

Department of Health press release

Health Secretary Alan Johnson today announced that the Department had agreed with NHS Employers, UNISON and the Royal College of Nursing (RCN) a proposed three-year pay package for all NHS Agenda for Change (AfC) staff - including nurses, midwives and Allied Health Professionals - which will now be subject to consultation by members of all the trade unions covered by AfC. The proposed package incorporates the NHS Pay Review Body Recommendation for 2008/09.

The proposal includes:

- acceptance in full of the 2008/09 NHS Pay Review Body's recommendations for a 2.75 per cent pay rise for nurses and other healthcare professionals from 1 April 2008;
- 2.4% headline award in 2009/10;
- 2.25% headline award in 2010/11;

additional changes to the pay structure in Years 2 and 3 that would give extra financial support for the lowest paid workers, allow quicker progression up the pay ladder and increase the earning potential for hundreds of thousands of staff.

Alan Johnson said:

"I am extremely proud of the outstanding professionalism of NHS staff and the high level of care they deliver for patients day in, day out. Today's announcement recognises their tremendous efforts. A multi-year deal ensures security for staff and allows them to plan for their future and the future of their families.

"It also ensures long-term stability for the NHS, which can now push ahead with challenging health reforms with a greater degree of security. Patients will see real benefits as the deal fits with the planning cycle of the NHS over the next three years, meaning the health service can focus on delivering improvements such as reducing waiting times and tackling infections on a solid financial base.

"I would like to thank the NHS Employers and unions for their positive approach to negotiations. I believe we have worked towards achieving a fair and affordable deal that is good for staff, the NHS and patients.

Chancellor of the Exchequer Alistair Darling said:

"A three year pay deal gives certainty for NHS Agenda for Change staff and provides further stability for the wider economy."

The decision means that:

- The minimum starting salary for nurses will now be more than £20,000 for the first time [£20,224] from April 1. This is 24% increase since 1997 in real terms.
- Experienced midwives will now have an earnings potential of £32,653 from 1st April 2008 - an increase of 70% in cash and 28% in real terms since 1997.

Notes to editors:

1) The proposed headline increases for Agenda for Change Staff over the three years (2.75% in year 1, 2.4% in year 2 and 2.25% in year 3) represents a 7.58% cumulative increase for the three years. This together with the cost of restructuring gives a total cumulative cost of 7.99%