



HM Treasury

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Dr Carolyn Wilkins OBE
Oldham Metropolitan Borough Council
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Our reference: TO2018/00316

Dear Dr Wilkins,

Thank you for your correspondence dated 19 December to the Chancellor of the Exchequer about public sector pay. As it is not practical for Ministers to respond to all the letters they receive, I have been asked to reply on their behalf.

Public-sector workers deserve to have fulfilling jobs that are fairly rewarded. At the Budget, the Government reconfirmed the announcement from September to move away from the across the board one per cent public sector pay policy, towards a more flexible approach on pay.

The Government still need to deal with our country's debts to ensure we have a strong economy to enable us to invest in our public services. This means that they will continue to take a balanced approach to public spending.

The Government will consider each specific workforce to ensure pay is set so that we can continue to both attract and hold on to the excellent staff that support our world-leading public services. Before the Government makes final decisions on pay awards, they will seek the views of the eight independent Pay Review Bodies, which will consider the evidence on how we ensure we attract and retain the very best people within our public services, like giving people more flexibility over their working hours.

They will report in spring and summer 2018, at which point we will consider their recommendations and announce public sector pay awards for each of those workforces.

The Government recognises the unique pressures the NHS is facing this year: there are more operations than ever and more people going to A&E than ever. As a result, at the Budget the Chancellor announced additional funding for the NHS as a whole.

On pay, there is an opportunity through the Health Secretary's discussions with the unions to agree a pay deal which will deliver productivity improvements. It is important not to prejudge the outcome of these discussions, but the Chancellor has committed to fund pay awards for Agenda for Change staff (which includes nurses, midwives and paramedics) that are agreed as part of a deal with the unions to improve productivity, so as to protect frontline services from additional financial pressure.

Thank you for taking the trouble to make the Government aware of these concerns.

Yours sincerely,

A handwritten signature in black ink that reads "T Webb". The letters are cursive and slightly slanted to the right.

T Webb
Correspondence & Information Rights Team
HM Treasury