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To:  
All Agenda for Change staff  
working in NHS Scotland

24 February 2021

Dear colleague

## **AGENDA FOR CHANGE PAY 2021-22**

I wanted to write to all staff on Agenda for Change terms and conditions to set out the position on the 2021-22 pay settlement.

I have been clear for some time now that I am committed to securing a pay settlement for Agenda for Change staff for 2021/22 that is fair, affordable, and sustainable.

As you may know, last summer I asked Staff Side, Employers and Scottish Government representatives to work together to agree a plan and timetable for arriving at a 2021-22 pay settlement. Subsequent to this, the UK budget was cancelled and replaced by a spending review published shortly before Christmas. This then pushed the Scottish Spending Review back. 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.

None-the-less we want to recognise the significant efforts staff have and continue to make in coping with the COVID-19 pandemic. So we have taken 3 decisions.

Firstly, we put in place a £500 thank you payment for all health and care staff, which most NHS staff will receive in their February salary. I deeply regret that despite our efforts and those of our colleagues in Northern Ireland and Wales, the UK government has insisted on taxing this payment.

Secondly, I have committed to an earlier than usual settlement date for the 2021-22 Agenda for Change pay uplift. Uplifts in the NHS have always historically been effective from 1 April each year. However, the 2021-22 settlement, whatever that turns out to be, will instead be backdated to 1 December 2020, providing additional financial payment to NHS Scotland staff in recognition of an exceptional year of significant pressure on staff.

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Thirdly, 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, which will then be topped up to the full settlement when the negotiations conclude. The payment on account will be capped at £800 for staff earning above £80,000. This payment on account will begin in March salaries, ensuring that Agenda for Change staff benefit from an increase in pay earlier than would usually be the case, with arrears paid in April in most instances.

I have always been extremely grateful for all the work that NHS Scotland staff do. That is particularly so at the present time when COVID-19 has put so much pressure on our health service and the people who work in it.

Scottish Agenda for Change staff have for some time now been the best paid in the UK and the Scottish Government is committed to maintaining that premium. I have always tried to be as fair as possible around pay issues. Taken together, the provisions above are the most generous anywhere in the UK and I firmly believe that the approach outlined is the best one available, given all the factors currently in play.

I hope this information is helpful to you in explaining the position and in setting out the broad timeline for the full Agenda for Change pay negotiations to begin and conclude.

With thanks and kind regards.



**JEANE FREEMAN**