

NHS Pay Review Body 2023/24 pay round

Written evidence from NHS Providers

About NHS Providers

NHS Providers is the membership organisation for the NHS hospital, mental health, community and ambulance services that treat patients and service users in the NHS. We help those NHS trusts and foundation trusts to deliver high-quality, patient-focused care by enabling them to learn from each other, acting as their public voice and helping shape the system in which they operate. NHS Providers has all trusts in England in voluntary membership, collectively accounting for £104bn of annual expenditure and employing more than 1.2 million staff.

Our submission

We welcome the opportunity to submit evidence to the NHS Pay Review Body (PRB) on behalf of NHS trusts and foundation trusts, to inform the 2023/24 pay round. For the purposes of this submission, we have drawn on several information sources, including:

- An annual survey of trust HR directors by NHS Providers¹
- National workforce data
- NHS Providers' previous written submissions to the PRB
- Other surveys and sources of feedback from trust leaders, including our *Cost of Living survey*², *State of the Provider Sector survey*³, *NHS Winter Watch*⁴, and our HR directors network meetings in 2022.

¹ This online survey of HR directors in NHS trusts and foundation trusts was conducted from October 2022 to November 2022. Data is based on responses from 51 trusts, accounting for 24% of the provider sector, with all regions and trust types represented in the responses.

² NHS Providers, report, 'Rising costs: The impact of on NHS, staff and patients': <https://nhsproviders.org/rising-living-costs-the-impact-on-nhs-staff-and-patients>

³ NHS Providers, report, 'State of the provider sector' (2022): <https://nhsproviders.org/state-of-the-provider-sector-2022>

⁴ NHS Providers, analysis, NHS winter watch 2022/23: <https://nhsproviders.org/nhs-winter-watch-202223>

Key messages

- The 2023/24 pay round is commencing against the backdrop of what is likely to be the most widespread industrial action in the NHS' history, in response to the 2022/23 award and increasing pressures on staff
- 67% of HR directors responding to our pay survey favour a percentage uplift over a lump sum pay award, but there is support for the principle of the progressive nature of the 2022/23 award in its targeting towards lower paid staff
- Respondents to our pay survey are clear that as a minimum, AfC staff should be awarded a 5% uplift in 2023/24, with only one respondent supporting an award below this figure. 35% of respondents supported an uplift of between 6-9%, while 19% supported an uplift of 10% or more. At the time of our last survey in December 2021, 28% of respondents supported an uplift of 5% or more, compared to 83% this year – an increase of 55%
- 62% of survey respondents were very (33%) or somewhat supportive (29%) of exploring targeted pay initiatives for AfC staff groups with specific workforce shortages. However, respondents also suggested recruitment and retention premia could be explored as a more appropriate intervention
- 96% of respondents agreed that increased pension flexibilities for all staff are very important (74%) or important (22%). 92% of respondents further agreed that government reform of pension taxation regulations is also very important (73%) or important (19%).
- We continue to reject the narrative of a 'direct trade off' between increased pay and more staff. These are interdependent factors, as fair pay helps to attract high quality staff and support their retention
- We ask that the PRB makes an explicit recommendation for government to commit to fully funding the pay uplifts it decides to award NHS staff, rather than funding the award from existing NHS budgets
- We ask that the PRB makes specific reference to the issue of pay award funding for NHS staff on local authority contracts in its report to government
- We ask the PRB to explicitly consider the interplay of pension contribution rate changes, backdating of pension contributions, and increases to both the national and real living wage in their recommendations for NHS pay awards
- 88% of respondents to our pay survey agreed that delays to the announcement of the pay award affects backdated pension contributions negating the value of the award for staff
- We are prepared to submit supplementary evidence should further significant changes arise between now and the announcement of the review body's recommendation.

Remit

In his remit letter to the Chair of the PRB for the 2023/24 pay round⁵, the Secretary of State for Health and Social Care, Steve Barclay, stated that “the NHS budget has already been set” until 2024/25. He stated that the pay awards for 2023/24 must therefore “strike a careful balance,” recognising the importance of public sector workers while “delivering value for the taxpayer, considering private sector pay levels, not increasing the country’s debt further, and being careful not to drive prices even higher in the future.” We would, however, note that pre-set levels of funding for the NHS were increased by an additional £3.3bn in 2023/24 and 2024/25 to cover additional pay and inflation pressures⁶.

The Secretary of State framed the pay review process within the context of the current economic climate, saying it is particularly important that the PRB’s recommendations “have regard to the government’s inflation target” of 2%⁷. The remit letter does not reference the increasing cost of living or the context of industrial action across the NHS following the 2022/23 pay award, but we expect that this will be raised to the PRB by all stakeholders submitting evidence.

The remit letter notes that it is important that progress is made to revert to the intended timetable for the pay review process, with the hope that the PRB’s report is received in April 2023. Trust leaders consistently tell us that delays to the announcement of the pay award affect organisational financial planning, create uncertainty for staff and negatively affect morale, as discussed in further detail below.

Pay award for Agenda for Change staff 2023/24

Context

It is in the context of a challenging economic environment, ongoing and increasing pressures within the NHS and widespread industrial action that the 2023/24 pay round commences. Recognising this fast-moving environment and noting the shift in economic landscape after submission of our written evidence to the 2022/23 round, we are prepared to submit supplementary evidence should further significant changes arise between now and the announcement of the review body’s recommendation.

⁵ Department of Health and Social Care, NHS pay review body remit letter 2023/24: <https://www.gov.uk/government/publications/nhs-pay-review-body-remit-letter-2023-to-2024>

⁶ NHS England, board meeting, financial performance update, 1 December 2022, paragraph 4: <https://www.england.nhs.uk/wp-content/uploads/2022/11/221201-item-4.2-financial-performance-update.pdf>

⁷ Bank of England, inflation and the 2% target: <https://www.bankofengland.co.uk/monetary-policy/inflation>

2022/23 pay award

The 2022/23 PRB round saw a more progressive approach to the NHS pay award, with a £1,400 uplift for all Agenda for Change (AfC) staff, backdated to 1 April 2022 and enhanced for those at the top of band 6 and all points in band 7 (to the equivalent of a 4% uplift). NHS Providers welcomed this targeted approach for the lowest earners, in combination with the April national living wage uplift for staff in bands 1 and 2⁸. However, given the dramatically shifting economy, this pay award was sub-inflationary for all AfC staff, equating to a real terms pay cut. Inflation was 9.4% when the award was announced in July 2022, and at the time of writing, inflation is currently 10.7% - 8.7% above the Bank of England's target. October's rate of 11.1% was the highest in 40 years^{9,10}.

The 2022/23 pay award was not fully funded by government, which has impacted NHS finances and patients as NHS England had to make up the shortfall from the national NHS budget. This means that funding for longer term transformational projects has been cut. For example, long term transformation spend - such as funding distributed via the service development fund will be scaled back. National prevention and digital programmes are at risk of being delivered more slowly than envisaged in the Long Term Plan, which will limit the capacity for long-term recurrent efficiencies and improvements in patient care. Given that pay is a recurrent cost, this pay funding shortfall will have to continue to be met by NHS England year on year, unless government commits to fully funding the pay awards it decides to give NHS staff.

The Department of Health and Social Care's (DHSC) 2022/23 submission to the PRB equated additional spending on staff pay directly to an impact on frontline services, noting "each additional 1% of pay for the... non-medical workforce costs around £700 million per year... [which] equates to around 13,000 fulltime nurses or 400,000 procedures". As noted in our 2022/23 submission, we continue to reject the narrative of a 'direct trade off' between increased pay and more staff, which is ultimately a political choice – respondents to our annual pay survey have been consistently clear that the two go hand in hand with 72% agreeing that both increased pay and increased staff are of equal importance (a 3% increase on the same question last year, and a 22% increase on 2020)¹¹.

⁸ NHS Providers, briefing, NHS pay awards 2022-2023: <https://nhsproviders.org/media/693925/next-day-briefing-nhs-pay-awards-2022-2023-analysis-and-next-steps.pdf>

⁹ Office for National Statistics, CPI annual rate: <https://www.ons.gov.uk/economy/inflationandpriceindices/timeseries/d7g7/mm23>

¹⁰ NHS Providers, briefing, autumn statement: <https://nhsproviders.org/media/694540/autumn-2022-otdb.pdf>

¹¹ NHS Providers pay survey of HR directors, October 2022-November 2022. Unless stated otherwise, subsequent references to 'this year's' or 'our' pay survey refer to the same exercise. Please see a contextual note on responses at the beginning of this submission.

Economic outlook

2022 has been a turbulent year for the national and global economy, and the outlook for much of the rest of the decade is challenging. The UK is already in recession and the Office for Budget Responsibility (OBR) expects it will remain so until the end of next year. Household disposable income is expected to fall by 7.1% both this year and next, returning to 2014 levels, while pay is not expected to reach 2008 levels until 2027, the same year that the Bank of England's 2% inflation target is first expected to be met again. In 2023/24 inflation is predicted to remain at 5.5%¹². Data from the Office for National Statistics (ONS) also shows that average regular pay growth in the private sector was 6.9% compared to 2.7% in the public sector (August to October 2022)¹³. Take home pay will be affected by an extension to the freeze on the income tax personal allowance, which will remain £12,570 until April 2028, two years longer than initially proposed¹⁴. The higher rate income tax threshold of £50,270 and the national insurance threshold will also be frozen for this period. For NHS staff, these factors will be further compounded in 2023 by phase two of changes to NHS pension scheme contribution tiers (phase one began in October 2022), which we warned – in our response to DHSC's consultation in January 2022 – will disproportionately affect lower paid staff¹⁵. The results from our cost of living survey in August/September 2022 showed the impact these converging pressures were already having on NHS staff, which risk being exacerbated as the economic outlook stagnates over the remaining course of the decade¹⁶.

Service pressures

In our last submission, we highlighted the continued service pressure on staff who had worked tirelessly throughout two years of the Covid-19 pandemic and pivoted immediately to tackle care backlogs. One year later these pressures remain, and this year in particular we have seen service demand normally associated with winter occurring year-round¹⁷. Ambulance handover delays and delayed discharges due to wider system pressures have been prominent throughout the summer months^{18, 19}. This winter is expected to be

¹² Office for Budget Responsibility, Economic and fiscal outlook – November 2022: <https://obr.uk/efo/economic-and-fiscal-outlook-november-2022/>

¹³ Office for National Statistics, statistical bulletin – average weekly earnings in Great Britain, December 2022: <https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/bulletins/averageweeklyearningsingreatbritain/december2022>

¹⁴ Ibid.

¹⁵ NHS Providers, submission, NHS pension scheme contribution rates: <https://nhsproviders.org/resources/submissions/nhs-providers-response-to-the-nhs-pension-scheme-contribution-rates-dhsc-consultation-on-member-contribution-rates>

¹⁶ NHS Providers, report, 'Rising living costs: impact on the NHS, staff and patients': <https://nhsproviders.org/rising-living-costs-the-impact-on-nhs-staff-and-patients>

¹⁷ NHS Providers, analysis, activity tracker – August 2022: <https://nhsproviders.org/nhs-activity-tracker-2022/august-2022>

¹⁸ NHS Providers, press release, urgent action needed to tackle causes of hospital handover delays: <https://nhsproviders.org/news-blogs/news/urgent-action-needed-to-tackle-causes-of-hospital-handover-delays>

¹⁹ NHS Providers, press release, urgent action needed to fix social care crisis and ease knock-on effects on NHS: <https://nhsproviders.org/news-blogs/news/urgent-action-needed-to-fix-social-care-crisis-and-ease-knock-on-effects-on-nhs>

particularly challenging, with data for week commencing 5 December showing bed occupancy at 94.5% for the third week in a row, alongside, on 12 December, a 33% increase in Covid-19 new hospital admissions compared to the week prior^{20, 21}. Data from November showed the longest recorded response times for ambulance category 1 and 2 calls, A&Es had their busiest October on record and the elective care waiting list reached 7.2 million^{22, 23}.

85% of trust leaders responding to our annual 'State of the Provider Sector' survey stated they are more worried about this winter than any other in their careers. It is, of course, staff who will tackle these challenges head on, and workforce shortages are trust leaders' top concern. Almost four in five are worried about having the right number, quality and mix of staff to deliver high quality care²⁴. 93% of trust leaders are concerned about staff burnout, and 80% about staff morale. Vacancy statistics published in December show a 1% increase on the previous quarter's record high, with vacancies at 133,446 – a vacancy rate of almost 1 in 10²⁵. September's statistics showed a staggering 25% vacancy increase on the previous quarter. In Q2 of 2022/3, there were 47,496 nursing vacancies, an 18.9% increase on the same time last year²⁶. The most recent NHS staff survey found that 46.8% of staff have felt unwell due to work-related stress in the last 12 months²⁷ – 2.8% higher than 2020 and 8.4% higher than 2017. Staff sickness absence data also shows that anxiety, depression and stress are consistently among the top reasons for staff absence, accounting for 20.9% of absences in July²⁸. Staff are also affected by the impact of long Covid on their physical and mental health, with ONS data reporting 4.83% of healthcare staff self-reporting long Covid (compared to 3.37% of all people surveyed)²⁹.

Industrial action in the NHS

The 2023/24 pay round is commencing against the backdrop of what is likely to be the most widespread industrial action in the NHS' history, in response to the 2022/23 pay award and increasing pressures on staff.

²⁰ NHS Providers, analysis, winter watch: <https://nhsproviders.org/nhs-winter-watch-202223/week-2>

²¹ NHS England, Covid-19 hospital activity: <https://www.england.nhs.uk/statistics/statistical-work-areas/covid-19-hospital-activity/>

²² NHS Providers, analysis, winter watch: <https://nhsproviders.org/nhs-winter-watch-202223>

²³ The Health Foundation, gridlocked health and care system risks the safety and quality of patient care: <https://www.health.org.uk/news-and-comment/news/gridlocked-health-and-care-system-risks-the-safety-and-quality-of-patient-care>

²⁴ NHS Providers, report, 'State of the provider sector' (2022): <https://nhsproviders.org/state-of-the-provider-sector-2022>

²⁵ NHS Digital, vacancy statistics: <https://digital.nhs.uk/data-and-information/publications/statistical/nhs-vacancies-survey/april-2015---june-2022-experimental-statistics>

²⁶ Ibid.

²⁷ NHS England, staff survey: <https://www.nhsstaffsurveys.com/results/national-results/>

²⁸ NHS Digital, sickness absence statistics: <https://digital.nhs.uk/data-and-information/publications/statistical/nhs-sickness-absence-rates/july-2022-provisional-statistics>

²⁹ Office for National Statistics, prevalence of ongoing symptoms following coronavirus infection in the UK - December 2022: <https://www.ons.gov.uk/peoplepopulationandcommunity/healthandsocialcare/conditionsanddiseases/datasets/alldatarelatingtoprevalenceofongoingsymptomsfollowingcoronaviruscovid19infectionintheuk>

Most major unions representing AfC staff have conducted statutory ballots on industrial action. The Royal College of Nursing (RCN) took strike action on the 15 and 20 December, with a mandate until May 2023. GMB, Unite and Unison ambulance staff members took strike action on 21 December, with an additional day from the GMB planned on 28 December. The Chartered Society of Physiotherapists announced that their members have voted in favour of industrial action, while the Royal College of Midwives ballot narrowly missed the turnout threshold. Further ballot results are expected imminently from wider staff groups who are members of the GMB and Unite. The British Medical Association (BMA), representing members under the DDRB's remit, have announced they will ballot junior doctors on industrial action from 6 January 2023. While the potential for disruption to services as a result of industrial action is the immediate concern for NHS England and government, it is important to remember there will be a financial cost to these industrial disputes. As such, we have been urging the government and unions to find a resolution to avert strikes.

NHS Providers' view

2023/24 pay award

Given the context outlined above, trust leaders are clear that a meaningful pay increase for NHS staff is vital in 2023/24. Traditionally, our annual pay survey of trust leaders asks what percentage uplift would best support recruitment, retention and staff morale, but to reflect the lump sum award recommended in the last pay round, this year we asked if this approach should be repeated. A minority of respondents (6%) were in favour of repeating this approach, with the majority (67%) calling for a percentage uplift instead. This reflects the reaction to the 2022/23 award, which while progressive in its higher uplift for lower paid AfC staff, resulted in a lower award of around 1.3% for staff in bands 8 and 9. The nature and prevalence of multi-disciplinary teams (MDTs) within the NHS means that those working in band 9 roles are often at a similar level to some consultant doctors under the remit of the DDRB, who received a 4.5% uplift in 2022/23 by comparison. We were encouraged to hear from the SSRB secretariat that the chair of the NHS Pay Review Body will also be sitting on the SSRB this year in order to facilitate joined up thinking across the review bodies. We would like to note our appreciation to both review bodies for this proactive approach to avoiding a similar issue arising in the 2023/24 pay round.

27% of respondents to our pay survey suggested alternative options should be explored as part of the PRB's recommendation, including a targeted percentage uplift or a minimum cash increase weighted towards lower banded staff. These results suggest that, while HR directors responding to our survey favour a percentage uplift over a lump sum award, there is support for the principle of the progressive nature of the 2022/23 award in its targeting towards lower paid staff. This needs to be balanced, however, with a greater acknowledgement of the interaction between roles at the top of AfC and roles under the remit of the SSRB and the DDRB.

Respondents to our pay survey were clear that as a minimum, AfC staff should be awarded a 5% uplift in 2023/24, with only 2% of respondents supporting an award below this figure. 35% of respondents supported an uplift of between 6–9%, while 19% supported an uplift of 10% or more. Reflecting the rate of inflation, the increasing cost of living and the real terms pay cut over the course of the last decade, this is the first year that our survey asked respondents in more granular detail about an award above 5%. Last year, 28% of respondents supported an uplift of 5% or more, compared to 83% this year, an increase of 55%. Despite minority support for a flat rate award, of those supporting this option, 54% were in favour of an award of £2,000 or more and there was no support for an award below £1,500.

Regarding targeted pay initiatives for AfC staff groups with specific workforce shortages, 62% of survey respondents were very supportive (33%) or somewhat supportive (29%) of exploring their implementation. In their comments, respondents felt that recruitment and retention of nurses, particularly in band 5, would benefit most from these initiatives. Respondents also felt that recruitment and retention of those in bands 2-7, health care assistants, allied health professionals, radiographers, sonographers and healthcare support workers would benefit. However, respondents also cautioned that targeted pay initiatives risk a negative impact on staff at other points on the AfC pay scale and could negatively affect cross-team working. Instead, respondents felt that recruitment and retention premia (RRP) may be a more appropriate intervention. Last year, 71% of respondents were very supportive (28%) or somewhat supportive (43%) of targeted pay initiatives, 9% higher than this year. Again, this change is likely due to the reaction to the progressive pay award recommended in 2022/23, but also demonstrates the significance of workforce shortages across multiple professions, roles and bands, which makes selecting staff groups for targeting difficult.

Implementation and affordability

Funding

This submission has already noted the impact of the 2022/23 pay award not being fully funded by government. While NHS England reprioritised funding from the national budget in order to make up the shortfall, 65% of respondents to our cost of living survey (which ran August-September 2022) did not believe that the resulting c.£2bn cost uplift to the tariff would fully cover their trust's increase in pay costs for 2022/23³⁰. In our pay survey, we asked trusts who had to find their own additional

³⁰ NHS Providers, report, 'Rising living costs: impact on the NHS, staff and patients': <https://nhsproviders.org/rising-living-costs-the-impact-on-nhs-staff-and-patients>

funding to meet the 2022/23 pay awards for staff what impact this has had. Several flagged an increase in their trusts' deficit, with one mental health trust citing a £1.5-2.5m increase directly due to pay costs.

Pay uplifts above budget provisions can disproportionately affect the finances of mental health and community providers compared to acute trusts. The cost weighting used in the national tariff uplift (the mechanism by which national funding is apportioned to trusts) assumes an average cost build up which is representative of all provider organisations. However, the cost profile of community and mental health providers is different to acute providers. One key difference is that in community and mental health providers, a higher percentage of their overall costs is taken up by pay when compared to acute trusts. This means that the assumptions of the national tariff uplift are not actually representative of all provider organisations, and community and mental health providers face a proportionately higher cost pressure for pay. While these trust types have therefore consistently been more likely to face the challenge of national pay awards not being fully covered by central funding, a survey comment from an acute trust in the Midlands succinctly summarises the issues which arise across the board as a result of unfunded pay awards:

"Every time we have to fund something, there is a direct and negative impact on the services we provide to patients such as elective recovery, or transformation. This constant in-year scrabbling to prioritise impacts upon our ability to deliver transformation which we need to do to realise financial (cash and capacity releasing) efficiencies in the longer term."

Unfunded pay uplifts also place particular burden on community trusts which employ staff on local authority contracts, as local authorities do not receive funding for the NHS pay increases which these staff are eligible for. Respondents to our survey who said their trust employed NHS staff working on local authority contracts were asked how confident they were that they would receive funding to cover the costs of AfC pay uplifts in the next financial year. 75% were either not very confident (50%) or not at all confident (25%). Only one respondent was confident that they would receive the necessary funding. When asked what the impact will be if pay uplifts are not funded for NHS staff working on local authority contracts in the next financial year, 38% of respondents said they would absorb the unfunded costs, but service provision will be impacted; 13% said they will absorb the unfunded costs and continue providing the contracted services, or they will continue to deliver the contract but will not tender for it again, or that they will hand back the contract(s). As in our last submission, we ask that the PRB makes specific reference to the issue of pay award funding for NHS staff on local authority contracts in its report to government and ask for this to be addressed.

We are aware that the national NHS budget has currently only accounted for a 2% pay increase for staff in 2023/24³¹. As noted in this submission, 2% would not be an appropriate level for pay awards in this round – only one respondent to our pay survey supported an award below 5%. This position was reflected by NHS England chief financial officer, Julian Kelly, at the Healthcare Financial Management Association’s annual conference on 8 December, where he stated that NHS England would hold a contingency above 2% until the PRB’s recommendation and government’s response on pay was clear³². While NHS England have clearly noted the potential for another unfunded pay award set by government for 2023/24, and have committed to fund the difference as they did this year, we do not believe that this is an appropriate approach for DHSC and HMT to take given the impact this has on NHS finances and patients, and that many trusts still have to find their own funding on top of the tariff uplift from NHS England. We ask that the PRB makes an explicit recommendation for government to commit to fully funding the pay uplifts it decides to award NHS staff. We repeat the overarching point we made in our last submission to the PRB: while there will always be challenges presented by the wider economic context, it is up to the government to prioritise areas for funding and/or consider new ways of increasing revenue to ensure ongoing and appropriate levels of financial support for key public services and public sector staff.

Impact of delays to the pay review process

In the autumn statement, the chancellor announced that from 1 April 2023, the National Living Wage (NLW) will increase to £10.42 an hour³³. The hourly rate for band 1 and the entry point of band 2 following the 2022/23 pay award is £10.37. This means that there will be, as there has been for several years, a period before the government decision on national NHS pay awards in which the lowest paid NHS staff fall below the national minimum wage. We expect that there will be funding provided by DHSC to address this in the interim, but the issue speaks to the importance of bringing the timing of the PRB rounds in line with the financial year. It also speaks to the fact that the lowest rate of pay for NHS staff is very close to legal minimums – a significant factor in the struggle to recruit and retain staff in lower pay bands, who undertake vital work for the service. As we wrote to the PRB Chair in April 2022, in our joint letter with Unison and the Living Wage Foundation, we believe there is an

³¹ NHS England, long term plan implementation framework, section B8, p.37: <https://www.longtermplan.nhs.uk/wp-content/uploads/2019/06/long-term-plan-implementation-framework-v1.pdf>

³² Healthcare Financial Management Association, ‘HFMA 2022: NHS England looks to protect real-terms funding’: <https://www.hfma.org.uk/news/news-list/Article/hfma-2022-nhse-to-protect-funding>

³³ HM Treasury, autumn statement 2022, paragraph 2.49, p.28: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1118417/CCS1022065440-001_SECURE_HMT_Autumn_Statement_November_2022_Web_accessible__1_.pdf

opportunity for the PRB to take action to ensure that the Agenda for Change pay scales are aligned at least with the annual increases of the real living wage (currently £10.90 per hour)³⁴. These rates are already voluntarily paid by nearly 10,000 employers, but national alignment would be welcomed by both providers and staff.

Delays in the pay review process cause multiple wider issues for trusts and staff. In our pay survey, 86% of respondents cited a negative impact on staff morale, 82% cite uncertainty for staff, and 71% cited increased difficulty in their trust's financial planning. Most significantly, 88% of respondents flagged that the back payment of pension contributions negates the value of the pay awards for staff. Pages 17-18 of this submission discuss this in more detail, with reference to the data sheet submitted to the PRB separately. We are supportive of efforts to bring forward the timetable of the pay review process and ultimately align it with the financial year and have submitted this written evidence early to that end. However, while progress is still to be made on the timetable, we ask the PRB to explicitly consider the interplay of pension contribution rate changes, backdating of pension contributions, and increases to both the national and real living wage in their recommendations for NHS pay awards.

Wider issues

There are a broad range of factors influencing the experience of staff working in the NHS and their decision to join or remain the workforce. While it is essential to wellbeing and morale for pay to be set at a level which ensures staff feel valued, progress on these wider measures remains an important part of supporting both the success of the pay deal in improving the satisfaction of staff and making the NHS a better place to work.

Workforce planning and funding

In the 2022 autumn statement, the chancellor committed to publishing a "comprehensive" NHS workforce plan in 2023, which will include independently verified forecasts of the workforce the NHS needs over a 5, 10 and 15 year period³⁵. As part of a workforce coalition which includes over 100 health and care organisations, we have long been calling for the NHS long term workforce plan to be

³⁴ Living Wage Foundation, what is the real living wage?: <https://www.livingwage.org.uk/what-real-living-wage>

³⁵ HM Treasury, Autumn statement 2022:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1118417/CCS1022065440-001_SECURE_HMT_Autumn_Statement_November_2022_Web_accessible__1_.pdf

published in full and are therefore pleased our voices have been heard^{36,37}. Workforce shortages are the key limiting factor in bringing down waiting lists and consistently delivering high quality patient care³⁸, and we believe a robust long term workforce plan and increased longer term investment in workforce expansion, education and training is the key lever to sustainably addressing these shortages.

Current workforce shortages have led to an overreliance on bank and agency staff³⁹. While integrated care boards (ICBs) are under direction from NHSE to curb agency spend across their systems⁴⁰, this is a challenging direction to meet when both vacancy rates and service demand in the NHS are increasing. Health and social care secretary Steve Barclay has said an additional 1% pay⁴¹ for all staff on the Agenda for Change contract would cost around £700 million a year – this is roughly 5.4 times less than the total temporary staffing spend in 2020/21 (£3.8bn)⁴². As noted above, increasing NHS staff pay is a key lever to improving recruitment and retention of the substantive workforce, and likely to prove cost saving in the long run by reducing reliance on expensive temporary staffing arrangements. With 86% of trust leaders worried about having capacity to meet demand for services over the next 12 months⁴³, workforce planning is truly fundamental to ensuring the NHS is well-resourced and able to meet demand for services in the future. Analysis undertaken on behalf of the NHS Confederation showed that healthcare investment has a clear relationship with economic growth, finding that for each £1 spent per head on the NHS, there is a corresponding return on investment of £4⁴⁴. There is therefore a clear case for the newly committed long-term workforce plan to be coupled with funding for its implementation, with this spending not to be seen as a further cost to the government, but an investment into the economic growth of the country.

³⁶ Royal College of Physicians, workforce coalition letter to the Prime Minister: <https://www.rcplondon.ac.uk/news/over-100-health-organisations-sign-open-letter-prime-minister-urging-him-strengthen-workforce>

³⁷ Royal College of Physicians, workforce coalition letter to the Chancellor: <https://www.rcplondon.ac.uk/news/over-100-health-and-care-organisations-call-staffing-forecasts-nhs-long-term-workforce-plan>

³⁸ Ibid.

³⁹ NHS England, consolidated NHS provider accounts 2020/21: <https://www.england.nhs.uk/wp-content/uploads/2022/02/Consolidated-NHS-provider-accounts-2020-21.pdf>

⁴⁰ "2022/23 controls on agency expenditure"; NHS England letter to regional finance directors, trusts, foundation trusts, and ICBs; 20 July 2022

⁴¹ Department of Health and Social Care, NHS industrial action - media fact sheet: <https://healthmedia.blog.gov.uk/2022/11/30/nhs-industrial-action-media-fact-sheet-2/>

⁴² Ibid.

⁴³ NHS Providers, report, 'State of the Provider Sector' (2022): <https://nhsproviders.org/state-of-the-provider-sector-2022/key-findings>

⁴⁴ NHS Confederation, 'The link between investing in health and economic growth': <https://www.nhsconfed.org/system/files/2022-10/Health-investing-and-economic-growth-analysis.pdf>

We have seen and commented on a draft of Health Education England's (HEE) update of Framework 15 and look forward to its publication. We believe it will give useful strategic grounding for the long term workforce plan that the chancellor committed to in his autumn statement. In addition, we understand HEE's transition into NHS England is due to complete in 2023 and as part of the restructuring, 6,000 posts will be made redundant. It is important that HEE expertise is retained during and after this transition, and funding for its work is protected. The need for further investment in the development of the current workforce and future domestic pipeline of staff into the NHS has not lessened, regardless of whether funding for HEE's functions moves into the ringfenced NHS England budget.

Recruitment and retention

The NHS workforce crisis is deepening, meaning existing staff are working under unsustainable pressure. The historically high vacancies which the NHS is experiencing creates a vicious cycle of shortages, with increasing workloads leading to staff experiencing more stress, causing high turnover and absence of staff. With demand for services higher than before Covid-19, a 1 in 10 vacancy rate, and an increasing cost of living, it is no surprise that NHS staff are at risk of burnout, low morale, and ultimately leaving the workforce all together. In 2021/22, over 27,000 professionals left the Nursing and Midwifery Council (NMC) register, an increase of 13% from the year before⁴⁵. In a recent survey of its members, the RCN found that 56.8% of respondents were considering leaving their current post, citing feeling undervalued and experiencing too much pressure at work⁴⁶. The rate of professionals leaving the workforce is being further exacerbated by the increasing cost of living and the below-inflation pay awards received for 2022/23. Internationally, research by the Organisation for Economic Cooperation and Development (OECD) shows that hospital nurses in the UK are paid less compared to countries with similar populations and economies, and that when factoring in the cost of living, hospital nurses in the UK see their wages stretched further than their European peers⁴⁷. This research also shows that while in many European countries nurses wages have kept pace with inflation since 2010, this is not the case in the UK⁴⁸. In our recent cost of living survey, 68% of trust

⁴⁵ Nursing and Midwifery Council, NMC register - 1 April 2021 – 31 March 2022:

<https://www.nmc.org.uk/globalassets/sitedocuments/data-reports/march-2022/nmc-register-march-2022.pdf>

⁴⁶ Royal College of Nursing, 'Employment Survey 2021': www.rcn.org.uk/professional-development/publications/Employment-Survey-2021-uk-pub-010-075

⁴⁷ Organisation for Economic Cooperation and Development (OECD), 'Health at a glance: Europe 2022': https://www.oecd-ilibrary.org/social-issues-migration-health/health-at-a-glance-europe-2022_507433b0-en

⁴⁸ Ibid.

leaders reported a significant or severe impact from staff leaving their trust for other sectors, such as hospitality or retail, where employers can offer more competitive terms⁴⁹. Mental health and community trust leaders have similarly told us that vacancies and an inability to recruit are the main reasons for low morale. 88% of respondents to our annual pay survey said they are very (64%) or somewhat (24%) concerned over gaps in their community nursing workforce, with explicit reference made to community mental health nurses. This is particularly concerning given the increase in the number of people in contact with mental health services, which has correlated with the rising cost of living⁵⁰. In July 2022, over 1.6 million people were in contact with mental health services, the second highest figure since records began⁵¹.

One of the simplest ways to recruit and retain staff is to pay them fairly, but for the NHS to remain an attractive place to work and a competitive employer, it is also critical that workplaces become more inclusive, compassionate and supportive, with opportunities for continuous professional development and training. The General Medical Council's (GMC) reasons for leaving report shows that dissatisfaction with role, place of work and workplace culture are the most cited reasons for leaving⁵². Opportunities for career progression are an important route to improved retention of staff enabling them to work to their full potential, enhance their skills and improve their career prospects. These opportunities ultimately lead to better patient care and improved quality of services and reduce turnover of staff. Research from Nuffield Trust found that staff who receive relevant, high-quality training are more likely to stay in their role and be equipped with the skills and confidence to deliver better care⁵³. Not investing in training is therefore a false economy and is the underlying cause of many of the problems the health system currently faces.

The NHS relies on overseas recruitment as a key lever to plug workforce gaps in the short term, as well as an established element of workforce planning. 98% of respondents to our annual pay survey said that international recruitment and staffing is important (56%) or very important (42%) in

⁴⁹ NHS Providers, report, 'Rising living costs: The impact on NHS, staff and patients': <https://nhsproviders.org/rising-living-costs-the-impact-on-nhs-staff-and-patients>

⁵⁰ Independent, 'NHS needs thousands more staff to meet cost of living crisis demands': <https://www.independent.co.uk/news/health/nhs-staff-cost-living-b2230724.html>

⁵¹ NHS Digital, mental health services monthly statistics, performance July, provisional August 2022: <https://digital.nhs.uk/data-and-information/publications/statistical/mental-health-services-monthly-statistics/performance-july-provisional-august-2022>

⁵² General Medical Council, 'Completing the picture': <http://www.gmc-uk.org/about/what-we-do-and-why/data-and-research/research-and-insight-archive/completing-the-picture-report>

⁵³ Nuffield Trust, 'New Horizons: What can England learn from the professionalisation of care workers in other countries?': <https://www.nuffieldtrust.org.uk/files/2022-09/1662995727-nuffield-trust-new-horizons-web.pdf>

addressing workforce gaps in the long term. While internationally recruited staff are invaluable to the NHS, the current overreliance on overseas recruitment is unsustainable. We are hopeful that the comprehensive long term workforce plan which the chancellor committed to in the autumn statement will help to secure both national and local recruitment pipelines to the NHS, reducing the overreliance on overseas recruitment, and making workloads more sustainable.

Outsourced and lower paid staff

Following the PRB's request for information on outsourced and lower paid staff, and the Equality and Human Rights Commission's (EHRC) 2022 report on the experience of ethnic minority lower paid staff in health and social care which highlighted data gaps in information on these staff and their experiences⁵⁴, we have been working with our members to understand these data gaps.

Responding to our pay survey, 51% of HR directors said that their trust contracts outsourced staff, with this being more common in the acute sector (56%) compared to non-acute providers (38%). Respondents told us that they most often outsource roles in facilities, cleaning, catering services, security, pharmacy and IT. 46% of respondents to our survey said their trust has a wholly owned subsidiary (WOS), with these again more common in the acute sector (47%) than among non-acute providers (40%).

On data collection, 44% of respondents said they do not currently collect data on the protected characteristics of their outsourced staff, while 24% do. 48% of respondents do not collect data on the experience of outsourced staff compared to 24% who do. 13% of survey respondents had brought their outsourced staff in house (often referred to as 'insourcing'), with 61% reporting that they had not and 26% responding that this had not yet been considered at their organisation. One respondent noted that their organisation has mirrored AfC terms and conditions through collective agreement with trade unions, and their major outsourced contracts also mirror AfC terms. Another respondent noted how they had insourced their estates and facilities staff in 2020, with 1,000 staff now employed directly by the trust.

⁵⁴ NHS Providers, briefing, EHRC – experiences from health and social care: the treatment of lower-paid ethnic minority workers: <https://nhsproviders.org/resources/briefings/on-the-day-briefing-ehrc-experiences-from-health-and-social-care-the-treatment-of-lower-paid-ethnic-minority-workers>

We will be continuing to consider the use and experience of outsourced and lower paid staff in trusts as part of our engagement with the EHRC, Workforce Race Equality Standard (WRES), and national approaches to workforce planning.

Pensions and pay reform

The NHS pension scheme provides generous benefits to its members, is undoubtedly favourable in comparison to many other public and private schemes, forming an important part of the total reward package for NHS staff. However, we remain concerned about the scheme's design and its subsequent interaction with the pension taxation scheme, particularly for higher earners who often receive unexpected and significant tax bills in connection with the annual allowance, frozen in April 2021 by former chancellor Rishi Sunak⁵⁵. We welcome DHSC's current consultation on changes to the scheme's regulations to increase flexibilities, as first outlined in former secretary of state for health and social care Thérèse Coffey's 'Our Plan for Patients'^{56, 57}. Acknowledgement of the interaction between pension taxation rules and inflation is also welcome. As this consultation closes in January 2023, we will share our response as supplementary evidence to the PRB. We also welcome DHSC's extension to temporary pension easements beyond the proposed April 2023 to April 2025, as outlined in our submission to the consultation on this matter⁵⁸. More broadly, NHS Providers' view is that pension flexibilities should be offered to all staff, not just higher earners. A respondent to our pay survey from an acute trust in the South East noted that "pension recycling and other options provide only a sticking plaster and create inequity in the workforce", while 96% of respondents agreed that increased pension flexibilities for all staff are very important (74%) or important (22%). 92% of respondents further agreed that government reform of pension taxation regulations is also very important (73%) or important (19%).

While there are higher earners who will be affected by these issues within the PRB's remit, a larger concern for the review body is likely the two-phase reform of pension contribution tiers approved by

⁵⁵ HM Revenue & Customs, lifetime allowance: <https://www.gov.uk/government/publications/setting-the-standard-lifetime-allowance-from-2021-to-2022-to-2025-to-2026/setting-the-standard-lifetime-allowance-from-2021-to-2022-to-2025-to-2026>

⁵⁶ Department of Health and Social Care, NHS pension scheme: proposed amendments to scheme regulations: <https://www.gov.uk/government/consultations/nhs-pension-scheme-proposed-amendments-to-scheme-regulations/nhs-pension-scheme-proposed-amendments-to-scheme-regulations>

⁵⁷ Department of Health and Social Care, 'Our Plan for Patients': <https://www.gov.uk/government/publications/our-plan-for-patients/our-plan-for-patients>

⁵⁸ NHS Providers, submission, NHS pension scheme: proposed amendments to continue the suspension of restrictions on return to work: https://nhsproviders.org/media/694134/nhs-pension-scheme-consultation-september-2022_final.pdf

DHSC after consultation in January 2022. Phase one was implemented in October this year, with phase two expected to be implemented in 2023. In our submission to this consultation, we expressed concern at the impact these changes would have on lower and middle banded staff, who would see their contributions increase as a result of tier 'flattening'⁵⁹. We noted that changes to the scheme must not encourage staff to opt-out, particularly considering the increasing cost of living. Since our submission to this consultation in early 2022, the economic landscape has worsened significantly. 96% of respondents to our pay survey reported being concerned (65% very concerned, 31% concerned) that increased contribution rates will see more staff leave the pension scheme and 44% of respondents to our cost of living survey reported the situation was already having a severe (18%) or significant (26%) impact on staff leaving the scheme⁶⁰. The RCN have also reported on a doubling of staff leaving the NHS pension scheme between 2021 and 2022, equating to around 550 members per day⁶¹. The decision to leave the scheme to immediately increase disposable income speaks to the significant and urgent pressures on staff finances in the current climate, but also calls into question the argument, set out in DHSC's submission to the PRB in 2022/23⁶², that long-term total reward benefits support staff recruitment and retention and must be balanced with the rate of basic pay. It is also a concern that staff lose certain protections when opting out of the pension scheme, including their death in service benefit⁶³.

88% of respondents to our pay survey this year agreed that delays to the announcement of the pay award negate the value of the award for staff. The confluence of backdated pay and pension contributions disproportionately affected those at the entry points of bands 3 and 5, and most significantly band 8a, in 2022/23. For most AfC staff, six months of backdated pay received in September averaged between £605.50 and £831.27 once backdated pension contributions had been deducted. By comparison, those at the entry point of band 3 received £497.83 and those at the entry of band 5, £352.70. Staff at the entry point of band 8a were worst affected, with an average deficit of

⁵⁹ NHS Providers, submission, NHS pension scheme contribution rates: <https://nhsproviders.org/resources/submissions/nhs-providers-response-to-the-nhs-pension-scheme-contribution-rates-dhsc-consultation-on-member-contribution-rates>

⁶⁰ NHS Providers, report, 'Rising living costs: impact on the NHS, staff and patients': <https://nhsproviders.org/rising-living-costs-the-impact-on-nhs-staff-and-patients>

⁶¹ Royal College of Nursing, low wages forcing nursing staff to opt out of NHS pensions: <https://www.rcn.org.uk/news-and-events/news/uk-low-wages-force-nursing-staff-to-opt-out-of-nhs-pensions-251022>

⁶² Department of Health and Social Care, written evidence to the NHS pay review body for the 2022 to 2023 pay round: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1057680/Written_evidence_to_the_NHSPRB_2022_to_2023.pdf

⁶³ BBC, 'NHS cleaner drew pension to pay bills and then died, son says': <https://www.bbc.co.uk/news/uk-england-tyne-62568046>

-£141.52 after backdated pension contributions were deducted⁶⁴. Our calculations also identified four points on the AfC pay scale where staff are only £1 above the threshold for a higher pension contribution tier from 1 October 2022. This is despite DHSC designing these changes to align with AfC uplifts, with the intention of preventing staff from seeing increased contributions to their pension as a result of annual pay awards. These staff are in the entry point of band 4, the mid-point of band 5, the mid-point of band 7 and the entry point of band 8b.

High cost area supplements (HCAS) and retention and recruitment premia (RRP)

Pensions comprise one element of total reward, and broader pay reform and funding includes a consideration of HCAS and RRP. Responding to our pay survey, 45% of HR directors agreed reform of HCAS is very important (27%) or important (18%), but increased funding is a larger priority with 50% respondents of agreeing this is very important (29%) or important (21%). One respondent from a mental health and learning disability trust in the South East highlighted the difficulty caused by HCAS boundaries that do not reflect the local cost of living, particularly as they "border trusts that receive HCAS". The majority of respondents (64%) feel that reform of RRP is also a priority, but this must be underpinned by increased funding with 67% of respondents agreeing. It is worth noting that several respondents felt that reform and/or funding for HCAS and RRP were neither important nor unimportant (29% for HCAS reform, 23% for increase HCAS funding, 21% for RRP reform and 23% for increased RRP funding). This likely points to the fact that for HCAS only certain trusts fall within the area boundaries, largely those in London and the home counties. As noted by a respondent above, this is despite the fact that living costs are equally high in bordering areas.

Bands 8 and 9

Staff in bands 8 and 9 received an uplift equivalent to less than 1.3% for 2022/23. At the top end of the AfC pay scale, many staff work at a comparative level to those covered under the DDRB's remit (who received an uplift of 4.5%), and their remuneration begins to interact with very senior manager (VSM) pay, under the remit of the Senior Salaries Review Body (SSRB). It is crucial that these senior and experienced AfC staff are retained within the health service and encouraged, both financially and developmentally, to progress into VSM roles should they seek to. 79% of respondents to our pay

⁶⁴ See calculations sent to the PRB separately. Note, these illustrative calculations are based on gross annual and monthly salary utilising the salary bands for 2021/22 and 2022/23. These figures only account for gross pay and pension contributions and do not factor in remaining deductions, including, but not limited to, income tax and national insurance contributions. Calculations are based on the assumption that monthly pay equals gross annual pay divided across 12 payment periods. These illustrative calculations are for use by the PRB as supplementary evidence only and will not be published by NHS Providers.

survey agree that reform is needed at bands 8 and 9 to ensure pay progression which retains leaders. In our submission to the SSRB this year, we also outline concerns about VSM morale and retention.

Comparator pay

Trust leaders responding to our cost of living survey shared their concerns about staff seeking opportunities in other sectors. 75% of trust leaders were extremely concerned that existing workforce challenges would be exacerbated by the sub-inflationary pay award in 2022/23. Respondents described challenges recruiting to porter, cleaner and healthcare assistant (HCA) roles, as well as in functions including HR, IT and facilities. One respondent from a combined acute and community trust in the South West noted this does not only affect retention but also future recruitment, stating that “inflation is having a demonstrable downward effect on [the] number of applications for nursing degrees.”⁶⁵ Additionally, a respondent to our pay survey from a combined acute and community trust in London noted, “it is becoming harder... to recruit HCAs when they can take on better paid, less intensive jobs at the local supermarket... fewer nurses [are] coming through as people are making choices to move to other roles that will better allow them to pay off debts”.

Equality, diversity and inclusion

91% of HR directors responding to our pay survey were very confident (24%) or confident (67%) that their trust is making progress on tackling race equality, compared to 64% being confident (13% very confident, 51% confident) in progress at ICS-level. Respondents noted the largest barrier to progress is capacity, both in terms of time and resource, which is why it is essential that accountability for tackling race inequality is embedded as core work across organisations and at all levels. Others noted that increased diversity at senior leadership level is crucial. With regard to board prioritisation of promoting race equality and tackling discrimination, 87% of respondents to our ‘State of the Provider Sector’ report agreed (51%) or strongly agreed (36%) this was progressing well. These are positive findings, and we welcome the EDI-related messaging and recommendations included in the ‘Leadership for a collaborative and inclusive future’ report ⁶⁶. Despite this focus, however, it is clear that there remains much work to be done.

The 2021 national WRES report found that while overall ethnic minority representation increased in

⁶⁵ NHS Providers, report, ‘Rising living costs: impact on the NHS, staff and patients’: <https://nhsproviders.org/media/694201/nhs-providers-cost-of-living-survey-briefing-september-2022.pdf>

⁶⁶ NHS Providers, briefing, leadership for a collaborative and inclusive future: https://nhsproviders.org/media/693695/46336_messenger-review-otdb_final.pdf

the NHS workforce (22.4% compared to 17.7% in 2016) including at VSM-level (9.2% compared to 7.9% in 2020), there has been a fall in the number of executive directors from an ethnic minority background. This is masked by improved diversity among non-executive directors (NEDs), bringing overall board diversity to 12.6% (from 10% in 2020)⁶⁷. Only 44.4% of ethnic minority staff believe that their trust provides equal opportunities for career progression, compared to 58.7% of white staff, and ethnic minority staff remain less likely to access continued professional development (CPD) and non-mandatory training. Furthermore, despite improvements year-on-year in the disciplinary gap, ethnic minority staff remain more likely to enter a formal disciplinary process compared to their white peers⁶⁸. More granular data included in the most recent WRES report is a positive step that will allow for greater analysis and understanding, as well as the tailoring of initiatives and support, but it also reveals the unacceptable levels of discrimination and harassment experienced by ethnic minority staff in the NHS, and the importance of considering intersectionality when working to address this.

The Workforce Disability Equality Standard (WDES) gives valuable insight into the experiences of disabled staff in the NHS, with the NHS staff survey also providing data in this area. While the proportion of disabled staff reporting a disability in the Electronic Staff Record (ESR) has increased to 3.7%, this is significantly below the 23.2% of staff self-reporting a disability in the NHS staff survey and the national economy-wide disability disclosure rate of 22%⁶⁹. This suggests there remain significant barriers to staff feeling able to disclose their disability to their employer – some of this is related to technology and the operability of ESR, but the key concern is psychological safety of staff. Disability disclosure rates at board level have increased, with 121 board members reporting a disability compared to 63 in 2019. There is evidence that this helps improve overall staff disclosure rates, as trusts with higher ‘unknown’ rates of declaration often do not have a board member who has declared a disability. NHS Providers has recently highlighted the work trusts are implementing to support their disabled staff, and to support disabled people in their local communities into employment. This is essential considering the 28.1% gap in employment between disabled people and non-disabled people in the UK⁷⁰.

⁶⁷ NHS Providers, briefing, workforce race equality standard: <https://nhsproviders.org/media/693373/next-day-briefing-nhs-workforce-race-equality-standard-2021-8-april.pdf>

⁶⁸ Ibid.

⁶⁹ NHS Providers, briefing, workforce disability equality standard: <https://nhsproviders.org/resources/briefings/next-day-briefing-2021-workforce-disability-equality-standard-wdes-report>

⁷⁰ NHS Providers, blog, how trusts are supporting disabled and neurodivergent staff: <https://nhsproviders.org/news-blogs/blogs/how-trusts-are-supporting-disabled-and-neurodivergent-staff>

There is evidence in the NHS staff survey results that staff who are members of the LGBTQ+ community also experience higher levels of discrimination at work, with 7.8% experiencing discrimination from a patient (up from 6.7% in 2017) and 9.1% experiencing discrimination from a manager or colleague (up from 8.4% in 2020). Rates of discrimination from patients are particularly high at ambulance trusts for all staff, but LGBTQ+ staff reported significant levels of abuse, particularly gay and lesbian respondents (25.6%), staff who reported their sexuality as 'other' (26.3%) and transgender colleagues (17.8%). In our submission the Health and Social Care Select Committee's (HSCC) expert panel reviewing the government's workforce commitments across health and social care, we discussed the imperative of reducing bullying rates across all staff and across all protected characteristics. We noted, however, that tackling these unacceptable behaviours is more challenging in the face of the broader context of the challenges facing the service. Burnout and low morale, as well as widely reported public frustration as a result of delays in service access, increasingly risk translating into incidents of incivility. Central government action to address workforce shortages is a key intervention that would go a long way to addressing this⁷¹.

Flexible working and productivity

Given aforementioned statistics relating to staff burnout and stress, we know that measures to improve flexible working can significantly improve staff retention⁷². The overarching message of the NHS People Plan is that the NHS needs more people, working differently, in a compassionate and inclusive culture⁷³. With 80% of trust leaders worried about staff morale⁷⁴, it naturally follows that they are focussing on addressing this. Our pay survey asked how confident trust leaders are that their organisation is progressing the 2020/21 People Plan. 94% of respondents were very or somewhat confident of progression in the 'Looking after our people' area, and that their actions are having a positive impact for staff.

Each year our pay survey asks trust leaders which interventions they feel would enable greater workforce productivity within their organisations. This year, respondents ranked improved use of technology at the top, followed by greater use of staff in 'new roles', and better enabling staff to work

⁷¹ NHS Providers, submission, Health and Social Care Committee expert panel: <https://nhsproviders.org/resources/submissions/nhs-providers-submission-to-the-health-and-social-care-committee-s-expert-panel>

⁷² NHS Providers, report, 'Providers deliver: recruiting, retaining and sustaining the NHS workforce': <https://nhsproviders.org/providers-deliver-recruiting-retaining-and-sustaining-the-nhs-workforce>

⁷³ NHS England, 'We are the NHS: People Plan for 2020/21 – action for us all': <https://www.england.nhs.uk/wp-content/uploads/2020/07/We-Are-The-NHS-Action-For-All-Of-Us-FINAL-March-21.pdf>

⁷⁴ NHS Providers, report, 'State of the Provider Sector 2022': <https://nhsproviders.org/state-of-the-provider-sector-2022/key-findings>

to the top of their skill set. Technology is playing an increasingly important role in addressing the many issues facing the NHS, both in terms of operational pressures and the move towards system working. However, with long term technology transformation budgets used in part to meet the shortfall in the unfunded 2022/23 pay award, the progress of this work will be hindered.

In our last submission to the PRB we also highlighted that trusts support increased use of alternative roles within the health service, including those under the medical associate professions umbrella such as physician associates and anaesthesia associates. However, these roles continue to be significantly underutilised due to restrictions on fully incorporating them into workforce planning. We are disappointed that the implementation of GMC regulation for these roles has been delayed to 2024, as it would increase skills mix and capacity within teams.

Apprentice and associate roles are also diversifying entry routes into the health service, increasing flexibility for those undertaking training and for trusts, and widening access to NHS careers. Similarly, blended roles which span health and social care are providing staff with more flexible working and development opportunities⁷⁵. As such, a significant majority of trusts told us they would support additional funding from the government to expand blended roles (48% said it was very important, 35% said it was important).

Further information and contact

We would be pleased to supply any further supplementary information and respond to questions from the NHS Pay Review Body. We look forward to discussing the evidence further in our scheduled oral evidence session.

For more information, please contact NHS Providers' workforce policy advisor, Sarah White, sarah.white@nhsproviders.org.

⁷⁵ NHS Providers, report, 'There is no community without people': <https://nhsproviders.org/media/694000/community-network-there-is-no-community-without-people-briefing.pdf>