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Lewis Macdonald MSP
Convener
Health and Sport Committee

By Email.

24 February 2021

Dear Lewis,

HEALTH AND SOCIAL CARE WORKFORCE PLANNING

I am writing to inform the committee on progress to secure a pay deal for NHS Agenda for Change staff for the pay year 2021/22.

In June 2020, I asked the Scottish Terms and Conditions Committee (STAC) to map out a process to secure a pay deal for NHS AfC staff for 2021/22.

Since then, I have met with STAC Secretariat at various points to discuss NHS pay and progress towards securing a pay deal for 2021/22. At our meeting on 30 December 2020 we reflected upon the significant uncertainty caused by the cancellation of the UK budget and the subsequent impact on the Scottish Spending Review. This uncertainty has significantly impacted on the ability to progress and conclude pay negotiations at this time, as we continue to respond to the pandemic and deliver a nationwide vaccination programme. What all that delay means is that we cannot know in full what financial envelope we have to negotiate from and so it is now clear it will not be possible to take the required negotiations forward until the summer.

I have therefore agreed with NHS Unions and NHS Employers that we are unable to proceed with negotiations at present given these constraints, and that we will seek to conclude negotiations in summer 2021.

I am conscious that there will inevitably be a wait for the 2021/22 AfC pay negotiations to conclude in the summer. So in advance of the formal 2021-22 pay settlement, we will implement a 1% payment on account from 1 December 2020 for all NHS AfC staff.

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In terms of the payment of account, the following principles will underpin this:

- The 1% uplift will not set a new baseline from which the 2021/22 deal will be negotiated. It will be consumed in any 2021/22 pay agreement.
- The 1% will be capped in line with Scottish Public Sector Pay Policy at £80,000, with staff who currently earn more than this getting a flat £800 uplift to their salary scale.
- Formal negotiations will commence at an agreed date in summer 2021.
- A negotiating framework for securing an AfC pay deal for 2021/22 will be agreed, including a Terms of Reference.
- The 2021/22 deal will be a single stand-alone deal.
- Accepting the 1% payment on account does not bind any party into accepting the final 2021/22 pay deal.
- The final deal will be fully backdated to 1 December 2020.

This payment on account, along with the pro-rata £500 payment, recognises the value and efforts of NHS staff. It will provide staff with an early pay uplift in advance of the full settlement for 2021/22, which itself will be fully backdated to 1 December 2020.

I want to make clear that the Scottish Government remains committed to a pay deal that is fair, sustainable and affordable, and one which continues to see Agenda for Change staff in Scotland the best paid in the UK.

JEANE FREEMAN

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