## <u>News story: Around one million public</u> <u>sector workers to get pay rise</u>

Around one million public sector workers are set to benefit from the biggest pay rise in almost 10 years, the government announced today (24 July 2018). The 1% cap ended last year in recognition that dedicated public sector workers deserve a pay rise.

A balanced approach to the economy means that today's increases are affordable within government spending plans:

- members of the Armed Forces will receive a well-above inflation increase of 2.9% (2% consolidated, 0.9% non-consolidated), with today's award worth £680 in pay to an average soldier, plus a one-off payment of £300
- the teachers' award means the main pay range will increase by 3.5% (2% to upper pay range and 1.5% to leadership). Schools will determine how it is set
- all prison officers will get at least a 2.75% (2% consolidated, 0.75% non-consolidated) increase this year, with many getting higher awards
- a police award of 2% (all consolidated) will mean average pay for a Constable will now be more than £38,600 per year
- a pay increase of at least 2% for junior doctors, specialist doctors, GPs and dentists. Consultants will also get a pay rise of at least £1,150

(From October 2018: 2% for dentists and junior doctors consolidated / 1.5% consolidated for consultants with an additional 0.5% targeted at performance pay / 3% consolidated pay rise for specialty (SAS) Doctors / Backdated to April 2018: 2% for GPs consolidated, with an additional 1% potentially available from April 2019 subject to contract reform)

This follows the 6.5% pay rise over three years that was <u>announced in March</u> for more than a million nurses, midwives and other Agenda for Change staff, in return for modernisation of terms and conditions. It is also vital that our world class public services continue modernising to meet rising demand for the incredible services they provide, which improve lives and keep us safe. Secretaries of State will be taking forward work to continue modernising their workforces in the coming years.

Today's increases are funded from departmental budgets. Current and future affordability across the whole public sector was considered when agreeing final awards, alongside the advice of the Pay Review Bodies. This is to ensure that resources are available to invest in public service improvement, and that awards are sustainable without an increasing burden of debt being passed onto future generations. The UK already spends around £50bn a year on debt interest, more than is spent on the police and armed forces combined.

Today's announcement is on top of good overall remuneration packages in place for public sector workers:

- public sector workers continue to benefit from better pensions than those offered in the private sector.
- median pay for full time employees in the public sector is  $\pm 30,630$  compared to  $\pm 27,977$  in the private sector.
- pay awards are on top of performance and progression pay, which remains automatic for some workforces.