

NHS PAY CLAIM 2024/25

This NHS pay claim is made by GMB to the Department of Health & Social Care and is intended to cover all staff on Agenda for Change contracts in England.

Our claim is for:
£1.50 per hour consolidated increase for all staff on Agenda for Change contracts (or RPI, whichever is greater)
In addition:

Restorative Pay: A commitment to restore lost earnings and conditions and a plan on how this will be achieved.
Measures to ensure the NHS never falls below the Foundation Living Wage.
Unsocial Hours Enhancements: All changes made under the 2018 pay settlement are reversed, including the application of Annex 5 for all ambulance service workers.
Ambulance Retirement Age: An urgent review into the retirement age of ambulance service workers.
Free NHS Car Parking: Restore funding for NHS trusts to provide parking at no cost for NHS workers.

- Immediate action to rectify Job Evaluation and Equal Pay issues.
- Safe Staffing Levels.

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1. CONTEXT OF THE CLAIM

GMB, the union for NHS staff, represents hundreds of thousands of workers across the public and private sectors. GMB, incorporating the ambulance service union, is proud to represent NHS workers in England, Scotland, Wales and Northern Ireland.

GMB continues to engage with the Department of Health and Social Care review of the pay setting process in the NHS which was secured as a part of the negotiated pay settlement for 2022-24. However, to date there has been little to no actual reform. GMB believes that the Pay Review Body (PRB) process has been critically undermined since 2010, as every NHS PRB recommendation since has been in line with central pay policy and below RPI inflation - with devastating consequences for NHS workers. Therefore, GMB is not engaging with the NHS Pay Review Body process for 2024/25 and will not do so until significant reform has been implemented. GMB is calling for pay negotiations in the absence of reform.

This pay claim is for England only, but we would expect that Barnett Consequential would apply and the necessary additional funding provided for devolved nations. We remain concerned about pay and conditions trends in devolved nations and differentials between Agenda for Change bands, including where they affect recruitment and retention challenges in border areas.

Disparity in pay, terms and conditions between staff on Agenda for Change contracts and contracted-out staff remains a serious issue and a cause of resentment. Outsourced public service workers' pay has been progressively devalued and terms and conditions have been slashed. GMB is opposed to any further outsourcing of staff across the NHS and ambulance services and is calling for contracts to be brought back in house. We want to see any pay award for Agenda for Change staff also given to all staff providing NHS services - whether they are employed by private contractors or wholly owned subsidiaries. We must give parity of pay and terms to all workers in the NHS.

GMB rejected the pay settlements in 2018, 2021 and 2022. It remains our view that the 2018 settlement was inadequate and contained serious flaws that continue to have a negative impact on recruitment, retention and progression. In our view, reversing detrimental changes to Agenda for Change terms and conditions (including, in particular, in relation to unsociable hours' payments) should be an immediate priority.

Whilst GMB is committed to Agenda for Change, we believe it is need of a review and refresh. GMB is asking Government to mandate the NHS Staff Council and provide the necessary funding, for joint work to start immediately on addressing structural issues, such as banding differentials', career and pay progression.

The NHS faces complex challenges. These challenges are partly in response to recovery from the Pandemic, but also in response to an ageing society and increased demands. These challenges require the retention of existing staff and additional recruitment, and a significant increase in pay is required if the NHS is to compete with other employing organisations. Whilst we welcomed the opportunity to negotiate an additional pay settlement for members for 2022-24, we are still a long way from restoring real terms pay levels to what they should be.

GMB members' costs continue to rise in line with RPI. Some taxes, mobile phone contracts, rents, regulated rail fares and student loan company payments. OBR forecasts for inflation for 2024 are 5.1%, so a pay award below this would in fact be a pay cut for NHS workers.

Low pay in the NHS doesn't just affect NHS workers. It affects the children living in those households and the local economy where NHS workers spend their wages. An above inflation pay settlement and a plan to restore lost earnings would boost the economy overall and raise the living standards of all NHS workers and their families.

2. PAY

a) The claim

GMB is seeking a consolidated uplift in pay for all Agenda for Change pay bands and points of £1.50 per hour, or RPI, whichever is greater. This would lift the lowest paid up to 95p above the foundation living wage and be a move towards restoring real terms losses in previous years.

b) Funding

The pay award must be fully funded so that NHS employers are able to implement without cuts to jobs or services. We would expect that Barnett Consequential would apply and the

necessary additional funding provided for devolved nations to implement their pay settlements.

GMB is gravely concerned about the decreased levels of real terms funding. Deep and sustained cuts have resulted in the crisis we see today. Public sector funds are being diverted into the hands of private providers through outsourcing of contracts and services. NHS staff report that the underfunding of the NHS is stopping them doing their jobs properly.

c) Restoring real terms pay and conditions.

NHS pay is worth significantly less than it was in 2010. More than a decade of pay constraints has had a serious and detrimental impact on our members' quality of life, and upon their ability to afford necessities.

Whilst central Government has imposed pay constraints in the past, the absence of restorative awards since 2010 is unprecedented. As the former NHS Regulator (Monitor) said, historically: 'periods of wage restraint are generally followed by periods of "catch up" with their trend level in subsequent years'.¹

The real wage cuts of the early 1970s were mostly reversed by the Clegg Commission's recommendations of 1979/1980.² Even the public sector wage cuts during the Great Depression of the early 1930s were reversed within a couple of years.³ But - uniquely in British political history - there has been no policy of restoration since the modern round of pay austerity was imposed.

	2010/11	2023/24	2010/11 uprated (RPI)	Real terms change (£)	Real terms change (%)
Band 1	£14,364	£22,383	£25,260	-£2,877	-11.4
Band 2	£16,753	£22,383	£29,462	-£7,079	-24.0
Band 3	£18,577	£24,336	£32,669	-£8,333	-25.5

The table below shows how NHS worker pay has been devalued since 2010.

¹ Monitor, Closing the NHS funding gap: how to get better value health care for patients, September 2013, p. 21. <u>Closing the</u> <u>NHS funding gap: how to get better value healthcare for patients - GOV.UK (www.gov.uk)</u>

² Nigel Lawson, Memoirs of a Tory Radical, Biteback: London, 2010, p. 57

³ Christopher Hood and Rozana Himaz, A Century of Fiscal Squeeze Politics: 100 Years of Austerity, Politics and Bureaucracy in Britain, Oxford University Press: 2017, pp. 73

Band 4	£21,798	£27,596	£38,334	-£10,738	-28.0
Band 5	£27,534	£34,581	£48,421	-£13,840	-28.6
Band 6	£34,189	£42,618	£60,124	-£17,506	-29.1
Band 7	£40,157	£50,056	£70,620	-£20,564	-29.1
Band 8a	£46,621	£57,349	£81,987	-£24,638	-30.1
Band 8b	£55,945	£68,525	£98,384	-£29,859	-30.3
Band 8c	£67,134	£81,138	£118,061	-£36,923	-31.3
Band 8d	£80,810	£96,376	£142,111	-£45,735	-32.2
Band 9	£97,478	£114,949	£171,423	-£56,474	-32.9

Deteriorating pay is a contributory factor as to why staff are leaving the NHS. There must be an above inflation increase, that makes progress towards the restoration of real earnings. NHS workers have also lost other terms and conditions that GMB is seeking to restore. These include the removal of the right to retire at 60, unsocial hours enhancements reduced and removed when on sick leave, and subsistence allowances haven't increased since the introduction of Agenda for Change.

GMB is seeking a commitment to restore lost earnings and conditions and a plan on how this will be achieved.

d) Foundation Living Wage

In recent years, the lowest paid workers in the NHS have had to be given an uplift payment in advance of that year's pay settlement, due to delays in the PRB process and the fact that the Governments own minimum wage rates caught them up. Unions negotiated additional uplift for these workers in the negotiated pay settlement for 2022-24 to try to address and future proof this issue.

It is shameful that essential NHS workers such as cleaners, caterers and patient transport service workers were to be paid the lowest legal rate possible. The NHS once prided itself on being a Real Living Wage paying employer but years of erosion of pay has resulted in NHS workers being forced to leave for higher paid jobs elsewhere. If the NHS truly is to be an employer of choice, we must ensure the minimum rates of pay are way above the foundation living wage rates and forecasts and measures are put in place to ensure that pay isn't allowed to fall again.

3. UNSOCIAL HOURS ENHANCEMENTS

The closure of Annex 5 Agenda for Change provisions for unsociable hours payments to new entrants in the ambulance service has been one of the most detrimental conditions of the 2018 pay settlement, which was opposed by GMB members. Alongside the financial impacts of the loss of earnings per hour under Section 2, the enforced transition to Section 2 upon a change of contract has prevented promotions or relocations for many of our members. It has also created a two-tier ambulance workforce.

Under Section 2, fewer hours are classified as unsociable during the working week (Monday to Friday), and the maximum enhancement is reduced from 25 per cent of total basic pay to 30 per cent of time worked. In practice, this change in terms and conditions represents a significant loss in earning potential.

Section 2 applies to staff across the rest of the NHS, excluding the ambulance service staff as referenced above. The 2018 pay settlement, reduced payments for Bands 1-3 and removed the entitlement to enhancements when on sick leave. An effective fine for being ill.

The unpopularity of this provision and the changes introduced in 2018 cannot be overstated. GMB is asking that all changes made under the 2018 pay settlement are reversed.

4. AMBULANCE RETIREMENT AGE

The ambulance service is the only 'blue light' emergency service that does not provide an earlier retirement age. GMB members (particularly those on the frontline) report that they are increasingly leaving the service before their normal retirement age due to the increased physical and mental strains associated with heavy lifting, the risk of assault, extended shift working, and other formal or informal demands. Current working arrangements mean that Paramedics and other ambulance workers are expected to endure these pressures until they are up to 68, depending on when they joined the service.

The lack of a structured route to early retirement is leading to a premature loss of skills and institutional knowledge (as many workers feel that a career change is the only way to achieve financial security in retirement). The new flexible working and retirement options are proving to be most difficult to access for ambulance workers due to the nature of their working patterns and conditions. Without any credible redeployment options, they are forced into jobs outside of the NHS - such as in GPs and colleges, where the working hours and conditions are more suitable.

There is a profound sense of injustice amongst GMB members employed in ambulance services against the different treatment between blue light services, and against the Government's decision to raise the normal retirement age twice in ten years.

GMB is calling for an urgent review into the retirement age of ambulance workers. Ambulance workers should be able to retire at the age of 60, in line with other emergency service workers.

5. CAR PARKING

Car parking charges have long represented a 'stealth tax' on NHS workers, many of whom work in the community and need a car to travel between their patients homes and their workplace, or work at locations that are not easily accessible by public transport, by walking or cycling.

During the pandemic we secured car parking for NHS workers at no cost. Yet, during the worst cost of living crisis in a generation, funding has been removed and NHS trusts have started to re-introduce car parking charges for their employees. A Freedom of Information Request carried out by GMB found that the total income from staff car parking to NHS trusts in 2022/23 was £46,653,234.00. An increase of £41 million, or 730%, on income generated in 2021/22.

GMB is asking Government to restore the funding for NHS trusts to enable them to provide parking at no cost for their essential workforce.

6. JOB EVALUATION / EQUAL PAY

Job evaluation has become a major problem across the whole of the NHS and ambulance services and affects GMB members working in all roles and across all Agenda for Change pay bands. Years of underfunding to the NHS has resulted in chronic staffing shortages and increased workloads for those staff who remain, and job creep has become a real issue. GMB has actively engaged in the review of the full set of ambulance profiles and the on-going review of nursing and midwifery profiles. GMB is also represented on the NHS Staff Council Job Evaluation Group (JEG) and are actively engaged in that work.

However, we have grave concerns about the lack of capacity and resources across JEG. The huge amount of work that needs to be undertaken to ensure staff are being paid appropriately cannot be understated. Action is needed immediately. Attention and resources to provide physical support and infrastructure to speed up the work of JEG. Failure to do so means that the NHS is in immediate danger of breaching equal pay laws.

7. STAFFING LEVELS

GMB members regularly report to us the damaging and devastating impacts that pay cuts are having on workers and everyone who relies on NHS services. Years of underfunding and real-terms wage cuts are affecting all those who rely on the NHS. According to the latest figures on vacancy rates, there are over 121,000 vacancies in England.⁴ Failure to resolve the on-going issues of NHS staff being able to access flexible working options will only exacerbate this.

Pay cuts, rising demand, and the experience of providing essential services during the pandemic have had a profound and negative effect on many NHS workers' mental health. This is compounded by the high rates of additional hours worked, both paid and unpaid. In a recent survey of GMB members, stress and burnout were stated as being a major area of concern for NHS workers, second only to pay. Staffing levels, and unpaid breaks / additional hours were voted third and fourth.

GMB members consistently raise with us about unsafe staffing levels and their concerns for patient safety. GMB Congress 2023 noted that there were staff shortages in every department of the NHS. Dangerously low levels of trained nursing staff on wards. And yet

⁴ <u>nhs-vac-stats-apr15-sep23-eng-tables.xlsx (live.com)</u>

when concerns are raised with local NHS employers, the reply is simply that there are no more staff to cover. GMB has reports of Band 3 Health Care Support Workers being left in charge of wards until suitably qualified staff members arrive. The duty of care to staff and patients is being breached.

Ensuring there are safe staffing levels across the NHS must be a priority for the Government and this will only be achieved by improving the pay and working conditions of staff. Pay is not the only factor that influences recruitment and retention trends, and in turn impacts on patient care, but it is the variable that the Government and employers have the most immediate control over.

8. EQUALITY IMPACT

Public sector workers' pay has been subject to a deep and enduring squeeze. NHS workers pay has been cut in real terms between 11-39% as referenced above, and these pay constraints fall hardest on women who make up a majority of the workforce.

Lack of capacity and resources for job evaluation means that many predominantly female workers are not being paid the correct level of pay for the job roles they are being expected to undertake. Equal pay claims are a real and present threat across the NHS.

9. CONCLUSION

The NHS is in the midst of a recruitment and retention crisis and immediate steps must be taken to put the issues of most importance to the workforce at the centre of any plans. Without improving the pay and working conditions of the exiting workforce, recruitment initiatives will be futile as NHS workers continue to leave for jobs elsewhere.

Fully funded and restorative pay plans are essential and GMB is seeking £1.50 per hour, or RPI whichever is greater, as a first step towards this.

GMB is calling on Government to seriously consider this pay claim and enter into negotiations on the points within it.