



Department
of Health &
Social Care

*From Rt Hon Steve Barclay MP
Secretary of State for Health and Social Care*

*39 Victoria Street
London
SW1H 0EU*

020 7210 4850

To: All MPs in England and Peers

17 March 2023

Dear Colleague,

NEW PAY OFFER FOR NHS STAFF

I am pleased that after intensive talks, I have made a formal offer on pay to unions representing over one million NHS staff on the Agenda for Change contract.

The NHS Staff Council has discussed this offer and the Royal College of Nursing, UNISON, GMB, the Chartered Society of Physiotherapy and the British Dietetic Association will recommend the offer to their members in consultations that will be held over the coming weeks. Strike action will continue to be paused while they are consulted.

Under the offer, staff on the Agenda for Change contract would receive two non-consolidated payments for 2022/23 on top of the at least £1,400 pay increase that they have already received.

All staff would receive an award worth of 2% of their salary for 2022/23. In addition, staff would receive a one-off NHS Backlog Bonus which recognises the sustained pressure facing the NHS following the COVID-19 pandemic and the extraordinary effort these members of staff have been making to meet the Prime Minister's promise to cut waiting lists. This bonus is an investment worth an additional 4% of the Agenda for Change paybill. With both of these payments, a nurse at the top of band 5, for example, would receive over £2,000 in non-consolidated payments for 2022/23.

For 2023/24, the government has offered a 5% consolidated increase in pay. In addition, the lowest paid staff, such as porters and cleaners will see their pay matched to the top of band 2, resulting in a pay increase of 10.4%. A nurse at the top of band 5, would receive a pay rise of about £1,600. The government firmly believes this is a fair offer which rewards all Agenda for Change staff and commits to a substantial pay rise in 2023/24 at a time when people across the country are facing cost of living pressures.

While it is right that we reward our hard-working NHS staff with a pay rise, this needs to be proportionate and balanced with managing the country's long term economic health and public sector finances, along with inflationary pressures.

The government asked the NHS Pay Review Body (NHSPRB) to report by the end of April 2023. We anticipate the outcome of the union ballot to be taken into account. If the offer is accepted by unions, it will be implemented, but the government would welcome observations from the NHSPRB on the pay deal in England.

Having heard the concerns of nursing staff and their representatives about the specific challenges they face in terms of recruitment, retention and professional development, the government has committed to build on existing safe staffing arrangements and terms and conditions. We will work with NHS Employers and unions to improve opportunities for nursing career progression, including through apprenticeships.

To improve support for newly qualified healthcare registrants, a review will be commissioned into the support received by those transitioning from training into practice. The government will also consult on the permanent easing of pension abatement rules.

Alongside making this formal offer, I have also written to the Royal College of Nursing to outline that we will take forward work to address the specific challenges faced by nursing staff, in terms of recruitment, retention and professional development. This work will involve: how to take account of the changing responsibilities of nursing staff; and the design and implementation issues, including scope and legal aspects, of a separate pay spine for nursing staff exclusively.

The Government intends to complete this work to deliver change within the 2024/25 pay year. In conducting this work, the Government will also consider whether any separate measures may apply to other occupational groups, taking into account the views of NHS Employers and unions.

This package, alongside the comprehensive NHS Long Term Workforce Plan that NHS England will publish shortly, will help ensure the NHS can recruit and retain the staff it needs to meet the growing and changing health and wellbeing needs of patients.

Yours sincerely,



RT HON STEVE BARCLAY MP

Secretary of State for Health and Social Care