



Department
of Health &
Social Care

*From Will Quince MP
Minister of State for Health and Secondary Care*

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Caroline Lucas MP

By email to: caroline.lucas.mp@parliament.uk

30 March 2023

Dear Caroline,

Thank you for your correspondence of 10 January about the NHS. I am sorry for the delay in replying.

I am grateful to you for raising your concerns.

The recommendations of the independent pay review bodies (PRBs) for 2022/23 were accepted in full by the Government in July 2022. The PRBs are independent advisory bodies made up of industry experts. They carefully consider evidence submitted to them from a range of stakeholders, including the Government, NHS system partners and trade unions. The PRBs consider factors including the cost of living and inflation, recruitment, retention and morale, and value for the taxpayer.

We then began the PRB process for 2023/24, and the Government has had a series of constructive talks with unions representing Agenda for Change (AfC) staff about pay and workforce issues. We are now pleased to make an offer that reflects the huge value and importance of NHS workers while recognising the wider economic pressures felt across the country.

The fair offer will give more than one million NHS workers on the AfC contract in England a pay rise, subject to union members' acceptance.

The offer involves two non-consolidated payments for 2022/23, the first of which is worth two per cent of an employee's salary. The second is a one-off 'backlog bonus' worth four per cent of the AfC pay bill, recognising the extraordinary work of NHS teams across the country to meet the ambition to cut waiting lists.

This is on top of the pay rise of at least £1,400 on average already received in 2022/23 by all AfC staff who work in non-medical roles, including nurses, ambulance staff, cleaners, porters, administrative staff and physiotherapists, as well as the offer of a five per cent increase for 2023/24.

While the deployment of a flexible workforce is an important element of efficiently running the NHS, we acknowledge that recruitment agencies can be expensive and that it is important to reduce unnecessary expenditure on agency staff in the NHS. Departmental policy underlines that trusts should utilise in-house staff banks as their source of flexible staffing and to only use an agency as a last resort.

In recent years, the NHS has made good progress in managing the total spent on agency staff. In 2015, the then Secretary of State introduced a series of measures to bring agency spending under control, which involved the introduction of price caps and limiting the amount a trust can pay to an agency for temporary staff. The agency rules also include the mandatory use of approved frameworks for procurement, as well as the requirement for all trusts to stay within the specified annual expenditure ceilings for agency staff.

The rules outlined above have been effective and have reduced spending on agency staffing by a third, from £3.6 billion in 2015/16 to £2.4 billion in 2020/21. Agency spending accounted for 3.7 per cent of the overall NHS pay bill in 2020/21, down from 7.8 per cent at its peak in 2015. The NHS continues to work to reduce the use of agency workers to fill shifts, and reduce the average cost paid per agency shift. Within the rules, NHS England has ensured that no additional costs are incurred by trusts, irrespective of which framework operator they wish to use, by ensuring that all fees are included within the price cap.

The desire to reduce agency costs must be balanced against providing safe care to patients. Therefore, the agency rules include a 'break glass' provision that allows trusts to override them on exceptional patient safety grounds. This means that the capped agency rates can be breached where patient safety is at stake. However, this should be a culmination of a robust escalation process sanctioned by the trust board. Trust boards have primary responsibility for ensuring patient safety and monitoring the local impact of the agency rules.

The *Delivery plan for recovering urgent and emergency care services* was published on 30 January. The plan aims to deliver one of the fastest and longest sustained improvements in emergency waiting times in the NHS's history, including bringing down A&E wait times significantly over the next year, and down towards pre-pandemic levels within two years.

Building on the additional capacity we have put in place this winter, the UEC Recovery Plan commits to increasing the permanent bed base by 5,000 for next winter. The increase in bed capacity will be supported by £500 million for the Adult Social Care Discharge Fund, which will improve patient flow through hospital, reduce long waits in handing ambulance patients to A&E and help patients get discharged faster from hospital. This will free-up beds, reduce long waits in A&E and get ambulances back on the road more quickly.

We are now investing a further £200 million to speed up patient discharge, through direct support to local areas by buying thousands of extra beds in care homes and other settings. We are also investing an additional £50 million in capital funding to improve patient flow, including through expanding hospital discharge lounges and ambulance hubs.

This builds on the £450 million awarded in 2020/21 to more than 120 trusts to upgrade A&E facilities. This boosted capacity by expanding waiting areas and increasing the number of treatment cubicles, which helped reduce overcrowding and supported social distancing throughout the pandemic.

As announced in the autumn statement, the Government is investing an additional £3.3 billion in each of 2023/24 and 2024/25 to enable rapid action to improve urgent and emergency, elective and primary care performance to pre-pandemic levels.

The Government appreciates the importance of retaining staff, and the *NHS Priorities and Operational Planning Guidance 2022/23* is clear that the wellbeing of the workforce is crucial.

Our ambition to make the NHS the best place to work requires a cultural shift across the service, which will require investment over time. The *NHS People Plan* sets out a comprehensive range of actions to improve staff retention. It has a strong focus on creating a more modern, compassionate and inclusive NHS culture by strengthening health and wellbeing, equality and diversity, culture and leadership, and flexible working.

The NHS Retention Programme is continuously seeking to understand why staff leave, resulting in targeted interventions to support staff to stay whilst keeping them well.

I hope this reply is helpful.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Will Quince', with a stylized, flowing script.

**WILL QUINCE MP
MINISTER OF STATE**