



The NHS Pay Review Body
Written evidence from NHS England
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The NHS Pay Review Body: NHS England's Evidence for the 2017 Review

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Chapter 1: Introduction

Background

- 0.1 This document contains written evidence from NHS England to inform the NHS Pay Review Body (PRB) report on 2017/18 pay for their remit group.

Affordability and funding constraints

- 1.1 NHS England is funded by the Department of Health to commission health services as required under the NHS Constitution and the NHS Mandate, with objectives to deliver improved health outcomes.
- 1.2 The Government published NHS England's budget for the years to 2020/21 in the Spending Review. NHS England's budget for 2017/18 will be formally set in the Mandate, which will be published later in the year.
- 1.3 It is clear that the next five years will continue to require very significant further financial savings and efficiency improvements, similar in scale to those needed from 2010 to 2015. Whilst the Government has committed to provide additional real terms funding growth for the NHS over the next five years, NHS England's analysis, set out in the Call to Action¹ and updated in the NHS Five Year Forward View,² identified funding pressures of around £30 billion by 2020/21. This analysis was refreshed in the spending review, and whilst £8bn of pressures have been covered by additional funding, an efficiency challenge of £22bn remains.
- 1.4 As a result, it is imperative that all providers in the service make savings and deliver efficiency gains each year. We estimate that around £7bn of efficiencies against the Five Year Forward View counterfactual cost growth could be nationally delivered. Significantly, £3.5bn of this is predicated on implementing the government's 1% public sector pay cap to 2019/20.
- 1.5 On the basis of the above, we would urge the NHS PRB to carefully consider what, if any, uplift is appropriate for 2017/18.

¹ Available at: http://www.england.nhs.uk/wp-content/uploads/2013/07/nhs_belongs.pdf

² Available at: <https://www.england.nhs.uk/wp-content/uploads/2014/10/5yfv-web.pdf>

Chapter 2: reform of the workforce to help deliver NHS priorities

Introduction

- 2.1 This chapter relates to information on staff employed across the NHS, including by NHS England.

Five Year Forward View update

- 2.2 The Five Year Forward View set out a number of proposals for how the NHS needs to change to take account of the opportunities that science and technology offer, and also to evolve to meet new challenges: the population is living longer, with complex health needs.
- 2.3 NHS England continues to build a deeper understanding of the issues and implications of implementing services for urgent and emergency care on every day of the week, including the impact on staffing. We are gaining valuable insight from acute trusts involved in Phase 1 of this work which are implementing the seven day hospital standards by March 2017. We are working with the Department of Health, NHS Improvement and Health Education England as we continue to build our knowledge and use this to support our work as this work progresses to 2020. Further updates will be provided on the NHS England website³.

Evolution of paramedic role

- 2.4 Within the NHS Pay Review Body's 2016 report was the following observation:

Observation 13

NHS England should provide central ownership and capacity to support the evolution of the future paramedic role, the identification of costs and benefits for health systems, and support the business case for any pay band changes to assist local level decision making.

- 2.5 NHS Employers have been leading this work with key stakeholders involved in ambulance care, including NHS England, Health Education England, Department of Health, commissioners and trades unions.
- 2.6 An initial statement on progress was published on 20 June 2016 on the NHS Employers website⁴.
- 2.7 The parties are committed to operating within existing national frameworks and have agreed to collaborate to develop a clear timetable for this work. An update will be provided in due course.

³ Available at: <https://www.england.nhs.uk/ourwork/qual-clin-lead/seven-day-hospital-services/>

⁴ Available at: <http://www.nhsemployers.org/news/2016/06/ambulance-workforce-issues>

Chapter 3: Conclusion

- 3.1 In summary, the NHS continues to face a challenging financial position.
- 3.2 It is clear that the next five years will continue to require very significant further financial savings and efficiency improvements, including through restraining growth in pay, similar in scale to those needed from 2010 to 2015. If savings are not delivered through pay restraint, additional unidentified savings will be needed from elsewhere, potentially reducing the resources available for delivering and improving services to patients’
- 3.3 The NHS PRB will wish to consider very carefully what, if any, uplift it considers appropriate for 2017-18.