



21 November 2016

Rt Hon Philip Hammond MP  
Chancellor of the Exchequer  
HM Treasury  
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Dear Chancellor of the Exchequer

I am writing to you on behalf of all of the 15 NHS trade unions ahead of the Autumn Statement to urge you to reconsider the Government's cap of 1% on the pay increase for all NHS staff.

We are calling on you to consider the impact of the continued policy of pay restraint on the recruitment and retention of NHS staff and to add to the current remit of the NHS Pay Review Body (PRB) to recommend an uplift that restores the loss in earning already incurred through cumulative years of below-inflation pay awards.

The recruitment crisis for, notably, nursing and midwifery staff and allied health professionals, has seen NHS Trusts spend millions on overseas and agency recruitment. The switch from bursaries to loans is likely to create even more uncertainty for recruitment for some professional staff as the prospect of earning comparatively less than other graduate professions on top of substantial loan debts will put potential recruits off a career in the NHS. There is also a growing retention crisis for the NHS workforce caused by falling standards of living and low morale exacerbated by inadequate and in some cases unsafe staffing levels. The NHS is more reliant on finding new staff than ever before. It is essential that we make NHS careers rewarding and attractive for future generations.

The Treasury has given a clear indication to the PRB that pay awards in England should be 'targeted' within a 1% envelope "to support the delivery of public services and to address recruitment and retention pressures." It is regrettable that the independence of the PRB has been compromised by the restrictive Government pay policy for the public sector and that the PRB is again unable to make a recommendation based on the full range of evidence, particularly the widening gap between the public sector and private sector earnings and recruitment and retention problems in the NHS. We strongly oppose the position imposed on the PRB and its inability to make an independent recommendation on NHS pay in 2016-17. Undermining the NHS Pay Review Body in this way destabilises industrial relations in the NHS and makes industrial action more likely. We ask that you reconsider this decision.

Yours sincerely

A handwritten signature in black ink that reads "Christina McAnea". The signature is written in a cursive style.

**Christina McAnea**  
**Chair – NHS Trade Unions**