# Scottish consultant webinar – pay offer

**BMA** 

21 October 2024



## **Aims**

What were the BMA Scotland aims in pay negotiations with Scottish Government?

- Improve consultant pay, start to reverse pay erosion and agree a timeline to progress towards pay recovery
- Restore the favourable pay differential between Scotland and the rest of the UK
- Consider if pay scale changes might be worth considering for consultants in Scotland.
- See whether DDRB reform agreed in England makes participation from Scotland a viable option in future years.

## **Timeline**

- Late 2023/early 2024 multiple letters between SCC and SG
- 12<sup>th</sup> June SCC met and resolved to enter formal dispute with SG
- 27<sup>th</sup> June initial meeting with Cabinet Secretary
- 15<sup>th</sup> August first full pay negotiating meeting initial offer rejected, with agreement to continue talks
- 20<sup>th</sup> August officials meeting
- 6<sup>th</sup> September SCC Chair/Cabinet Secretary 1-2-1 & subsequent letter
- 10<sup>th</sup> September SCC meeting, agreement to continue negotiations for a further fortnight
- 20<sup>th</sup> September officials meeting
- 24<sup>th</sup> September second full pay negotiating meeting
- 24<sup>th</sup> September (evening) emergency SCC meeting, agreement to go to referendum on offer



# Scottish consultant offer – overarching principle

"To ensure that NHS Scotland remains an attractive career choice for our vital Consultant workforce, and that we are able to attract and retain Consultants from within the UK and elsewhere, our shared objective is to deliver an agreed one year pay arrangement for NHS Scotland Consultant staff that achieves this."

Scottish Government pay offer October 2024

## Scottish consultant offer - financials

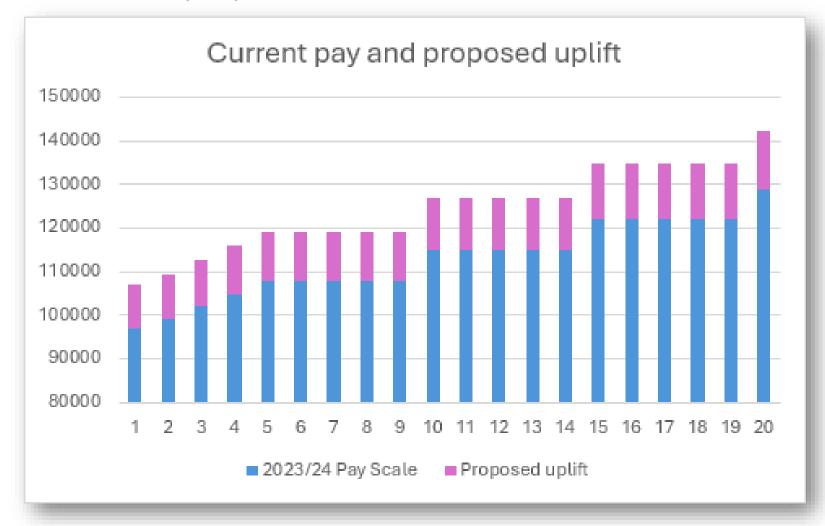
- Total of £124.9m (11%) new investment in pay
  - > Flat rate increase across all pay points of 10.5%
  - ➤ Uplift to Discretionary Points from £3,204 to £3,600 (12.4%)
- Pay and DP uplifts both backdated to 1 April 2024
- No change to the number of pay points for 2024/2025

# Comparison – Scotland current pay vs offer



Year	2023/24 Pay Scale	Proposed 2024/25 Pay Scale	% Uplift	£ Uplift
0	£96,963	£107,144	10.50%	£10,181
1	£99,011	£109,407	10.50%	£10,396
2	£101,957	£112,662	10.50%	£10,705
3	£104,906	£115,921	10.50%	£11,015
4	£107,846	£119,170	10.50%	£11,324
5	£107,846	£119,170	10.50%	£11,324
6	£107,846	£119,170	10.50%	£11,324
7	£107,846	£119,170	10.50%	£11,324
8	£107,846	£119,170	10.50%	£11,324
9	£114,846	£126,905	10.50%	£12,059
10	£114,846	£126,905	10.50%	£12,059
11	£114,846	£126,905	10.50%	£12,059
12	£114,846	£126,905	10.50%	£12,059
13	£114,846	£126,905	10.50%	£12,059
14	£121,846	£134,640	10.50%	£12,794
15	£121,846	£134,640	10.50%	£12,794
16	£121,846	£134,640	10.50%	£12,794
17	£121,846	£134,640	10.50%	£12,794
18	£121,846	£134,640	10.50%	£12,794
19	£128,841	£142,369	10.50%	£13,528

# Scotland – current pay v offer





# Scottish consultant offer – non-pay elements (1)

- Agreement that, if accepted, it would constitute an end to the trade dispute.
- Commitment to undertake further discussions via the Joint Negotiating Committee on:
  - the balance of different elements of the job plan for consultants to facilitate attractive employment opportunities within NHS Scotland, to enable retention of the existing workforce
  - > to agree a national rate for internal short-term cover to improve continuity of care and help alleviate agency and locum spend in NHS Scotland

# Scottish consultant offer – non-pay elements (2)

- Agreement not to promote the rate card for the duration of the referendum on the offer and to withdraw the rate card if it is accepted. Reserve the right to re-introduce the rate card if agreement cannot be reached on short-term cover or in the event of further industrial dispute.
- This offer applies to all NHS Scotland Consultants and relevant Clinical Academics.
- Agree to participate in the 2025/26 DDRB round as a mechanism to tackle pay erosion. Reserve the right to remove participation in the future.

## Reminder of the consultant deals elsewhere

#### **England**

- Total of 4.95% investment in pay (on top of 6% from DDRB in 2023/24)
- 3.45% is new investment, remaining 1.5% from redeploying LCEAs.
- Pay scale changes reduction in number of points
- NCEAs non-pensionable, time-limited
- DDRB changes

#### Wales

- 5.24% total (5.09% new)
- Commitment awards rolled into payscale

#### NI

- 5.26% total
- No LCEAs. National CEAs similar to England (process still to be confirmed) nonpensionable and time-limited.

## Comparison: Scotland + 10.5% v rUK

		Scotland plus 10.5%			
Pay point	Scotland current 23/24	from Apr 24	England from Apr 24	Wales from Apr 24	N Irel from Apr 24
1	96,963	107,144	105,504	106,000	106,424
2	99,011	109,407	105,504	111,300	106,424
3	101,957	112,662	105,504	116,600	106,424
4	104,906	115,921	111,713	121,900	111,724
5	107,846	119,170	114,893	130,380	114,904
6	107,846	119,170	114,893	130,380	114,904
7	107,846	119,170	114,893	130,380	114,904
8	107,846	119,170	114,893	130,380	114,904
9	107,846	119,170	126,017	130,380	126,034
10	114,846	126,905	126,017	137,800	126,034
11	114,846	126,905	126,017	137,800	126,034
12	114,846	126,905	126,017	137,800	126,034
13	114,846	126,905	126,017	137,800	126,034
14	114,846	126,905	126,017	137,800	126,034
15	121,846	134,640	139,882	137,800	139,920
16	121,846	134,640	139,882	137,800	139,920
17	121,846	134,640	139,882	146,280	139,920
18	121,846	134,640	139,882	146,280	139,920
19	121,846	134,640	139,882	146,280	139,920
20	128,841	142,369	139,882	146,280	139,920
21	128,841	142,369	139,882	146,280	139,920
22	128,841	142,369	139,882	146,280	139,920
23	128,841	142,369	139,882	154,760	139,920
Totals	2,640,891	2,918,185	2,902,838	3,104,740	2,906,096

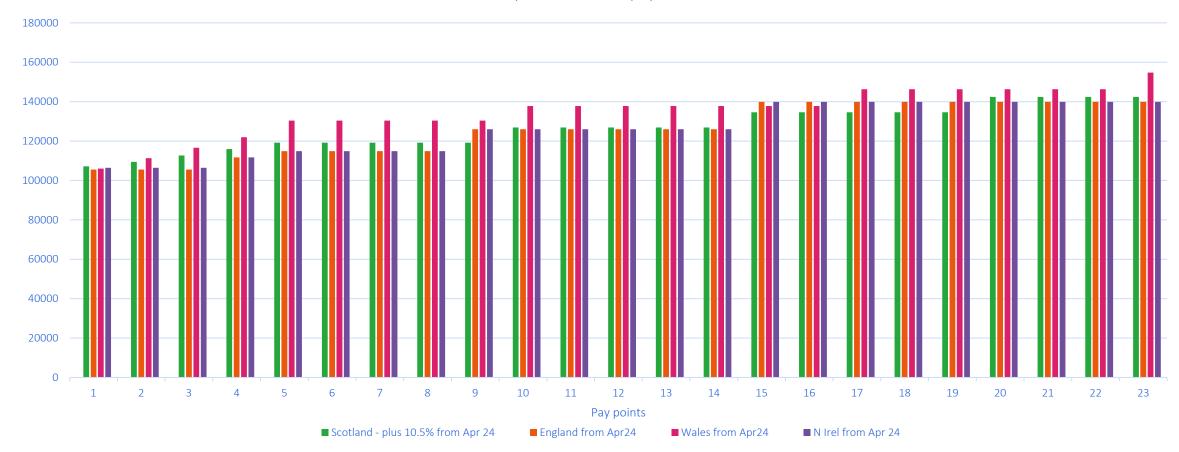
#### Note:

- England and N Ireland have shortened pay scales, reaching top of scale after 14 years service
- 2. Wales has reduced the number of pay points to 8 but don't reach top of scale until after 22 years; commitment awards have been integrated into new scales

# New pay scales



#### Comparison of new pay scales





# Base pay over 30 year consultant career

Scotland current	£3,542,778
Scotland current plus DPs from year 5 and every 3 years	£3,940,074
Scotland + 10.5%	£3,914,770
Scotland + 10.5% plus DPs from year 5 and every 3 years	£4,353,435
England new (excl CEAs)	£3,882,010
Wales new	£4,179,580
NI new (excl CEAs)	£3,885,536

# Discretionary points



DP number	Previous value	New value
1	£3,204	£3,600
2	£6,408	£7,200
3	£9,612	£10,800
4	£12,816	£14,400
5	£16,020	£18,000
6	£19,224	£21,600
7	£22,428	£25,200
8	£25,632	£28,800

Currently 14,507 DPs in circulation

# Pre-submitted questions

# Take-home pay vs rUK

It is very difficult to determine whether individuals will be better off by comparison with colleagues elsewhere with the proposed 10.5% pay uplift as individual circumstances vary.

The tables on next slides are for illustration only and based on someone with standard tax arrangements with only single NHS income counted. Pension contributions are not included.

There are various online calculators available to help individuals calculate their own take home pay (e.g. <a href="https://www.thesalarycalculator.co.uk/salary.php">https://www.thesalarycalculator.co.uk/salary.php</a>).

These figures may also change depending on any UK tax changes announced in the UK Government Budget on 30<sup>th</sup> October 2024.

# Illustration of take-home pay

	Scotland bottom of scale - current	Scotland bottom of scale - proposed	Scotland point 9 (mid point) - current	Scotland point 9 (mid point)- proposed	Scotland top of scale- current	Scotland top of scale- proposed
Gross income p.a.	96,963	107,144	107,846	119,170	128,841	142,369
Taxable income p.a.	84,393	98,146	99,199	116,845	128,841	142,369
Tax p.a.	29,412	35,600	36,074	43,718	49,524	56,018
NI p.a.	3,950	4,153	4,168	4,394	4,587	4,858
Take home p.a.	63,601	67,390	67,604	71,058	74,729	81,493

# Illustration of take-home pay

	Scotland bottom of scale – proposed	England bottom of scale	Scotland point 9 (mid point)	England point 8 (mid point)	Scotland top of automatic scale	England top of scale
Gross income p.a.	107,144	105,504	119,170	114,894	142,369	139,882
Taxable income p.a.	98,146	95,686	116,185	109,771	142,369	139,882
Tax p.a.	35,600	30,734	43,718	36,368	56,018	49,150
NI p.a.	4,153	4,121	4,394	4,308	4,858	4,808
Take home p.a.	67,390	70,648	71,058	74,217	81,493	85,924

## **Pensions**

Q: What effect will this have on pensions – in particular Annual Allowance (AA) limits – and is there any protection against punitive charges?

A: Both basic pay and DPs are pensionable so will lead to an increase in pension value too. Although this is positive it does mean there will be an AA impact. The extent of this will vary by individual, depending on their other income, carry-forward allowance (esp post McCloud), etc. There is no protection against the changes (the same in all UK nations), however LNCs are pushing on local REC policies and if turned down we will ask for this again nationally.

## **EPAs**

Q: Does the 10.5% uplift also apply to extra programmed activities (EPAs) within a job plan?

A: Yes, the increase will apply to the full agreed job plan and therefore in addition to EPAs (which are calculated as  $1/10^{th}$  the base salary) will also impact on-call availability supplement payments as these too are a percentage of basic salary.

# Other nations/DDRB

Q: You mention that 2024-2025 6% increase is included in the offer so in reality the increase for this year would only be up to 4.5%. Is that right? Would it be still balanced with England pay rate at the end of 2025?

A: The 6% increase was a DDRB recommendation only, so would not have been automatic, but we have negotiated an additional 4.5% on top for everyone as well as uplift in DP values for current and future points holders. The comparisons we have made are with the post-deal and post-DDRB awards in other nations. For 2025/26 then if the deal is accepted we would (in the first instance) participate again in the reformed DDRB process.

## Next steps (1)

- Ensure that your details are up-to-date & actively encourage colleagues to do the same and to vote
- Consultative vote is currently open and closes on Monday 4 November – check your spam/junk folder in email if you think you haven't received it
- Must be a member before 24 Oct to be able to take part in the vote

# **PAY OFFER**

Didn't receive your voting link by email? Try these steps:

- Check you spam/junk mail folder. Still nothing?
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# Next steps (2)

- Scottish Consultants Committee will consider the results of the vote and determine whether or not to accept the pay offer
- If accepted, then BMA will work with Scottish Government to have pay circular urgently issued and paid as soon as possible
- Possible that the pay increase would be in December salaries with backpay in January salaries, but depends on a number of factors

# Next steps (3) – if the offer is rejected

- Further discussions with Scottish Government?
- The process for taking Industrial Action is complex and takes time
- Requires a formal (postal) ballot
- Need to ensure 'fresh' & reliable data

# Next steps (4) – What if we can't agree a deal?

- A failed IA ballot is possibly our worst outcome, so need confidence that we would get a positive outcome
- At least 50% of eligible members need to vote for the ballot to be valid
- A simple majority must vote for taking action (NB: 40% threshold for important public services), but realistically need a strong result and then effective action with high participation levels.
- Once we have an IA ballot mandate, it only last for 6 months and there
  are more rules around notice for action
- Regardless of ballot consultants need to stop doing lots for free and start using job planning effectively

# Live questions

## Closing Reminder

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