

Public Sector Pay Policy 2021-22 Key Fact Sheet



The Scottish Government has set a single year Public Sector Pay Policy for 2021-22. This pay policy acknowledges the incredible efforts of Scotland's public sector workers in the face of the present health crisis and continues Scottish Ministers progressive approach to public sector pay. With a continued focus on fairness, this pay policy works to tackle inequality and poverty exacerbated by the pandemic, balancing affordability and sustainability of public finances. In recognition of the immeasurably different ways in which many of us are now working, the 2021-22 Public Sector Pay Policy aligns closely with our commitment to promote wellbeing in the workplace and a healthy work life balance.

Guaranteed 1 per cent increase on basic pay awards for public sector workers earning up to £80,000 and:

- provide a **guaranteed cash underpin** of **£750** to those earning **£25,000** or less.
- limit the basic pay increase for those earning **£80,000 or more** to **£800**.



Changes to employers' use of flexibilities



- Employers have the flexibility to use up to 0.5 per cent of baseline salaries funded by savings to consider affordable and sustainable changes to existing pay and grading structures where there is clear evidence of equality issues.
- This pay policy enhances the use of flexibilities to allow employers to consider pay coherence matters as well as evidenced inequalities.
- It also introduces the ability for employers to carry forward any unused pay bill savings from 2020-21, taking total flexibilities for 2021-22 to a maximum of 1 per cent.

This pay policy also continues:

- To retain discretion for individual employers to reach their own decisions about pay progression for staff (limited to a maximum of 1.5 per cent for Chief Executives).
- To maintain the suspension of non-consolidated performance related pay (bonuses) and continue to expect a 10 per cent reduction in new Chief Executive remuneration packages.
- To support the requirement for employers to pay the real Living Wage of £9.50 per hour.
- To maintain the policy position on no compulsory redundancy where it is practical to do so, delivering job security.



Wellbeing

- The Scottish Government is committed to promoting wellbeing in the workplace and a healthy work-life balance. This pay policy provides employers with the discretion to consider standardising to a 35 hour working week, if and when it is practical to do so, in return for productivity improvements and wider changes to terms and conditions.

