

Looking forward: how should NHS pay rises be set for 2022 and beyond?

What's happening?

The Health Service Group Executive (SGE) is asking regions to lead a consultation with branches about future NHS pay determination for 2022 and beyond. This work comes out of motion 9 passed at our 2019 health conference. It called on the SGE to review UNISON's policy and bring a recommendation back on whether we should try to change the current Pay Review Body system for determining annual pay awards.

To inform the work the SGE has produced a detailed document setting out the background, the recent history of annual pay outcomes and some analysis of the issues we now face. Over the coming months the service group will be working with regions to organise consultation activity with branches so that each region can make a formal response back to the SGE by September 2020.

This is a brief guide to what's in the SGE's discussion document.

Why now?

The current three-year Agenda for Change pay deals will come to an end in March 2021. In the short-term the SGE is already working on a pay claim to be launched this autumn for NHS pay in the year 2021/22. But in the medium term we need to consider how we want to arrive at pay settlements going forward from 2022.

Do we want to revert to a system where the official mechanism is the PRB process, or do we want to push for a form of collective bargaining to replace it?

How did we get here?

As the biggest NHS union we have engaged with Pay Review Bodies (PRBs) since 1983 alongside varying forms of collective bargaining – first in Whitley Councils and then through the NHS Staff Council and devolved negotiating bodies.

After Agenda for Change brought all non-medical staff into one pay system, we've had a default process whereby the NHS PRB recommends pay settlements to the governments of the four countries. Political decisions are then made about whether governments will accept them. As a

result, PRB recommendations have over the years been implemented in full, in part, added to or ignored.

Starting in 2011, our members endured seven years of zero or 1% headline awards. During this time the PRB's hands were tied by the Westminster government's pay austerity policies and NHS staff lost any faith in the PRB as a meaningful process.

Political instability and our Pay Up Now! campaigning meant that in 2018 we bust the 1% cap and negotiated three-year funded deals to reform the AfC pay structure.

Through these deals we were able to achieve key UNISON priorities on low pay and equality that had not been achievable via the PRB system. And one of the major benefits was the recruitment and organising opportunities this created as we could keep members interested in the negotiating process and give them the chance to participate in a meaningful ballot on the outcome.

What issues do we need to consider?

- Government policies on public finances and public sector pay are the dominant factors in pay outcomes – regardless of the official mechanism.
- A Johnson government could mean we face a range of threats including regional or localised pay, or preferential pay awards for particular occupational groups.
- Devolution means we have a UK AfC framework where decision-making and opportunities for UNISON to influence will vary from country to country.
- Any decision to pursue change must take account of the need to convince other interested parties – crucially other unions, employers and governments.
- And changing our role in the pay system would mean more and different kinds of work throughout the pay year for the union at national, regional and branch level.

What is the SGE looking for from branches?

The SGE wants to consult in order to help it make a policy recommendation about which of two broad policy directions to formally commit to:

- Pragmatic opportunism – as now some years will involve collective bargaining while in others pay will be set through the PRB-led process.
- Formal policy change – devoting energy and resources to achieving a change to the current system, including seeking buy-in from other unions, employers and governments.

Within these broad directions there are a number of possible models including

- Tweaking the current PRB role
- Downgrading the PRB role in favour of more collective bargaining
- Disbanding the PRB altogether in favour of full collective bargaining

The SGE also wants regions to collate views from activists about

- the criteria it should use for assessing different options for pay determination including how we can be most effective in recruiting and organising
- resource and capacity considerations for the union at national, regional and branch level if we were to change the system
- risks and opportunities the SGE should take into account in deciding its policy recommendation