

Annex A – Full text of the three-year pay agreement reached by the parties¹

Multi Year Agreement

1. These elements taken as a package will provide a way of linking the key NHS business objectives of delivering service reconfiguration and improving patient satisfaction with improving staff satisfaction and commitment.

Pay – uplifts

2. We propose that to assist stability for employers in delivering services and provide certainty for staff the pay uplifts for each of the three years for all pay points will be:

2008/09 2.75%

2009/10 2.4%

2010/11 2.25%

Pay – Other Issues

3. The following changes will be implemented from the date(s) shown below:

2009/2010 (year 2)

Remove the bottom point of band 1 (point 1) from the pay scales. Move the incremental date of all those on point 1 to 1st April from year 2.

Increase the top point of band 5 (point 25) by 0.33%

2010/11 (year 3)

Reduce the length of band 5 from nine to eight. Re-spread the remaining points across the band. Reset incremental date of staff on the removed point to 1 April from year 3 to prevent leapfrogging. Increase the top point of band 5 (point 25) by 0.33% (repeat in year 4) as set out in the attached spreadsheet.

A flat rate pay increase of £420 for points 1-13 (equivalent to 2.25% at point 14)

¹ <http://www.nhsemployers.org/pay-conditions/pay-conditions-3612.cfm>

The NHS PRB will continue to gather evidence throughout the period of this agreement. In the event that the NHS PRB receive and identify new evidence of a significant and material change in recruitment and retention and wider economic and labour market conditions, they may request a remit from the Secretary of State to review the increases set out in this agreement for 2009/10 and/or 2010/11.

The remit of the Review Body will be amended to reflect this agreement.

Future talks

4. The parties have agreed to hold further talks within the three year period on proposals to reduce the number of incremental pay points (starting with bands 6 and 7) that are affordable within the context of future pay awards.

5. The trade unions claim for a reduction in the hours of the working week will be considered within future talks between the parties on productivity improvements within the NHS.

6. Commitment to working in partnership to continue to increase the number of apprenticeships in the NHS in line with Government policy

Non-Pay Elements

7. The following components relate to the management of

a. Revised facilities agreement for NHS staff

b. Work – life balance and well being statement

8. The signatories propose that this agreement would provide the NHS with known and affordable arrangements for pay during the period April 2008 to March 2011. The arrangement would apply to all staff employed by the NHS on terms and conditions agreed under the 'Agenda for Change' arrangements set out in the NHS Staff Handbook.