

Pay communications 1 April 2021

Introduction

As of 1 April 2021, structural reform to all pay bands will be complete. Each pay band will have either a two or three pay-step structure.

The pay structure is underpinned by the [Job Evaluation Scheme](#) which enables employers to determine which pay band a post should sit in and the [pay progression arrangements](#), which ensures staff have the appropriate knowledge and skills they need to carry out their roles.

There has not yet been an announcement on NHS pay rates for 2021/22. The Secretary of State [issued a remit](#) to the NHS Pay Review Body on 18 December 2020 outlining his expectation that the report would be completed by May 2021. The government will make its announcement on pay following the publication of that report.

Once the value of the pay award is known, changes will be applied to the pay values shown at Annex 1 of this guidance. This pay structure will also be replicated in [Annex 2](#) of the NHS terms and conditions of service handbook from 1 April 2021. Any back pay due to staff will be made to 1 April 2021, subject to approval from the Secretary of State for Health and Social Care.

Reform of the pay structure 2018 – 2021

In 2018, the NHS Staff Council agreed to reform the NHS pay structure over a three-year period covering April 2018 to March 2021. The key objectives of reform included:

- Support the attraction and recruitment of staff by increasing starting pay in every pay band.
- Support the retention of staff by increasing basic pay for staff at the top of their pay bands.
- Simplifying the pay structure and speeding up progression to the top of most pay bands.

Further information on these reforms and the transition arrangements in each year can be found in the [framework agreement](#).

There are a small number of final elements of reform, which take effect from 1 April 2021 and these are set out below.

Final elements of reform

Bands 8 and 9

The reform of bands 8a-9 was complete with effect from 1 April 2020 when the pay bands moved to a two-point structure; an entry point and a top point.

There were a number of staff who, from 1 April 2020, received a consolidated payment to ensure that the no detriment clause within the framework agreement was delivered. This was due to the removal of two pay points from these bands on 1 April 2020, but staff not yet being eligible to progress to the top pay point.

From 1 April 2021, some of these staff will still not be eligible to progress to the top of their pay band for a further two years.

For these staff, there is no substantive pay point in the new pay structure until they are eligible to progress to the top of the pay band. To ensure there is no detrimental impact, temporary consolidated payments are currently made in monthly instalments (pro-rata) and are subject to pension, tax and national insurance contributions - please see [Annex 2, table 10 \(b\)](#).

It has been agreed that these temporary consolidated payments will continue to apply from the 1 April 2021 to those already in receipt of them as of 31 March 2021. Once the pay outcome for 2021/22 is established, this position will be reviewed by the NHS Staff Council who will assess and decide what needs to happen in the light of the updated pay scales for 2021/22. As a minimum, the intention is that there will be no reduction in pay for these staff prior to them reaching the top of their pay band.

Further information is available in the [latest NHS Staff Council statement](#).

Completion of transitional arrangements in bands 5, 6 and 7

The completion of transitional arrangements for bands 5, 6 and 7 occurs on 1 April 2021, with the removal of the final transitional pay point in each band. The affected points are:

Band	2020/21 transitional Pay point	Move to top of band on 1 April 2021¹
Band 5	£27,416	£30,615
Band 6	£33,779	£37,890
Band 7	£41,723	£44,503

Staff on these points on 31 March 2021 will automatically move to the top pay step of their pay band on 1 April 2021. The move will be processed automatically by ESR and the move is not subject to pay progression arrangements. The pay step date will not be reset.

Closing of band 1

All band 1 staff should have been provided the opportunity to transition to band 2 through the initial offer exercise with an effective date of 1 April 2019. The initial offer exercise should be completed by 31 March 2021. The effective date applies

¹ Any future pay award coming into effect from April 2021 would be applied to these amounts

retrospectively regardless of when the job description is actually changed so staff who have taken up the initial offer will automatically move to the top of band 2 on 1 April 2021.

The move is not subject to pay progression arrangements. Protection arrangements in respect of unsocial hours payments may apply.

Any staff who have chosen to remain in band 1 should be regularly offered the opportunity to transition to band 2. As a minimum, this should be at their annual appraisal.

All the material relating to the band one transition can be found on the [closing band 1 web pages](#).

Additional information

HCAS rates

High cost area supplement rates, as detailed in [Annex 9](#) of the NHS terms and conditions of service handbook, will be updated when the detail of the 2021/22 pay award is known.

Until then, the rates (minimum and maximum payments) as shown at [Annex 9](#) will continue to apply.

Unsocial hours rates

Unsocial hours rates will remain unchanged as detailed in [Section 2 \(England\)](#) of the NHS terms and conditions of service handbook:

Pay band	All time on Saturday (midnight to midnight) and any weekday after 8 pm and before 6 am	All time on Sundays and Public Holidays (midnight to midnight)
1	Time plus 47%	Time plus 94%
2	Time plus 41%	Time plus 83%
3	Time plus 35%	Time plus 69%
4 - 9	Time plus 30%	Time plus 60%

Annex 1 – Pay structure from 1 April 2021

The simplified pay structure below shows each of the pay bands in their fully reformed state. Each pay band, with the exception of band 1 (now closed), has either a two or three-point structure.

Band 1	£18,005
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	Entry step point	Years until eligible for pay progression	Top step point
Band 2	£18,005	2	£19,337
Band 3	£19,737	2	£21,142
Band 4	£21,892	3	£24,157

	Entry step point	Years until eligible for pay progression	Intermediate step point	Years until eligible for pay progression	Top step point
Band 5	£24,907	2	£26,970	2	£30,615
Band 6	£31,365	2	£33,176	2	£37,890
Band 7	£38,890	2	£40,894	3	£44,503

	Entry step point	Years until eligible for pay progression	Top step point
Band 8a	£45,753*	5	£51,668
Band 8b	£53,168*	5	£62,001
Band 8c	£63,751*	5	£73,664
Band 8d	£75,914*	5	£87,754
Band 9	£91,004*	5	£104,927

Key:

Bands 8c – 9 re-earnable points	*	Consolidated payments may apply
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- There is an element of re-earnable pay for bands 8c, 8d and 9 at five per cent or ten per cent of basic salary. Further detail can be found at [Annex 23 \(England\)](#).
- The continuation of temporary consolidated payments will apply only to those already in receipt of it as of 31 March 2021. Further information is available in the [latest NHS Staff Council statement](#). The value of the consolidated payments is set out in [Annex 2](#).