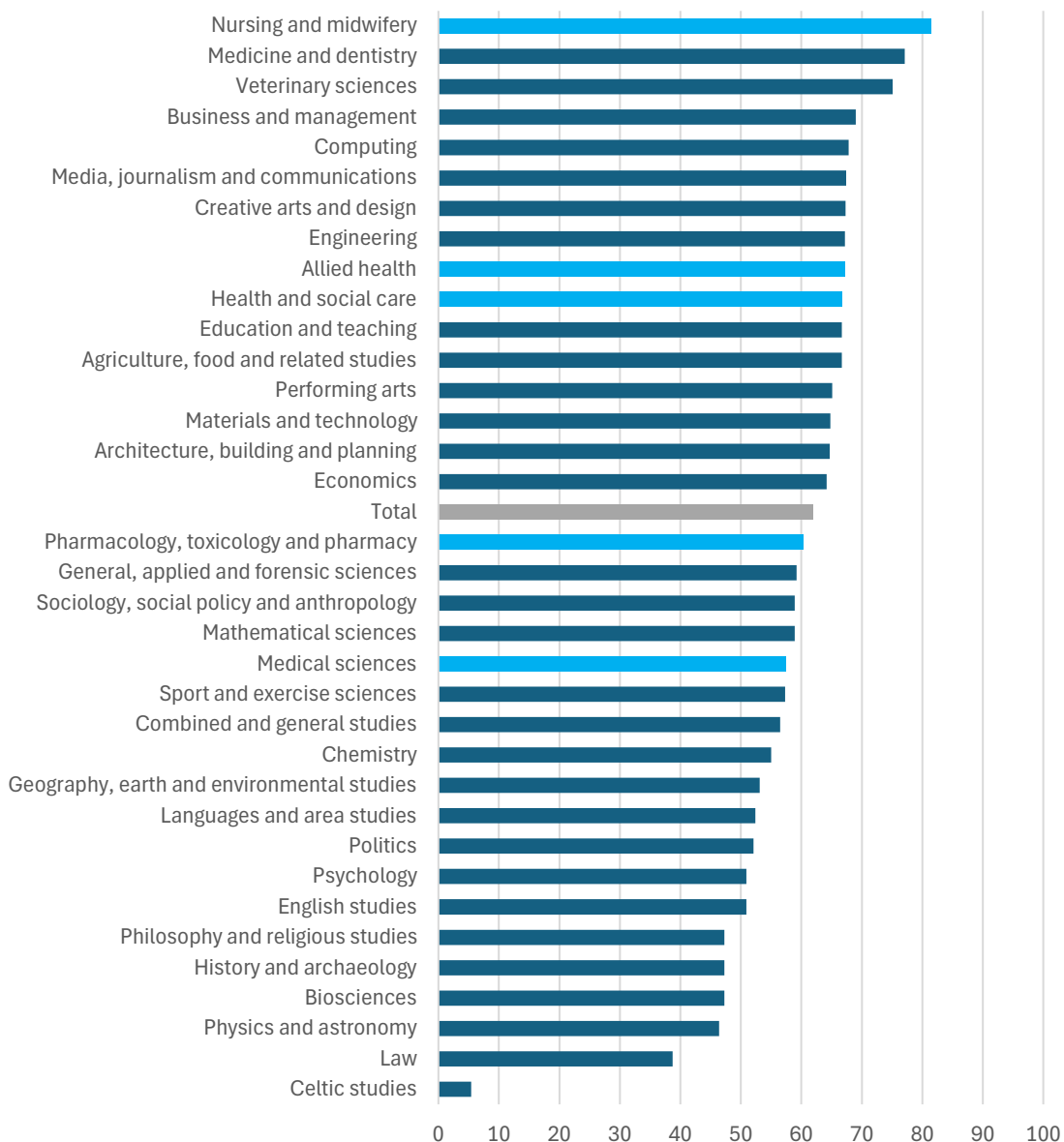
3.252 Figure 3.68 shows, for 2020/21, the percentage of graduates in sustained employment, by subject studied, one year after graduation. Almost 94% of nursing and midwifery graduates in that cohort were in sustained employment, a greater percentage than for any other subject studied. The percentage of those in employment who studied health and social care (86%) and allied health subjects (84%) were greater than the percentage of all graduates in this cohort (78%). The percentage of those who studied medical sciences (78%) and pharmacology, toxicology and pharmacy (77%) were slightly below the overall average.

3.253 Figure 3.69 shows, for 2020/21, the percentage of graduates in sustained employment, by subject studied, five years after graduation. 91% of nursing and midwifery graduates in that cohort were in sustained employment, a greater percentage than for any other subject studied, except medicine and dentistry (92%). The percentage of those in employment who studied health and social care (88%), allied health subjects (87%), pharmacology, toxicology

and pharmacy (86%) and medical sciences (85%), were greater than the percentage of all graduates in this cohort (85%).

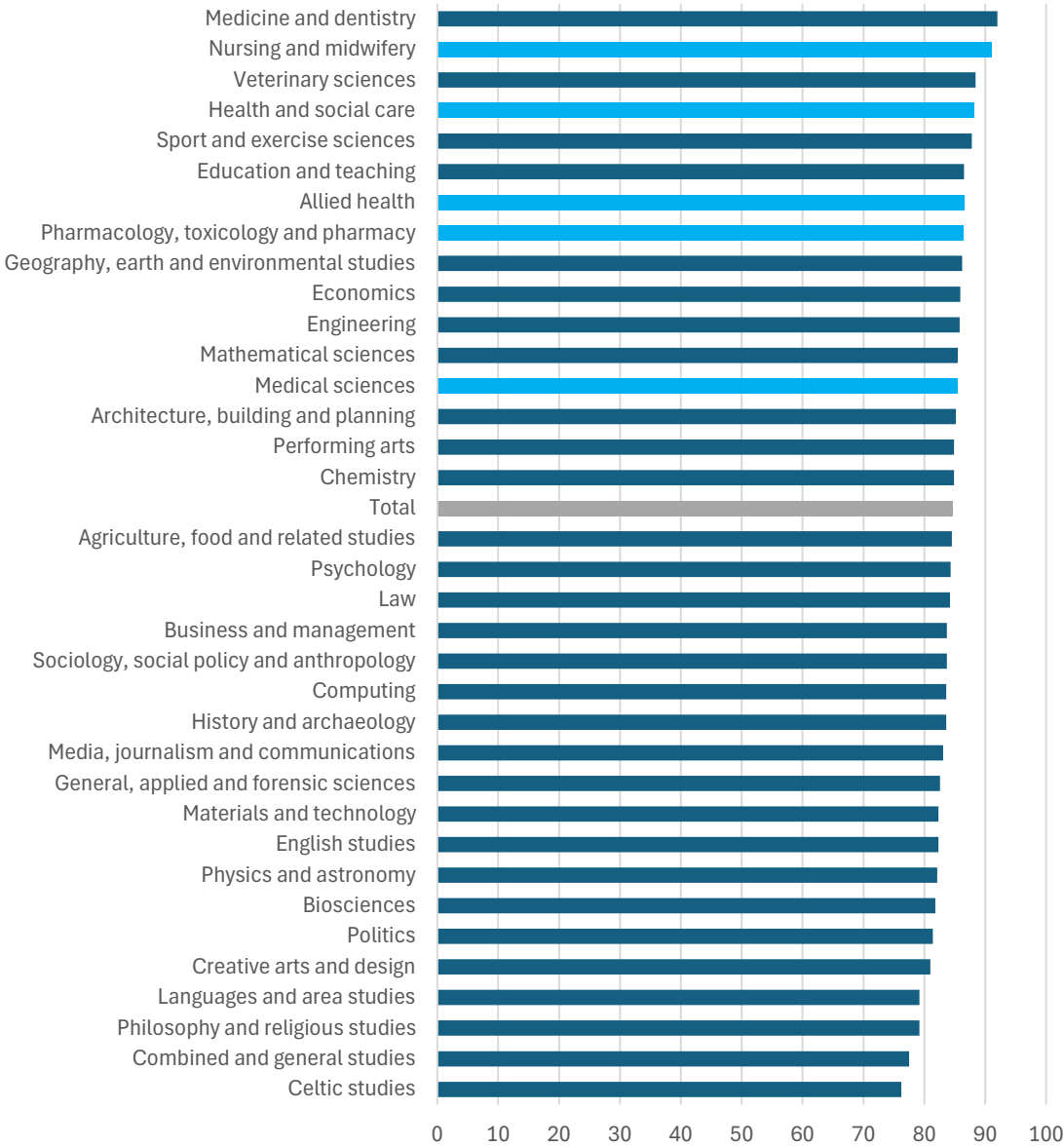
3.254 Figure 3.70 shows, for 2020/21, the percentage of graduates in sustained employment, by subject studied, ten years after graduation. 89% of nursing and midwifery graduates in that cohort were in sustained employment, a greater percentage than for any other subject studied. The percentage of those in employment who studied allied health subjects (87%), medical sciences (86%), health and social care (85%), pharmacology, toxicology and pharmacy (85%), were greater than the percentage of all graduates in this cohort (83%).

Figure 3.68: Percentage of graduates in employment, by subject studied, one year after graduation (2018/19 cohort)



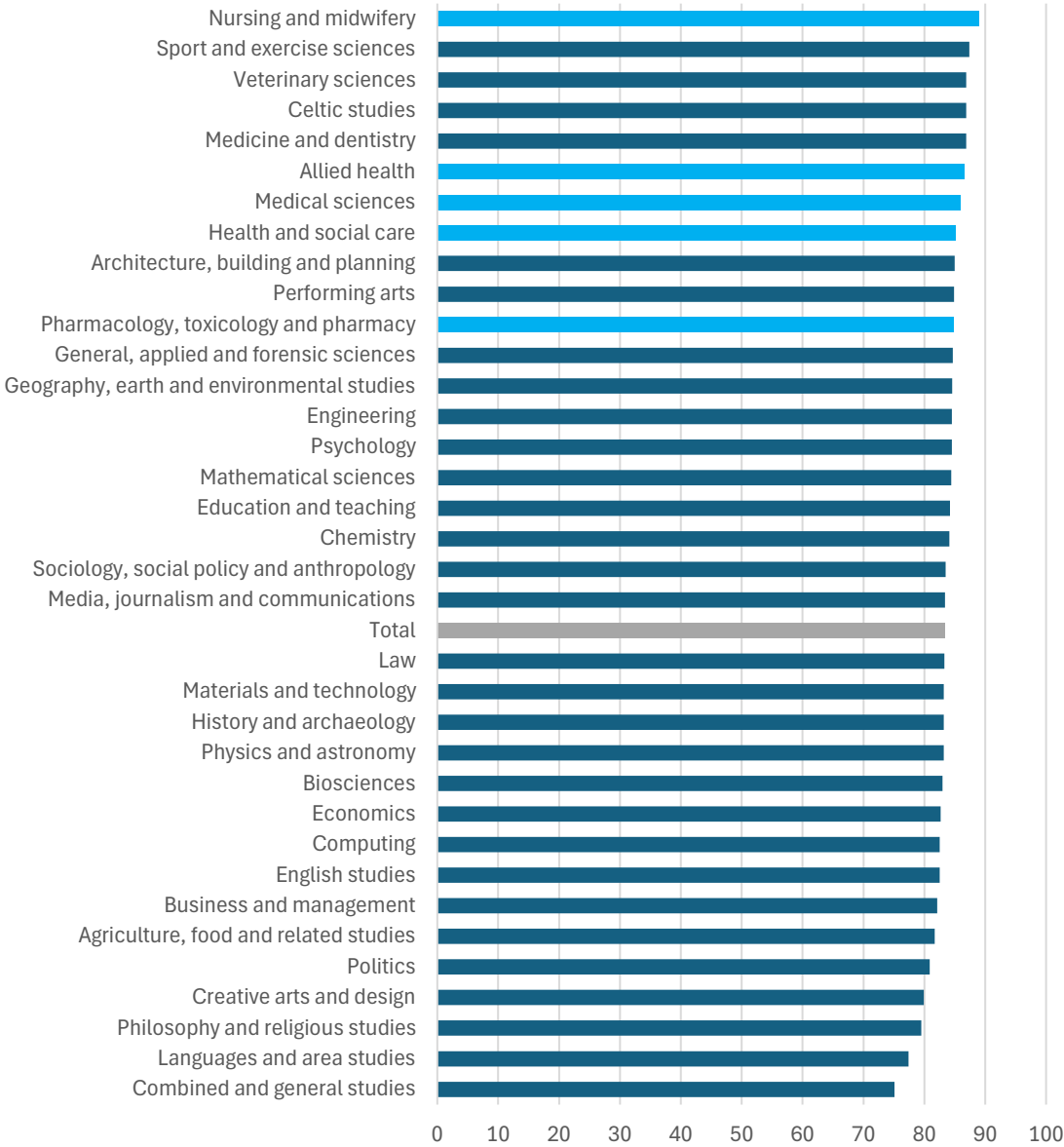
Source: OME analysis of LEO dataset

Figure 3.69: Percentage of graduates in employment, by subject studied, five years after graduation (2014/15 cohort)



Source: OME analysis of LEO dataset

Figure 3.70: Percentage of graduates in employment, by subject studied, ten years after graduation (2009/10 cohort)



Source: OME analysis of LEO dataset

National Living Wage (NLW)

3.255 Table 3.21 shows changes in the NLW and the Living Wage Foundation Real Living Wage since 2017. Following the 2023/24 pay deal in England, the salaries attached to the lowest points on the AfC scale (Bands 1 and 2) equated to an hourly rate of £11.45. With effect from 1 April 2024, the NLW increased to £11.44 per hour. Between 2017 and 2023 the NLW increased by 39%, while the Living Wage Foundation Real Living Wage increased by 29%. Over the same period, the lowest hourly rate of pay in the NHS increased by 45%, as the Band 1 rate was increased to match that of the Band 2 minimum as part of the 2018 AfC agreement, and the lowest Band 2 pay point was removed in 2023.

- 3.256 From 1 April 2024 the Welsh Government introduced a £12.00 per hour minimum pay rate for all public sector employees, in line with the Living Wage Foundation rate. It described this as a temporary top up until the annual pay uplift for 2024-25 is implemented.
- 3.257 On 7 February 2024 the Department of Health Northern Ireland announced that, to ensure employers meet the legal commitment to the NLW, temporary consolidated increases, with effect from 1 April 2024, would be made to: Bands 1 and 2 (to £22,383); and the lower pay point of Band 3 (to £22,816). These would be superseded by the pay award for 2024/25 once it was known.

Table 3.21: National Living Wage and the Living Wage Foundation real Living Wage rates per hour, in place at April, 2017 to 2024

Year	National Living Wage (NLW)		Living Wage Foundation Real Living Wage (LWFRLW)		Agenda for Change pay minimum (England)			
	£ per hour	change from previous year	£ per hour	change from previous year	£	£ per hour	change from previous year	relative to NLW
2017	7.50		8.45		15,404	7.88		5%
2018	7.83	4.4%	8.75	3.6%	17,460	8.93	13.3%	14%
2019	8.21	4.9%	9.00	2.9%	17,652	9.03	1.1%	10%
2020	8.72	6.2%	9.30	3.3%	18,005	9.21	2.0%	6%
2021	8.91	2.2%	9.50	2.2%	18,546	9.49	3.0%	6%
2022	9.50	6.6%	9.90	4.2%	20,270	10.37	9.3%	9%
2023	10.42	9.7%	10.90	10.1%	22,383	11.45	10.4%	10%
2024	11.44	9.8%	12.00	10.1%				
Change 2017-2023		39%		29%		45%		
Change 2017-2024		53%		42%				

Source: Low Pay Commission, Living Wage Foundation, NHS Employers

Our assessment of AfC earnings

- 3.258 The 2023 AfC pay award, negotiated between the AfC trade unions and employers, was a 5% consolidated increase to all the pay points on the AfC scale. In addition, although part of the 2022 award, staff also received two non-consolidated payments worth between 3.5% and 8.2% (6% on average). The latest NHS earnings data for England, for the year to December 2023 including the non-consolidated payments, showed growth in earnings of between 12.4% (support to scientific, therapeutic and technical staff) and 5.2% (ambulance staff), with most staff groups seeing earnings growth of at least 9%. While the non-consolidated payments went some way towards helping staff cope with the increased cost of living in the short term, these will not be carried forward into 2024/25.
- 3.259 Looking at AfC earnings in the context of the wider economy, both CPI and average earnings growth were lower in the spring of 2024 than at the same time a year earlier, with further falls expected through 2024. At the start of 2023/24, in April 2023, CPI was 8.7%, and then

fell to 3.2% in March 2024, while average earnings growth in April 2023 was 6.9%, increasing to 8.5% in July 2023, before falling back below 6% since December 2023. The average of the latest independent economic forecasts³⁸ for the final quarter of 2024 are for CPI to fall to 2.2%, and for average earnings growth to fall to 4.2%.

- 3.260 Figure 3.61 shows that nurses' starting pay, the minimum pay point on Band 5, has risen more slowly than CPI since the introduction of AfC in 2004. However, nurses starting pay has broadly kept pace with median full-time employee earnings over that period, partly through gains from the three year agreement between 2018 and 2020, which have been broadly maintained since. Furthermore, the LEO data also shows that the earnings of nursing graduates shortly after graduation compare well with those who studied most other subjects. However, pay at the top of Band 5 has fared slightly less well against median full-time employee earnings over the same 20 year period.
- 3.261 A gender pay gap still persists in the NHS. We welcome that NHSE's equality, diversity and inclusion improvement plan sets out that gender discrimination must be a key focus for NHS organisations.
- 3.262 We are also concerned to see the continuation of an ethnicity pay gap in the NHS, with white staff paid more than staff from ethnic minorities. We again welcome the equality, diversity and inclusion improvement plan actions aiming to address the ethnicity pay gap across the NHS.
- 3.263 Looking at the LEO data, those working in graduate professions in the NHS typically have higher annual earnings than graduates as a whole on average year after graduation. However, the longer the time since graduation, the more the gap narrows with all graduates. Ten years after graduation, median earnings of those who studied nursing and midwifery were in line with the overall graduate median, while median annual earnings for allied health and health and social care graduates were around 10% below the overall graduate median.
- 3.264 There is not a full understanding of the reasons for the narrowing over the first ten years after graduation of the wage premium earned by these health-related degrees as compared with graduates as a whole. We would in future welcome evidence that explains this.
- 3.265 The NLW rose to £11.44 in April 2024, which is now only £0.01 below Band 1 and 2 in England and Northern Ireland. NHS staff at Band 1 and 2 in Wales are paid £12.00 an hour as it is Welsh Government policy to pay the Real Living Wage in the public sector. Some NHS organisations in England have also committed to paying the Real Living Wage.
- 3.266 We heard support from employers and trade unions at oral evidence for the Real Living Wage to be the floor of AfC across the NHS. DHSC told us it was important to have a buffer between the NLW and the AfC pay scale to ensure pay remains competitive.

³⁸ <https://www.gov.uk/government/statistics/forecasts-for-the-uk-economy-may-2024>

Total reward

Flexible working

- 3.267 DHSC said that flexible working is a strong driver of retention and an important factor in improving the mental health and wellbeing of staff. In 2022/23, far more people said they were leaving the NHS for a better work life balance (14,758) than for a better reward package (3,919).
- 3.268 Flexible working is one of the elements of the People Promise and it was an ambition that all NHS staff should be offered the chance to work flexibly by 2024/25. NHSE said that the publication of both the NHS LTWP and the NHS Equality, Diversity and Inclusion Improvement Plan will be important in the continued drive to improve access to flexible working.
- 3.269 DHSC said that NHSE had developed a range of resources to help organisations adopt flexible working practices. These included: toolkits for line managers; identifying cost savings from reducing turnover, and bank and agency expenditure; supporting organisations introducing e-rostering; and encouraging employers to best support working carers.
- 3.270 When asked about the opportunities for flexible working patterns in the NHS Staff Survey, 57.4% of respondents reported being satisfied or very satisfied with the opportunities available. Although this is an improvement on the response in 2021 and 2022, it is on par with the response in 2020, despite the changes to the framework for agreeing flexible working opportunities being introduced in September 2021.
- 3.271 The Chartered Society of Physiotherapy told us about a joint campaign with other NHS trade unions, *Lets Talk About Flex*. Its aim is to help members understand their flexible working rights and increase flex in the NHS. It also aims to inspire managers to get creative with flexible working in their teams and show how it can reap rewards for staff, the service and ultimately patients.
- 3.272 The Department of Health Northern Ireland told us about the HSC Flexible Working Framework with most Trusts implementing the policy during 2022/23.
- 3.273 The Welsh Government told us a partnership steering group has been set up, led by NHS Wales Employers, to develop an All-Wales Flexible Working Policy to support organisations in their approach to flexible working and the implementation of the revised Section 33 of the NHS Terms and Conditions of Service. This new policy was agreed at the Welsh Partnership Forum in November 2023 and has been published for adoption and implementation across NHS Wales.

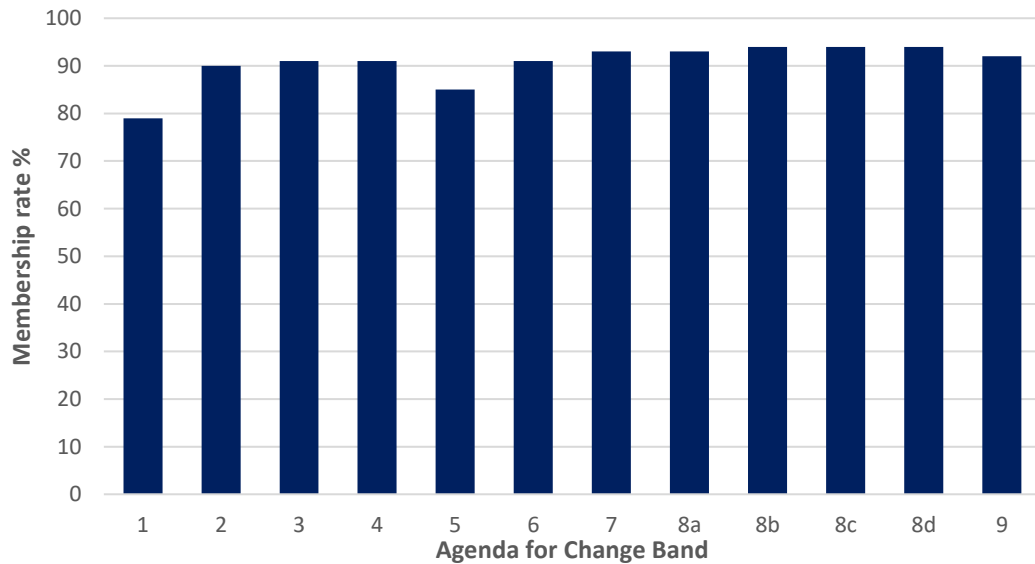
Pensions

- 3.274 The NHS Pension Scheme remains one of the most generous in the wider economy. The employer pension contribution is 23.7% for all employees, with a tiered contribution for employees. Research from Nest Insight³⁹ showed that in 2022 most employers contribute no more than 3% of gross pay for some or all of their employees.
- 3.275 The DHSC said that in June 2023, 90% of non-medical (AfC) staff were members of the NHS pension scheme. Figure 3.71 shows that membership varies by band. Broadly speaking staff

³⁹ <https://www.nestinsight.org.uk/wp-content/uploads/2022/10/Employer-pension-contributions-in-the-UK.pdf>

in the higher bands were more likely to be scheme members than those in lower bands. Between 92% and 94% of staff between Bands 7 and 9 were pension scheme members, 90-91% of staff in Bands 2-4 and Band 6 were scheme members, while just 79% of Band 1 staff (which is not open to new staff) and 85% of Band 5 staff were members.

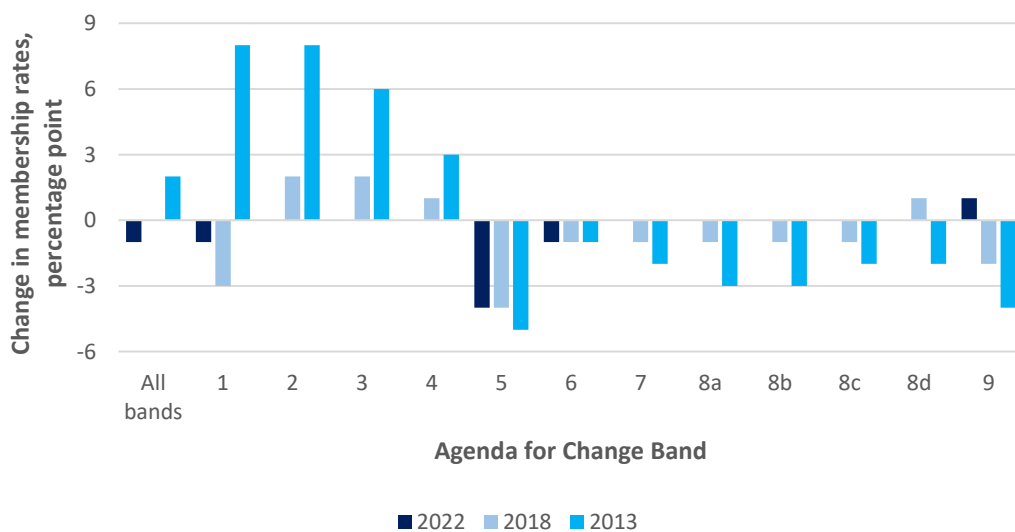
Figure 3.71: NHS pension scheme membership, by AfC band, June 2023, England



Source: DHSC

3.276 Figure 3.72 shows changes in the membership rate of the NHS pension scheme by AfC band, between 2023, and each of 2022, 2018 and 2013. Across all bands, membership rose by two percentage points between 2013 and 2023, were little changed between 2018 and 2023 but fell by one percentage point between 2022 and 2023.

Figure 3.72: Change in NHS pension scheme membership rate, by AfC band, between June 2023 and 2022, 2018 and 2013, England



Source: DHSC

- 3.277 Between 2013 and 2023, membership rates increased for those in Bands 1 to 4 but decreased for those in Bands 5 to 9. Over that period the largest percentage point increases in membership rates were for those in Bands 1, 2 and 3 where membership rates increased by eight, eight and six percentage points, respectively. Despite the increase in membership rate over the period at Band 1, the membership rate remains much lower than that for other Bands. The largest falls in membership rates between 2013 and 2023 were for those in Bands 5 and 9, by five and four percentage points, respectively. More recently, between 2022 and 2023, the overall membership rate fell by one percentage point, with an increase in membership at Band 9 of one percentage point more than offset by falls of one percentage point at Bands 1 and 6, and four at Band 5.
- 3.278 DHSC said that non-British staff were traditionally less likely to be members of the NHS pension scheme than those with British nationality. DHSC went on to say that the reduction in the scheme membership rate between 2022 and 2023 was greatest at Band 5 (down four percentage points) and for nurses and health visitors (down two percentage points), groups with higher than average rates of non-British nationality and higher levels of international recruitment.

Table 3.22: NHS pension scheme membership, AfC band 5, June 2023, by pay point and nationality, England

Pay point	Years experience	United Kingdom	Rest of World	Other (EU, EEA, unknown)	All
Point 1	0-2 years	92%	69%	87%	84%
Point 2	2-4 years	90%	59%	85%	80%
Point 3	4+ years	90%	77%	88%	88%
All points		91%	69%	87%	85%

Source: DHSC

- 3.279 Table 3.22 shows that in June 2023, 91% of Band 5 staff with British nationality were pension scheme members, similar to the share across the NHS as a whole, while just 69% of those with a non UK/EU/EEA nationality were scheme members. The membership rate was lowest amongst Band 5 staff from the Rest of the World with two to four years' experience. 59% of this group were members of the scheme.
- 3.280 The first stage of a two-stage change to the NHS pension scheme contribution rates for employees took place in October 2022. The changes to the rates are intended to narrow the range in contributions paid by the lowest and highest paid. Prior to October 2022, employee contribution rates varied between 5.0% and 14.5%, narrowing from October 2022, to between 5.1% and 13.5%. The second stage of the changes was originally intended to be implemented from 1 April 2023, but did not take place. DHSC said that the second stage was implemented from 1 April 2024 narrowing the range of contribution rates from 5.2%, for those earning up to £13,259, to 12.5% for those earning £62,925 and above.

- 3.281 DHSC said that since March 2020, certain retire and return rules in the NHS Pension Scheme, for staff members with Special Class Status, had been suspended to allow retired and partially retired staff to return to work or increase their working commitments without having the payment of their pension benefits abated or suspended. These measures were provided by Section 45 of the Coronavirus Act, from March 2020 to March 2022, which allowed skilled and experienced staff to do more work for the NHS during peak periods of the response to the COVID-19 pandemic. DHSC has since extended the suspension to 31 March 2025, and plans permanently to remove it from April 2025, as part of the 2023/24 pay deal for AfC staff.
- 3.282 DHSC also said that from April 2023 it had abolished the rule that staff could only work up to 16 hours a week in the first month after returning from retirement without affecting their pension, and it also removed the rule that prevented retired staff who return to NHS work from re-joining the scheme and building up more pension. DHSC went on to say that from October 2023 it also made a new 'partial retirement' option available to staff in the 1995 section as an alternative to full retirement. This means that staff can now draw down some or all of their pension while continuing to work and build up further pension, subject to a reduction in pensionable pay of at least 10%. It also amended the partial retirement rules for the 2008 section and the 2015 scheme so that members of these schemes can take up to 100% of their benefits and continue working if they wish. This means that the rules are now aligned across the 1995 section, 2008 section and the 2015 scheme.
- 3.283 In previous reports we have highlighted the importance of accurately and clearly communicating the value of the total package, including the NHS pension scheme, to staff. DHSC said that staff receive a Total Reward Statement which provide personalised information about the value of staff employment packages, including remuneration details and benefits provided locally by their employer. It also said that NHS pension scheme members receive an annual benefit statement, which shows the current value of their scheme benefits. It said that in October 2023, there were over 2.7 million statements available, with 340,000 views (up from 300,000 a year earlier).
- 3.284 Whilst acknowledging the benefits of the scheme, parties told us at evidence staff could benefit from increased flexibilities in the scheme. There were some who specifically said the NHS Pension Scheme should allow for 'pension holidays' and flexible accrual to disincentivise staff from dropping out completely due to financial reasons.
- 3.285 DHSC told us that whilst they understand the calls for increased flexibility, the scheme relied on a funding model that means that current contributors pay for current pensions. DHSC also told us that 90% of staff were members of the pension scheme and there is a risk that if you introduced flexibility in the accrual, staff who would not have considered opting out from the scheme will look to reduce their contributions. Thus, a possible consequence of both 'pension holidays' and flexible accrual is that there is an adverse impact on the public finances on a cashflow basis.

Our assessment of total reward

- 3.286 The total reward package and the NHS pension scheme remain more generous than many reward packages in the wider economy. Whilst we are encouraged by the improvements in pension communication across the NHS, we would support and encourage employers to continue to highlight the benefits of the pension scheme to staff.

- 3.287 Most parties expressed support for members having greater flexibility in how they contribute to the scheme. Their principal interest was to avoid people leaving the scheme entirely. However, we received little detail about precisely which changes are sought and would welcome further evidence on this matter next year.
- 3.288 We are encouraged by the progress made on the 1995 pension scheme which allows staff to retire and return to the NHS, allowing them to take their pension whilst working. NHSE told us that 30% of staff who had retired had taken the option to retire and return. This in turn means the service benefits from the expertise of later stage career staff for longer.
- 3.289 We heard from NHSE that at People Promise Exemplar sites, significant efforts are being made to explain the NHS Pension Scheme to staff. These sites have seen lower levels of attrition and higher staff engagement since the programme was implemented when compared to the national average. This evidence suggests that investing time and resources into engaging staff in the total reward package positively impacts on retention and staff engagement.

AfC pay structure

- 3.290 Throughout evidence this year, parties consistently raised issues about the AfC pay structure. In many cases, parties observed that the AfC contract is now 20 years old. The issues raised are predominantly around compressed differentials between pay bands which act as a disincentive for promotion. The pay scale for England and Northern Ireland and the associated differentials are as below. As discussed in this chapter, pay in Wales is broadly 1.5% above that of England and Northern Ireland, so in general the same differentials are seen.

Table 3.23: AfC pay banding, 2023-24, in England and Northern Ireland and the associated differentials

Band/pay point	Salary (FTE)	Differential to next point
Band 1	£22,383	0.0%
Band 2	£22,383	1.9%
Band 3 (entry step)	£22,816	6.7%
Band 3 (top step)	£24,336	3.3%
Band 4 (entry point)	£25,147	9.7%
Band 4 (top point)	£27,596	2.9%
Band 5 (entry step)	£28,407	7.9%
Band 5 (intermediate step)	£30,639	12.9%
Band 5 (top step)	£34,581	2.3%
Band 6 (entry step)	£35,392	5.5%
Band 6 (intermediate step)	£37,350	14.1%
Band 6 (top step)	£42,618	2.6%
Band 7 (entry step)	£43,472	5.2%
Band 7 (intermediate step)	£45,996	8.8%
Band 7 (top step)	£50,056	1.8%
Band 8a (entry step)	£50,952	12.6%
Band 8a (top step)	£57,349	2.8%
Band 8b (entry step)	£58,972	16.2%
Band 8b (top step)	£68,525	2.8%
Band 8c (entry step)	£70,417	15.2%
Band 8c (top step)	£81,138	3.0%
Band 8d (entry step)	£83,571	15.3%
Band 8d (top step)	£96,376	3.6%

Band/pay point	Salary (FTE)	Differential to next point
Band 9 (entry step)	£99,891	15.1%
Band 9 (top step)	£114,949	

- 3.291 Table 3.23 shows that the smallest differentials are between Band 2 and 3 (1.9%) and Band 7 and 8a (1.8%). These differentials are also compounded by the unsocial hours pay arrangements.
- 3.292 Band 1 staff receive higher unsocial hours payments than Band 2 and 3 staff. This means that following the introduction of the same spot rate at Bands 1 and 2, some Band 1 staff in receipt of unsocial hours are taking home more pay than Band 2 staff. NHS Employers and trade unions told us this has created a pay disincentive to closed Band 1 staff who are not willing to move to Band 2 and presents significant challenges around staff engagement, morale and fairness.
- 3.293 On promotion from Band 7 to 8a, staff are no longer eligible for unsocial hours payments or overtime. This, in practice, means some staff receive less take-home pay on promotion. This was raised consistently as an issue with us during evidence with a consensus amongst parties that this acts as a disincentive to seeking promotion.
- 3.294 As the table shows, there is considerable variation in the pay differentials throughout the structure and parties raised a wide range of other issues, including the differences in pay points within bands, and differentials between bands in evidence to us.

Our assessment of the AfC pay structure

- 3.295 Alongside significant uplifts in the NLW, targeting of pay awards to the lower end of the AfC structure as a result of both our 2022 pay recommendation and negotiated deals has created significant compression at Bands 1 to 3. As discussed above, this is compounded by the unsocial hours pay arrangements.
- 3.296 Although parties consistently raised the pay differential between Band 7 and 8a throughout evidence, DHSC told us the data did not reflect any difficulties in attracting applicants at this level and, despite the potential loss of take-home pay, staff were still taking promotions.
- 3.297 It is clear from other parties' evidence and feedback from staff over a number of years that pay and incentives on promotion to 8a and beyond is a matter of concern for many staff and their representatives. It is important that the NHS is able to retain and motivate the managers on whom the service is depending on to lead elective recovery and drive the productivity improvements set out in the LTWP.
- 3.298 NHS Employers and the Society of Radiographers shared their view that 'graduate pay' in the NHS should match that of the starting salary for teachers (£30,000). However, there is no data to suggest that a starting salary at this level for teachers improves their recruitment and retention, or that pay in the NHS should be set in relation to teachers' pay. We received no evidence that AfC staff are leaving the NHS to work as teachers.
- 3.299 There was a lack of consensus about how structural issues should be tackled. It was noted by a number of parties that the AfC pay structure has now been in existence for 20 years, and there is an argument for more comprehensive rather than piecemeal reform.

3.300 It is clear from the evidence we received that many parties are concerned about the presence of anomalies in the AfC pay structure. That evidence included concerns about each of the pay points on the structure. Weighing the evidence, those concerns are greatest with respect to Bands 1 and 2, and, in particular, in the step from Band 7 to Band 8a, but many parties felt there was a need for further consideration of outstanding issues throughout the AfC pay structure. From our discussions with parties it appears that such structural pay matters are most appropriately addressed by the NHS Staff Council and that it would do so following receipt of a mandate from DHSC.

Chapter 4 Conclusion

4.1 The Secretary of State for Health and Social Care, the Permanent Secretary of the Department of Health Northern Ireland, and the Minister for Health and Social Services in Wales asked us in their respective remit letters to make recommendations for a pay award for AfC staff for 2024/25. In this chapter, we set out our recommendations on AfC pay for 2024/25 in England, Northern Ireland and Wales. We make these recommendations having regard to our standing terms of reference:

- the overall strategy that the NHS should place patients at the heart of all it does and the mechanisms by which that is to be achieved;
- the need to recruit, retain and motivate suitably able and qualified staff;
- regional/local variations in labour markets and their effects on the recruitment and retention of staff;
- the funds available to the Health Departments as set out in the Government's Departmental Expenditure Limits;
- the Government's inflation target;
- the principle of equal pay for work of equal value in the NHS; and
- the Review Body may also be asked to consider other specific issues.

Evidence to the NHRPB on pay awards

- 4.2 The Department of Health and Social Care told us a 2% pay award was in budget, as set at SR21. Any award above 2% would have to be met through reprioritisation within DHSC's budgets, additional funding from HMT, or a combination of the two. They observed that the direct cost of industrial action was £1.7 billion across the NHS in England in 2023/24, and that such costs are a relevant consideration in assessing affordability.
- 4.3 The Department of Health, Northern Ireland told us they did not anticipate their funding situation will significantly improve and therefore there is no capacity to afford a meaningful pay uplift in 2024/25. They also said that the Executive budget is likely to be finalised in September 2024.
- 4.4 The Welsh Government did not give a view on what is affordable or what they consider would be an appropriate pay award; however, they did note that resource funding for health and social services will be 4% higher in 2024/25 than it was in 2023/24. Any recommendations should take account of the pressure on the budget. During 2023/24, reprioritisation, both within health and social care and from other parts of government to health and social care, were required to fund health priorities.
- 4.5 NHS England told us 2% is in budget for a 2024/25 pay award. To fund a pay award in excess of 2% they would have to explore a number of different routes, including discussions with the Department about additional funding. There have already been a wide range of reprioritisation activities to meet current financial challenges and an ambitious productivity target has been set out.
- 4.6 NHS Employers told us any award needed to be fully funded. NHS Employers remain of the view that the position on entry-level pay in the NHS should be considered on a longer-term basis alongside the future trajectory of the National Living Wage to ensure it remains competitive and sustainable and avoids the need for further temporary adjustments to be made. They also told us they support the principle of investment in the pay system for the benefit of all staff, and there are several areas that require some targeted action.

- 4.7 NHS Providers told us that, in Autumn 2023, a clear majority of Trust HR directors responding to their pay survey supported an uplift of at least 5% and the median level supported was also 5%. NHS Providers also told us any award needed to be fully funded.
- 4.8 The Chartered Society of Physiotherapy told us that the pay round must deliver a timely pay award above inflation. They said that structural reforms to the AfC pay scale need to be explored – and properly funded – to remove barriers to retention and career progression. Each nation's government's pay strategy needs to address the recruitment and retention crisis in the NHS.
- 4.9 The Royal College of Nursing told us only awarding a substantial and above inflation pay rise will begin to restore nursing pay. They also told us an RRP for nursing staff would encourage more people to stay working in the NHS, helping to address the increasing nursing shortages across the UK.
- 4.10 The Royal College of Midwives told us they supported a real terms, consolidated pay increase that starts to address the pay cuts staff have faced. They also support the implementation of the Real Living Wage across the NHS. In addition, they noted it was important to ensure there are sufficient skilled leaders in midwifery and, consequently, clinical Band 7 staff need to be incentivised to move into higher bands.
- 4.11 The Royal College of Podiatry told us they supported a percentage-based consolidated pay rise above inflation.
- 4.12 The Society of Radiographers told us they support a significant, above-inflation pay award for 2024/25 for all AfC staff. They also told us they support significantly increasing the starting salary for Band 5 new professionals to make an NHS professional career more competitive and sustainable, as well as a significant increase to the starting pay at Band 8a, alongside faster progression to an improved maxima for all managers and leaders in Bands 8 and 9.
- 4.13 The NHS Staff Side unions collectively have stated publicly that the 2024 pay rise must address staff retention issues and provide a meaningful pay increase relative to the cost of living. They have also highlighted the need to address structural issues affecting career progression.

Concluding remarks

- 4.14 The health and care systems in England, Northern Ireland and Wales continue to operate under significant strain, which will likely be the case for the foreseeable future. Getting access to services remains a fundamental issue along the health and care journey and people are struggling to get the care they need when they need it⁴⁰. A growing and ageing population also has a direct impact on the volume and complexity of the demand for services, and there are long waiting lists for elective care in each country.
- 4.15 Whilst governments are implementing plans to reduce waiting times and shorten waiting lists, patient satisfaction with the NHS has fallen to the lowest level recorded. Although waiting lists in England and Wales have started to come down, those in Northern Ireland have continued to rise, and across all three nations waiting lists are still significantly longer than they were prior to the COVID-19 pandemic. At the same time demand for primary, emergency and social care services is rising. In this context, parties were clear that further industrial action across the NHS would have a detrimental impact on staff and patients.

⁴⁰ [State of Care 2022/23 - Care Quality Commission \(cqc.org.uk\)](https://www.cqc.org.uk)

- 4.16 In England, the publication of the Long Term Workforce Plan has widely been viewed as an important step forward. In previous reports we have supported such a plan and welcome its publication. As a 15-year plan, the LTWP remains in its infancy. Delivery will depend on a number of factors, not least funding over the long-term and the achievement of productivity growth rates considerably in excess of past performance. Given the ambitions of the Plan, the NHS will have to be and to be seen as an attractive place to pursue a career. For this to happen, pay for AfC staff will have to be competitive with alternative roles outside the service. It is important to note that the LTWP applies only to England and not to Northern Ireland and Wales.
- 4.17 Over the past twelve months, AfC workforce data indicators have improved across the board. In England, the AfC workforce grew by 5.3% over this time which exceeds the planned annual rate of growth of the workforce of 4% contained in the LTWP and was supported by a joiner rate of 15.5%, despite the challenging context within which the NHS is operating. Wales and Northern Ireland have also seen workforce growth although at lower levels of 4.1% and 2.1%, respectively, over the past year.
- 4.18 Vacancies in the NHS in England and Northern Ireland have fallen recently, but there still remain over 100,000 AfC vacancies in England. The number of vacancies across the economy as a whole has also fallen but remains above pre-COVID-19 levels. Further sign of an easing of the labour market is that unemployment has increased by 300,000 in the year to March 2024, from 4.0% to 4.3%, but it still remains below the long term average. In this context it is important that the NHS remains competitive, and that it is seen as offering an attractive package of pay and benefits relative to other sectors.
- 4.19 New data provided by StatsWales present a more mixed picture of vacancies in Wales. In the longer-term these data will provide valuable insights. Temporary staffing spend in England has also reduced, although we remain concerned over the high and growing agency spend in Northern Ireland and Wales.
- 4.20 Recruitment has been strong; however much of the increase, particularly in nursing, has been down to recruitment from overseas. As other countries compete for international recruits, it is unclear whether reliance on international recruitment is sustainable. The LTWP aims to re-balance domestic training and recruitment, and NHSE set out their ambition to reduce international recruitment from 25% to between 9.0% and 10.5% of recruitment activity.
- 4.21 In this context, it is of vital importance that the NHS has a strong domestic training and recruitment pipeline across all AfC professions including those where staff are able to choose alternative work in the private sector. It is concerning to see that the number of applications for nursing and midwifery courses has fallen over the past two years. NHSE and DHSC told us the fall was expected, reflecting timing effects following the COVID-19 pandemic; however, they acknowledge that this trend needs to be reversed for the NHS workforce to grow to the levels envisaged. We look forward to hearing how plans progress.
- 4.22 It is positive that retention has improved, and leaver rates have reduced. This is a recent change, and it is important that it is sustained. Across the economy lower paid staff have seen significant pay rises in recent years following uplifts in the National Living Wage. We heard evidence about the attractiveness of employment opportunities for them outside of the NHS.
- 4.23 As discussed in Chapter 3, we are encouraged by the implementation and the take up of retire and return. This retains experience, skills and knowledge in the system for longer which is of benefit to other staff and to patients.

- 4.24 Despite the improvement in the data, the destination of leavers is important in assessing the flow of staff, and it remains of significant concern that this data is not accurately recorded across the NHS.
- 4.25 We have not yet received evidence that the different rates of pay in place across the UK are impacting on where staff choose to live and work. Looking ahead, we are open to receiving evidence about causal relationships between, on the one hand, differences in rates of pay and, on the other, labour flows between nations and regions or differences in rates of recruitment and retention across nations and regions.
- 4.26 Although the sickness absence rate has improved, it has not returned to the average prior to the COVID-19 pandemic. Sickness absence reduces the effective size of the workforce, can increase pressure on colleagues and is strongly related to workforce morale and motivation. We are concerned by reports of burnout as heard on our visits and in evidence, and by the significant increase seen in the number of sickness absence days due to anxiety, stress and depression.
- 4.27 It is encouraging that the NHS Staff Survey results for England in 2023 were improved from the results in 2022; however, the results for 2023 remain much worse than those recorded in 2019 and 2020. Satisfaction with pay has improved but it is still seven percentage points lower than the position in 2019. Whilst we recognise the importance of pay, morale and motivation across the workforce will be affected by a wider combination of factors, including leadership, culture and the total reward package. Early results from the People Promise Exemplar programme have shown how a focus on delivering the interventions set out in the People Promise could improve staff retention. We welcome NHSE prioritising roll out of the programme further.
- 4.28 Industrial action has had a profound impact on staff and patients. We heard from parties that continued industrial action by medical colleagues, and a perception of higher pay awards for that group of staff, has been disruptive across the service due to the interdependency of healthcare delivery and the combined contribution of multiple professions in providing care to patients. There was a consensus across parties that further industrial action would be significantly detrimental to staff and patients.
- 4.29 DHSC told us 2% was budgeted for pay at SR21 and this remains the case. The fiscal outlook is challenging, and there is considerable pressure on budgets. However, DHSC told us that the direct financial cost of industrial action across the NHS in England in 2023/24 had been £1.7 billion and that figure does not take account of the effects on patient care, waiting lists and staff morale. They noted this financial cost of industrial action is a relevant consideration when considering a pay award for 2024/25.
- 4.30 The Department of Health Northern Ireland remain in an extremely challenging financial position and told us they had no funding for a pay award in 2024/25.
- 4.31 The Welsh Government told us resource funding for health and social services will be 4% higher in 2024/25 than it was in 2023/24.
- 4.32 We are conscious that decisions about how to fund pay awards can result in difficult choices being made. This reprioritisation may include capital expenditure being reduced to help fund pay increases. Such decisions would have knock-on effects on staff and on patient care, and could hinder the pursuit of higher productivity. Governments told us in evidence that reprioritisation could be required this year if pay awards were higher than those budgeted for.

- 4.33 CPI has fallen from a 41-year high of 11.1% in October 2022 and it is forecast to fall further through 2024 to, or close to, the 2% target, although, as always, there is uncertainty around the forecasts. However, falling inflation does not reverse previous steep price increases and the Bank Rate remains high at 5.25%, which is having a significant impact on personal finances.
- 4.34 Headline regular annual earnings growth was 6% in February 2024. CPI inflation in February was 3.4% and fell to 3.2% in March. Median pay settlements reported across the economy in Q1 2024 ranged from 4.8% - 5.3%. Preliminary analysis of the first April 2024 settlements by Brightmine found a median basic pay award for April of 5%, with an inter-quartile range of 4-5.5%. IDR analysis of settlements for the three months to April shows that the median pay award across the economy is likely to remain at 5%.
- 4.35 It is clear that compression of the AfC pay structure over a number of years is a matter of concern to staff and their representatives. Weighing the evidence, those concerns are greatest with respect to Bands 1 to 3 and, in particular, with the step from Band 7 to Band 8a, given the associated change in overtime and unsocial hours allowances. In light of the challenges facing healthcare, the NHS needs to ensure the broadest pool of talent is applying for leadership positions. Staff need to be incentivised to do so, and we have heard that the structure of AfC can act as a disincentive to securing that outcome.

Our recommendations

- 4.36 Although the fiscal position across the UK remains challenging, investment in NHS staff is imperative to meet the needs of patients, reduce elective waiting lists and grow the NHS workforce as set out in the LTWP for England. In addition, the NHS is experiencing significant technological and operational change. It is essential that pay, at this critical juncture for the NHS, does not become a reason that staff leave the NHS and that it is sufficiently competitive to attract people into NHS careers. Although inflation has fallen over the past 12 months from 10.1% in March 2023 to 3.2% in March 2024, headline regular annual earnings growth was 6% in March 2024, and pay settlements across the economy are averaging 5% so far in 2024.
- 4.37 It was clear from all parties that a uniform consolidated percentage pay award for staff at all levels is the most appropriate pay award in 2024/25.
- 4.38 Industrial action across the NHS has been disruptive and had a negative impact on both staff and patients. Although DHSC told us 2% was in NHS budgets for pay, industrial action across the NHS in England carried a direct financial cost of £1.7 billion in 2023/24 and there was a consensus across parties that levels of pay should not give occasion to further industrial action across the NHS workforce.
- 4.39 Reflecting these key issues and balancing all of our terms of reference, our 2024/25 pay recommendation is for a consolidated 5.5% increase with effect from 1 April 2024 for all AfC staff.**
- 4.40 It is also clear that action needs to be taken to ensure there are sufficient incentives throughout the AfC pay structure to make sure the best talent in the service is motivated to apply for promotion. In particular, for a number of years, we have repeatedly heard evidence from parties that staff are disincentivised from taking promotion from Band 7 to Band 8a, where the pay uplift can be as little as 1.8%, and staff also lose their additional unsocial hours payments and the ability to earn overtime.

- 4.41 Compounding this, staff at bands 8a and above then wait five years for progression, where staff at most other bands are eligible for pay progression after two years. We have heard that these restrictions mean that in order to retain staff, some people are moved to a higher band without taking on additional duties. Where promotion or rebanding is taking place on a more informal or unstructured basis, there is a risk of inconsistency and that promotions are not accessible to all in the same way. It is important that the NHS is able to retain and motivate all managers on whom the service is depending on to lead elective recovery and drive the productivity improvements set out in the LTWP. **On this basis, we additionally recommend that an intermediate pay point is added at each of Bands 8a, 8b, 8c, 8d and 9 to which staff should progress after two years at the respective band.** Appendix C sets this out in detail.
- 4.42 This recommendation begins the process of ameliorating the concerns we heard in evidence regarding the AfC pay structure. However, we remain concerned about structural issues which may be impacting on morale and motivation of the AfC workforce and acting as disincentives for promotion. These concerns include matters such as compression of the pay structure over a number of years and the arrangements regarding unsocial hours payments at Bands 1 to 3.
- 4.43 From our discussions with parties, it appears that such structural pay matters are most appropriately addressed by the NHS Staff Council and that it would undertake such work following receipt of a mandate from DHSC. **We therefore recommend that the UK Government provides the NHS Staff Council with a funded mandate to resolve outstanding concerns within the AfC pay structure.** Maintaining the integrity of the AfC contract across England, Northern Ireland and Wales will require all three administrations to be engaged in such a process. For that reason, **we also recommend to the Northern Ireland Executive and the Welsh Government that they support the issuance of a funded mandate to the NHS Staff Council and that they work with the Staff Council, their social partners and with the UK Government on this matter.**
- 4.44 Finally, we were clear in our 34th, 35th and 36th reports that the review of nursing and midwifery banding carried out by the NHS Staff Council is important and timely work. We welcome the progress made and the initial evidence report. The review should now be completed promptly, and any resulting job profile reviews should be planned and budgeted for as soon as feasibly possible.

Appendix A AfC pay deals 2023/24 – non pay measures

1. The below sets out the non-pay elements of the pay deals the UK Government (with respect to England) and the Welsh Government agreed with Trade Unions.

UK Government (with respect to AfC staff in England)⁴¹

- **Support to nursing staff:** the government committed to addressing some specific challenges around recruitment, retention and career development and will work with employers and trade unions to improve opportunities for nursing career progression.
- **Building a workforce for the future:** In June 2023, NHS England published a comprehensive NHS Long Term Workforce Plan. The government set out how this will be implemented, to ensure the NHS can recruit and retain the staff it needs in the future to meet the growing and changing health and wellbeing needs of patients.
- This will support the government’s ambition to reduce reliance on agency workers and bring down agency spend as a proportion of NHS budgets. The government, employers and trade unions are committed to working in partnership to help deliver this aim.
- To meet the growing and changing needs of patients, and provide safe and high-quality care, an effective NHS needs clinical services – such as nursing, midwifery, allied health professional and ambulance staff - to have appropriate staffing levels. As part of the work to implement the NHS Long Term Workforce Plan, the government will ask NHS England to review the existing arrangements used to make sure that there are sufficient staff. This will include developing a national evidence-based policy framework building on existing safe staffing arrangements. The government will also look at approaches taken in other parts of the UK and relevant international comparators to ensure this framework is informed by best practice, focusing on key groups such as registered nurses, including both statutory and non-statutory models.
- **Career development and support:** the government heard the concerns on career development and progression for NHS staff. The government wants to address these issues and will work with employers and unions to improve career development in three ways:
 - Agree amendments to terms and conditions to ensure that existing NHS staff will not suffer a detriment to their basic pay when they undertake apprenticeships.
 - Improving support for newly qualified healthcare registrants, commissioning NHS England to review the support those transitioning from training into practice receive.
 - The NHS Staff Council will consider how the work to maintain and update national Job Profiles undertaken by the Job Evaluation Group can be applied fairly and appropriately to aid career development.
- **Pay setting process:** the government is committed to ensuring that the pay setting process and the NHS Pay Review Body (NHSPRB) operates effectively. As part of this process, it will take the views of employers and trade unions into account and will:

⁴¹ <https://www.nhsemployers.org/offer-in-principle>

- review the timing and appointment process for the NHS Pay Review Body (NHSPRB)
 - look at ways for the NHS Staff Council to have greater input into NHSPRB
 - identify ways to reduce the duplication of data on the NHS workforce and labour market provided by parties to the NHSPRB.
- **Tackling violence and aggression:** the government will ask the existing groups established in the NHS Social Partnership Forum working on violence reduction to work with the health and wellbeing group of the NHS Staff Council to identify ways to tackle and reduce violence against NHS staff.
 - **Pension abatement:** in October 2022, the government extended the suspension of NHS pension abatement rules for special class status members. This extension is currently planned to run until March 2025; to support retention measures, the government's intention is to make this easement permanent, and they will consult on this change shortly.
 - **Cap for redundancy payments:** the NHS Staff Council will consider the application of a cap to redundancy payments of £100,000 and over.

Welsh Government (with respect the AfC staff in Wales)⁴²

- **Unsocial hours payments:** Payments for unsocial hours during sickness absence were reinstated after one week's sickness absence from March 2023. This will be subject to a review. A commitment has been made to the reinstatement of these payments after three weeks' sickness absence irrespective of the outcome of the review.
- **Career progression:** Working group set up to review and consider career progression arrangements and opportunities starting with nurse and other health are professional's progression from graduate entry level band 5 to 6. There is a shared aim of improving ability for individual progression in their professional field/staff group, valuing experience and role development through the development of a framework.
- A partnership Job Evaluation/Job Description review group has been set up. A Joint Policy Statement regarding the need to ensure roles are well designed, in line with the role profiles and that day-to-day expectations fit with the pay band of individuals has been agreed. A review is then planned which will develop proposals for the implementation of All-Wales Job Descriptions for high priority, high volume roles to support fairness, equity, flexibility, and portability across NHS Wales, together with proposals for an All-Wales Job Description Review policy.
- **Flexible working:** Welsh Partnership Forum joint statement in support of providing opportunities for flexible working was published in June 2023 incorporating the need for organisations to adhere to the Retire and Return minimum standards. The new All Wales Flexible Working policy has been agreed at the full Welsh Partnership Forum and issued to the Service for implementation.
- **Working hours:** A joint working group has been established. The group is currently undertaking a watching brief of NHS Scotland who are further head in their

⁴² Welsh Government written evidence to the NHS Pay Review Body 2024/25

considerations. NHS organisations are also carrying out work at local level to understand the implications at local level. A report will be developed by the end of March 2024 to support Business Committee consideration of whether a 36-hour working week is feasible, affordable and an agreed priority for all partners within NHS Wales.

- **Reduction in use of agency/flexible workforce capacity:** A partnership group has been established including expertise from NHS Organisations as well as NHS Executive financial and workforce planning specialists. Following discussions, a Welsh Health Circular was issued 13th December All-Wales control framework for flexible workforce capacity (WHC/2023/046) which sets out a phased approach of coordinated action to reduce expenditure on agency staff within NHS Wales.
- A key objective for this work is “transparent, consistent, and equitable application of existing agreed national terms and conditions, ensuring we pay our employed workforce for their contractual and any additional hours worked at the appropriate contractual rate with clear rates”.
- **Retention strategy:** HEIW has published a Nurse Retention Plan (The NRP) following significant engagement and agreement with partners. This has been shared with CEOs, WODs and Retention leads in delivery organisations as part of a new National Retention Programme of work. The 2-year programme provides funding for a retention lead role to be recruited in each organisation, a suite of tools and resources and the establishment of a retention community of practice to share best practice and support delivery, improvement, and evaluation. The NRP is a key deliverable from phase 1 of the Strategic Nursing Workforce Plan currently under development.
- Business cases for the introduction of any Recruitment and Retention Payments (RRPs) are routinely presented to the Welsh Partnership Forum Business Committee for approval in line with the protocol. A communication has been issued to all W&OD Directors advising them of when it is appropriate to use RRP (referencing the need to ensure that job descriptions are up to date and matched appropriately) and reminding them of the approval mechanism.
- **Retire and return:** A partnership group has been established to take forward the development of an All-Wales Pension Flexibilities policy. Reference to retire and return/partial retirement will be included in this policy. It is anticipated that a jointly agreed policy statement will be issued in January 2024 and the policy itself in February 2024.
- **Health and wellbeing:** Significant work in the area of health and wellbeing is being taken forward at both All-Wales and organisational levels. Several elements of the National Workforce Implementation Plan are relevant to delivery of this item of the non -pay agreement as are a number of local initiatives developed under compassionate management and general health and wellbeing plans. The draft health and wellbeing framework – an action from the Workforce Strategy for Health & Care and the National Workforce Improvement Plan - has been developed in partnership and will be shared for agreement at the next WPF meeting. A partnership group is being established to review returns from the Local Partnership Forums which are relevant to health & wellbeing and to liaise with service co-ordinating groups in order to provide assurance / make recommendations on further steps as required.

- **CPD:** Health Education and Improvement Wales is leading on the development of a CPD strategy for NHS Wales and consultation is about to begin with the strategy likely to be published in advance of the August 2024 deadline. A partnership group has been established to provide assurance that the commitments made in the non-pay element of the agreement with regard to protected time for CPD are being delivered.
- **Partnership Agreement Hub:** The Welsh Partnership Forum hub has been developed and is hosted on the NHS Wales Employers website. A process for dealing with situations where there is disagreement over the interpretation of an agreed policy within an NHS organisation has been developed and is included in the Protocol for the Review & Development of All Wales policies.
- **Ensuring safe and effective care:** An All-Wales escalation policy has been developed by operational leads, with wider nursing and other executive director level involvement. There is also direct social partner involvement in groups developing definitions and approaches impacting the non-pay agreement (exceptional circumstances through the named responsible executive for corridor care etc and “must not dos” in terms of care in inappropriate settings).
- **Pay restoration:** Welsh Government has committed to the principle of pay restoration to 2008 levels. A collective Welsh Partnership Forum trade union side position on the effectiveness of the Pay Review Body process for future years is being sought and a tripartite meeting has been held.

Appendix B Agenda for Change Pay Bands 2023/24

England and Northern Ireland

Pay band	Entry step point (£)	Years eligible for pay progression	Intermediate step point (£)	Years eligible for pay progression	Top step point (£)
1	22,383				
2	22,383				
3	22,816	2			24,336
4	25,147	3			27,596
5	28,407	2	30,639	2	34,581
6	35,392	2	37,350	3	42,618
7	43,742	2	45,996	3	50,056
8a	50,952	5			57,349
8b	58,972	5			68,525
8c	70,417	5			81,138
8d	83,571	5			96,376
9	99,891	5			114,949

Wales

Pay band	Entry step point (£)	Years eligible for pay progression	Intermediate step point (£)	Years eligible for pay progression	Top step point (£)
1	22,720				
2	22,720				
3	23,159	2			24,701
4	25,524	3			28,010
5	28,834	2	31,099	2	35,099
6	35,922	2	37,911	3	43,257
7	44,398	2	46,686	3	50,807
8a	51,706	5			58,210
8b	59,857	5			69,553
8c	71,473	5			82,355
8d	84,825	5			97,822
9	101,390	5			116,673

Appendix C Recommended Agenda for Change Pay Bands 2024/25

- Below sets out the recommended AfC pay bands to be effective from 1 April 2024 including the recommended intermediate pay points at Bands 8a, 8b, 8c, 8d and 9 which we are recommending are also effective from 1 April 2024.

England and Northern Ireland

Pay band	Entry step point (£)	Years eligible for pay progression	Intermediate step point (£)	Years eligible for pay progression	Top step point (£)
1	23,614				
2	23,614				
3	24,071	2			25,674
4	26,530	3			29,114
5	29,969	2	32,324	2	36,483
6	37,339	2	39,404	3	44,962
7	46,148	2	48,526	3	52,809
8a	53,754	2	56,454	3	60,503
8b	62,215	2	66,247	3	72,294
8c	74,290	2	78,814	3	85,601
8d	88,167	2	93,571	3	101,677
9	105,385	2	111,739	3	121,271

Wales

Pay band	Entry step point (£)	Years eligible for pay progression	Intermediate step point (£)	Years eligible for pay progression	Top step point (£)
1	23,970				
2	23,970				
3	24,433	2			26,060
4	26,928	3			29,551
5	30,420	2	32,809	2	37,029
6	37,898	2	39,996	3	45,636
7	46,840	2	49,254	3	53,601
8a	54,550	2	57,295	3	61,412
8b	63,149	2	67,241	3	73,378
8c	75,404	2	79,996	3	86,885
8d	89,490	2	94,975	3	103,202
9	106,966	2	113,416	3	123,090

Appendix D Remit letters

Letter from the Secretary of State for Health and Social Care, 21 December 2023



*From the Rt Hon Victoria Atkins MP
Secretary of State for Health and Social Care*

*39 Victoria Street
London
SW1H 0EU*

020 7210 4850

21 December 2023

Dear Mr Boyle,

I would firstly like to offer my thanks to the NHS Pay Review Body (NHSPRB) for the work over the past year on the 2023-2024 report, and your patience with what has been an exceptional year for pay setting. The Government appreciates the independent, expert advice and valuable contribution that the NHSPRB makes.

I write to you now to formally commence the 2024-2025 pay round and ask the NHSPRB for recommendations for the Agenda for Change workforce from April 2024. I am asking you to provide recommendations in line with your terms of reference and would welcome your report in May 2024.

It is vital that the PRBs consider the historic nature of the 2023-24 awards and the Government's affordability position that will be set out further in written evidence.

As always, whilst your remit covers the whole of the United Kingdom, it is for each administration to make its own decisions on its approach to this year's pay round and to communicate this to you directly.

As part of the deal negotiated with Agenda for Change unions, the Government is committed to ensuring the pay setting process and the NHSPRB operates effectively. Work on this commitment is already underway via a series of engagement sub-groups with trade unions, employers and others.

I would like to thank you again for your and the Review Body's invaluable contribution to the pay round and look forward to receiving your 2024-2025 report in due course.

Yours ever,

A handwritten signature in blue ink that reads "Victoria Atkins".

RT HON VICTORIA ATKINS MP

Letter from the Permanent Secretary of the Department of Health Northern Ireland, 10 January 2024

**From the Permanent Secretary
and HSC Chief Executive**



Stephen Boyle
Interim Chair of NHS Pay Review Body
Office of Manpower Economics
Fleetbank House
2-6 Salisbury Square
London
EC4Y 8JX

Alex.Ryder@businessandtrade.gov.uk

Castle Buildings
Stormont Estate
Upper Newtownards Road
BELFAST
BT4 3SQ

Tel: 028 90 520559

Email: peter.may@health-ni.gov.uk

Our ref: SSUB-0015-2024

Date: 10 January 2024

Dear Mr Boyle

NHSPRB 2024/25 PAY ROUND

I am writing to formally commence the 2024/25 pay round for Agenda for Change (AfC) staff in Northern Ireland. I wish to begin by thanking the NHS Pay Review Body for its invaluable work on the 2023/24 pay round and your observations in relation to the current circumstances around NHS pay, particularly as regards workforce challenges, including recruitment and retention.

I previously wrote to the outgoing Chair in August this year to advise of the ongoing challenging outlook for our financial position, and to confirm that it would remain my intention to recommend a continuing policy of pay parity with England should an Executive be restored and sufficient funding secured. As the Executive has yet to reform the position remains unchanged.

It is recognised that this is not the position we would want to be in: appropriate reward and recognition for our staff is clearly an important part of demonstrating that we value the work that they undertake. I continue to look at what we can do in the current situation.

I do, however, want to emphasise that the work of the NHS Pay Review Body in providing recommendations will be of great value to the Department. That will become most evident in the event of any prospective resolution and the return of our political institutions.

I would therefore welcome your pay recommendations for health and social care staff in Northern Ireland. The Department will, of course, keep you updated in regard to any progress made in respect of 2023/24 awards

Yours sincerely



PETER MAY

Eluned Morgan AS/MS
Y Gweinidog Iechyd a Gwasanaethau Cymdeithasol
Minister for Health and Social Services



Llywodraeth Cymru
Welsh Government

Stephen Boyle
Interim Chair of NHS Pay Review Body

NHSPRB@beis.gov.uk

30 January 2024

Dear Stephen,

I would like to thank you for the NHSPRB's hard work and independent observations in the 2023-24 round which have been invaluable.

I am now writing to formally commence the 2024-25 pay round for Agenda for Change staff in Wales.

In order to support your work, I will provide written evidence to the Pay Review Body and I also plan to attend the oral evidence session when arranged.

I would like to take this opportunity to say I truly value the hard work and commitment of all our dedicated healthcare workers in Wales and recognised the pressures on our workforce.

Therefore, I would like to receive your advice and recommendations as soon as possible to ensure that payment of any award to our dedicated NHS workforce is not unduly delayed past April 2024.

I would like to thank you again for your and the NHSPRB's invaluable observations and I look forward to receiving your advice and recommendations.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'M. E. Morgan'.

Eluned Morgan AS/MS
Y Gweinidog Iechyd a Gwasanaethau Cymdeithasol
Minister for Health and Social Services

Appendix E 2023 NHS Staff Survey results, England

1. Tables in this Appendix, show some of the results, from the NHS staff survey in England between 2019 and 2023, for a range of engagement and job satisfaction and workload indicators, for different groups of staff.

Registered nurses and midwives

Selected engagement and job satisfaction results from the NHS Staff Survey, England, 2019 to 2023

Measure	Question number in 2023 survey	2019	2020	2021	2022	2023	Trend ¹
Engagement and job satisfaction							
I look forward to going to work	2a	62.4%	60.0%	52.1%	52.4%	56.6%	
I am enthusiastic about my job	2b	79.2%	76.1%	69.0%	68.7%	72.0%	
Time passes quickly when I am working	2c	82.6%	80.2%	77.3%	76.2%	76.4%	
The recognition I get for good work	4a	59.7%	57.6%	51.0%	51.2%	54.7%	
My immediate manager values my work	9e	75.5%	74.1%	72.3%	72.8%	74.4%	
Considering leaving the NHS ²	26d (3 to 5)	19.7%	19.7%	24.1%	25.7%	21.1%	
Recommend my organisation as a place to work	25c	65.0%	67.1%	58.4%	56.9%	62.4%	
The extent to which my organisation values my work	4b	48.4%	47.8%	40.3%	39.9%	44.3%	
My level of pay	4c	36.4%	32.5%	28.0%	18.6%	27.7%	
Percentage of staff experiencing harassment, bullying or abuse from patients, relatives or the public in last 12 months ²	14a	39.9%	37.5%	38.3%	38.5%	35.8%	

Selected workload results from the NHS Staff Survey, England, 2019 to 2023

Measure	Question number in 2023 survey	2019	2020	2021	2022	2023	Trend ¹
Workload							
I am able to meet all the conflicting demands on my time at work	3g	42.3%	43.4%	38.3%	38.8%	44.3%	
I have adequate materials, supplies and equipment to do my work	3h	55.0%	58.7%	54.6%	52.6%	57.2%	
There are enough staff at this organisation for me to do my job properly	3i	28.6%	33.4%	21.4%	21.3%	29.1%	
During the last 12 months have you felt unwell as a result of work related stress? ²	11c	44.0%	49.0%	52.9%	50.3%	45.8%	
Achieve good balance between work and home life	6c			48.8%	48.9%	54.2%	
Feeling burnt out because of work ²	12b			40.5%	39.7%	34.4%	
Percentage of staff working PAID hours over and above their contracted hours? ²	10b	41.7%	40.9%	44.5%	46.4%	45.0%	
Percentage of staff working UNPAID hours over and above their contracted hours? ²	10c	67.5%	65.3%	66.8%	65.7%	60.5%	

(1) Trend lines do not have any common scale; they show the general direction of travel of individual key findings (which may exaggerate fairly small changes), and must be viewed in both the context of the preceding columns and the full range of possible scores for each measure. (2) Lower scores are better in these cases.

AHPs, healthcare scientists, scientific & technical staff

Selected engagement and job satisfaction results from the NHS Staff Survey, England, 2019 to 2023

Measure	Question number in 2023 survey	2019	2020	2021	2022	2023	Trend ¹
Engagement and job satisfaction							
I look forward to going to work	2a	58.0%	57.0%	51.2%	51.1%	53.0%	
I am enthusiastic about my job	2b	75.5%	73.4%	68.4%	67.9%	69.7%	
Time passes quickly when I am working	2c	77.8%	76.0%	73.5%	73.1%	72.7%	
The recognition I get for good work	4a	58.3%	58.2%	53.4%	53.6%	55.4%	
My immediate manager values my work	9e	75.3%	74.9%	72.9%	73.6%	74.5%	
Considering leaving the NHS ²	26d (3 to 5)	20.1%	18.7%	23.3%	25.0%	22.9%	
Recommend my organisation as a place to work	25c	63.9%	67.6%	60.4%	58.2%	61.4%	
The extent to which my organisation values my work	4b	48.0%	48.3%	43.2%	42.9%	45.1%	
My level of pay	4c	41.1%	39.7%	35.3%	27.1%	33.0%	
Percentage of staff experiencing harassment, bullying or abuse from patients, relatives or the public in last 12 months ²	14a	22.7%	20.7%	21.0%	21.3%	19.7%	

Selected workload results from the NHS Staff Survey, England, 2019 to 2023

Measure	Question number in 2023 survey	2019	2020	2021	2022	2023	Trend ¹
Workload							
I am able to meet all the conflicting demands on my time at work	3g	41.6%	43.9%	38.7%	37.9%	41.3%	
I have adequate materials, supplies and equipment to do my work	3h	51.8%	56.8%	52.9%	50.9%	53.3%	
There are enough staff at this organisation for me to do my job properly	3i	29.6%	36.3%	24.5%	23.4%	28.6%	
During the last 12 months have you felt unwell as a result of work related stress? ²	11c	40.6%	44.6%	47.3%	45.0%	42.5%	
Achieve good balance between work and home life	6c			51.5%	51.5%	54.4%	
Feeling burnt out because of work ²	12b			35.0%	35.0%	32.2%	
Percentage of staff working PAID hours over and above their contracted hours? ²	10b	31.1%	29.2%	32.0%	33.3%	31.2%	
Percentage of staff working UNPAID hours over and above their contracted hours? ²	10c	57.1%	55.7%	57.9%	57.5%	53.7%	

(1) Trend lines do not have any common scale; they show the general direction of travel of individual key findings (which may exaggerate fairly small changes), and must be viewed in both the context of the preceding columns and the full range of possible scores for each measure. (2) Lower scores are better in these cases.

Ambulance (operational staff)

Selected engagement and job satisfaction results from the NHS Staff Survey, England, 2019 to 2023

Measure	Question number in 2023 survey	2019	2020	2021	2022	2023	Trend ¹
Engagement and job satisfaction							
I look forward to going to work	2a	55.6%	55.6%	44.5%	44.2%	48.1%	
I am enthusiastic about my job	2b	70.3%	69.1%	58.5%	58.0%	61.8%	
Time passes quickly when I am working	2c	55.7%	54.7%	47.4%	45.8%	48.0%	
The recognition I get for good work	4a	36.5%	35.8%	27.3%	29.5%	32.6%	
My immediate manager values my work	9e	59.4%	59.2%	51.5%	54.2%	57.9%	
Considering leaving the NHS ²	26d (3 to 5)	22.1%	19.3%	26.5%	28.3%	24.7%	
Recommend my organisation as a place to work	25c	51.6%	55.7%	40.7%	39.4%	45.8%	
The extent to which my organisation values my work	4b	31.1%	31.4%	22.0%	22.7%	26.3%	
My level of pay	4c	26.6%	25.2%	22.6%	15.8%	23.6%	
Percentage of staff experiencing harassment, bullying or abuse from patients, relatives or the public in last 12 months ²	14a	55.0%	53.6%	53.4%	52.1%	52.6%	

Selected workload results from the NHS Staff Survey, England, 2019 to 2023

Measure	Question number in 2023 survey	2019	2020	2021	2022	2023	Trend ¹
Workload							
I am able to meet all the conflicting demands on my time at work	3g	35.1%	39.2%	30.5%	30.7%	36.3%	
I have adequate materials, supplies and equipment to do my work	3h	56.5%	58.0%	49.5%	51.4%	56.0%	
There are enough staff at this organisation for me to do my job properly	3i	28.4%	36.1%	18.0%	19.4%	27.6%	
During the last 12 months have you felt unwell as a result of work related stress? ²	11c	51.5%	51.5%	60.6%	58.7%	53.8%	
Achieve good balance between work and home life	6c			33.8%	34.7%	39.2%	
Feeling burnt out because of work ²	12b			51.0%	49.3%	41.7%	
Percentage of staff working PAID hours over and above their contracted hours? ²	10b	81.0%	79.1%	81.2%	80.8%	77.7%	
Percentage of staff working UNPAID hours over and above their contracted hours? ²	10c	37.4%	35.5%	36.6%	36.6%	34.5%	

(1) Trend lines do not have any common scale; they show the general direction of travel of individual key findings (which may exaggerate fairly small changes), and must be viewed in both the context of the preceding columns and the full range of possible scores for each measure. (2) Lower scores are better in these cases.

Nursing and healthcare assistants

Selected engagement and job satisfaction results from the NHS Staff Survey, England, 2019 to 2023

Measure	Question number in 2023 survey	2019	2020	2021	2022	2023	Trend ¹
Engagement and job satisfaction							
I look forward to going to work	2a	64.4%	63.3%	54.0%	54.6%	59.4%	
I am enthusiastic about my job	2b	78.8%	76.6%	69.6%	69.3%	72.8%	
Time passes quickly when I am working	2c	70.6%	67.8%	63.7%	63.5%	64.2%	
The recognition I get for good work	4a	57.6%	55.9%	47.6%	48.9%	53.1%	
My immediate manager values my work	9e	71.6%	70.7%	66.9%	68.4%	71.0%	
Considering leaving the NHS ²	26d (3 to 5)	16.9%	15.5%	20.4%	22.0%	18.1%	
Recommend my organisation as a place to work	25c	66.7%	69.9%	59.8%	58.1%	64.1%	
The extent to which my organisation values my work	4b	50.5%	48.3%	39.0%	39.8%	45.2%	
My level of pay	4c	24.5%	22.0%	16.9%	13.3%	19.9%	
Percentage of staff experiencing harassment, bullying or abuse from patients, relatives or the public in last 12 months ²	14a	38.5%	37.2%	38.7%	39.5%	37.2%	

Selected workload results from the NHS Staff Survey, England, 2019 to 2023

Measure	Question number in 2023 survey	2019	2020	2021	2022	2023	Trend ¹
Workload							
I am able to meet all the conflicting demands on my time at work	3g	54.6%	55.0%	49.8%	49.9%	54.3%	
I have adequate materials, supplies and equipment to do my work	3h	62.8%	63.7%	60.1%	56.5%	63.0%	
There are enough staff at this organisation for me to do my job properly	3i	31.9%	36.6%	24.7%	24.6%	32.9%	
During the last 12 months have you felt unwell as a result of work related stress? ²	11c	40.0%	46.0%	49.5%	47.4%	42.2%	
Achieve good balance between work and home life	6c			53.2%	53.7%	58.4%	
Feeling burnt out because of work ²	12b			38.0%	37.4%	30.9%	
Percentage of staff working PAID hours over and above their contracted hours? ²	10b	48.9%	47.8%	50.7%	52.6%	50.6%	
Percentage of staff working UNPAID hours over and above their contracted hours? ²	10c	32.6%	30.4%	33.1%	32.9%	28.2%	

(1) Trend lines do not have any common scale; they show the general direction of travel of individual key findings (which may exaggerate fairly small changes), and must be viewed in both the context of the preceding columns and the full range of possible scores for each measure. (2) Lower scores are better in these cases.

Wider healthcare team

Selected engagement and job satisfaction results from the NHS Staff Survey, England, 2019 to 2023

Measure	Question number in 2023 survey	2019	2020	2021	2022	2023	Trend ¹
Engagement and job satisfaction							
I look forward to going to work	2a	53.8%	55.7%	52.1%	52.5%	53.4%	
I am enthusiastic about my job	2b	67.7%	68.0%	64.3%	64.1%	64.7%	
Time passes quickly when I am working	2c	72.6%	73.5%	71.7%	71.2%	70.1%	
The recognition I get for good work	4a	57.5%	58.3%	55.2%	56.6%	57.4%	
My immediate manager values my work	9e	71.8%	72.1%	71.1%	72.6%	73.1%	
Considering leaving the NHS ²	26d (3 to 5)	20.4%	18.0%	21.4%	22.2%	21.3%	
Recommend my organisation as a place to work	25c	60.4%	65.6%	60.7%	58.8%	60.6%	
The extent to which my organisation values my work	4b	47.1%	48.2%	45.0%	46.1%	47.1%	
My level of pay	4c	36.1%	36.8%	34.2%	31.1%	35.0%	
Percentage of staff experiencing harassment, bullying or abuse from patients, relatives or the public in last 12 months ²	14a	15.9%	14.2%	15.1%	15.1%	13.7%	

Selected workload results from the NHS Staff Survey, England, 2019 to 2023

Measure	Question number in 2023 survey	2019	2020	2021	2022	2023	Trend ¹
Workload							
I am able to meet all the conflicting demands on my time at work	3g	53.9%	55.3%	52.5%	52.5%	54.9%	
I have adequate materials, supplies and equipment to do my work	3h	59.6%	64.8%	64.8%	64.6%	65.9%	
There are enough staff at this organisation for me to do my job properly	3i	38.5%	45.4%	36.7%	35.6%	40.1%	
During the last 12 months have you felt unwell as a result of work related stress? ²	11c	35.9%	38.1%	38.7%	36.3%	35.0%	
Achieve good balance between work and home life	6c			61.0%	62.1%	63.5%	
Feeling burnt out because of work ²	12b			25.1%	24.4%	23.1%	
Percentage of staff working PAID hours over and above their contracted hours? ²	10b	20.4%	18.8%	21.8%	23.8%	21.5%	
Percentage of staff working UNPAID hours over and above their contracted hours? ²	10c	42.7%	45.9%	47.6%	46.5%	43.7%	

(1) Trend lines do not have any common scale; they show the general direction of travel of individual key findings (which may exaggerate fairly small changes), and must be viewed in both the context of the preceding columns and the full range of possible scores for each measure. (2) Lower scores are better in these cases.

'Other' staff

Selected engagement and job satisfaction results from the NHS Staff Survey, England, 2019 to 2023

Measure	Question number in 2023 survey	2019	2020	2021	2022	2023	Trend ¹
Engagement and job satisfaction							
I look forward to going to work	2a	61.5%	61.9%	57.4%	57.7%	59.1%	
I am enthusiastic about my job	2b	76.0%	75.3%	70.8%	70.5%	71.5%	
Time passes quickly when I am working	2c	78.3%	78.5%	75.9%	75.4%	74.9%	
The recognition I get for good work	4a	63.0%	62.5%	59.1%	59.7%	60.9%	
My immediate manager values my work	9e	76.5%	75.6%	74.0%	75.2%	76.0%	
Considering leaving the NHS ²	26d (3 to 5)	17.6%	15.4%	18.6%	19.9%	18.5%	
Recommend my organisation as a place to work	25c	65.5%	69.8%	64.2%	62.2%	64.0%	
The extent to which my organisation values my work	4b	54.2%	54.3%	50.2%	50.6%	52.3%	
My level of pay	4c	46.3%	45.5%	42.8%	37.4%	42.6%	
Percentage of staff experiencing harassment, bullying or abuse from patients, relatives or the public in last 12 months ²	14a	14.0%	13.4%	14.2%	14.5%	13.1%	

Selected workload results from the NHS Staff Survey, England, 2019 to 2023

Measure	Question number in 2023 survey	2019	2020	2021	2022	2023	Trend ¹
Workload							
I am able to meet all the conflicting demands on my time at work	3g	51.2%	52.8%	50.0%	50.1%	52.1%	
I have adequate materials, supplies and equipment to do my work	3h	59.6%	64.4%	63.2%	62.5%	62.8%	
There are enough staff at this organisation for me to do my job properly	3i	39.0%	44.6%	35.7%	34.3%	38.6%	
During the last 12 months have you felt unwell as a result of work related stress? ²	11c	37.7%	39.9%	40.6%	39.0%	37.5%	
Achieve good balance between work and home life	6c			57.7%	58.2%	60.5%	
Feeling burnt out because of work ²	12b			29.0%	28.6%	26.7%	
Percentage of staff working PAID hours over and above their contracted hours? ²	10b	20.5%	20.3%	24.0%	24.8%	22.9%	
Percentage of staff working UNPAID hours over and above their contracted hours? ²	10c	62.8%	62.3%	61.0%	60.5%	58.1%	

(1) Trend lines do not have any common scale; they show the general direction of travel of individual key findings (which may exaggerate fairly small changes), and must be viewed in both the context of the preceding columns and the full range of possible scores for each measure. (2) Lower scores are better in these cases.

E03144188
978-1-5286-5002-1