Ref: STAC(TCS02)2018

21 March 2018

- To: Chief Executives, Directors of Finance, Directors of Human Resources -NHS Boards and Special Health Boards, NHS National Services Scotland (Common Services Agency) and Healthcare Improvement Scotland
- CC: Members, Scottish Partnership Forum Members, Scottish Terms and Conditions Committee Members, Scottish Workforce and Governance Committee

Dear Colleague

PAY SETTLEMENT FOR AGENDA FOR CHANGE STAFF 2018

The following is a joint statement approved by the Scottish Government, NHS Scotland Employers and NHS Scotland Staff Side.

Each year, the Scottish Government asks the NHS Pay Review Body to consider evidence in line with our Public Sector Pay Policy and make recommendations to Ministers on the pay uplift to be put in place for NHS Scotland staff from 1 April. This year, the Scottish Government's Policy proposes a 3% uplift for staff currently earning £36,500 and below, an increase of up to 2% on the cost of baseline salaries for staff currently earning over £36,500 but less than £80,000 and a £1,600 uplift for staff earning £80,000 and above. The Trade Unions have also submitted their own evidence to the Pay Review Body for its consideration within the process.

The Pay Review Body have begun the process of gathering and considering the evidence on which they will make their recommendations, but will not be able to report until June.

Further to this, the NHS in England and the UK Government Department of Health have been engaged in partnership discussions about reforms to the Agenda for Change pay system as it applies in England. These have now resulted in a Framework Agreement, which we understand is to be supported by additional funding for the NHS in England over the next 3 years.

On the expectation that the UK Government will, in line with its commitment at the Autumn statement, be providing additional funding to fully fund an English Agenda for Change settlement, we would expect the relative Barnett consequentials to come to Scotland. The Scottish Government's intention would be to use all of these consequentials to facilitate modernisation of the Agenda for Change system in Scotland.

We will take this forward through an intensive period of partnership working with the recognised Scottish Agenda for Change trade unions and employers, recognising the proposed agreement as the framework for negotiation. Any revisions to the system in Scotland will be on a no detriment basis, relative to conditions elsewhere in the UK.

We remain conscious of the need to pay any uplifts at the earliest opportunity and will work to reach an agreed position as soon as possible.

Once the settlement is announced, staff will receive retrospective payments to reflect the value of the uplift backdated to 1 April 2018.

We would be grateful if you could give this message the widest possible circulation within your organisations to ensure that staff and relevant stakeholders are aware of the position.

Yours sincerely

Shiney Rogens. Sac saco Lotin Poolman.

Shirley Rogers Director Health Workforce and Strategic Change Scottish Government

Calum Campbell Chief Executive NHS Lanarkshire STAC Management Side **Co-Chair**

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