

PART 3

MT

SECRET

Confidential Filing

Nurses pay.
Clegg Commission Report on
Nurses pay and Midwives pay
and Radiographers pay.

NATIONAL

HEALTH

PART 1 Oct 79

PART 3 May 84

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PREM 19/23/44

1985 Nurses Pay Report in separate box.

● PART 3 ends:-

PM to Trevor Clay 28-7-88

PART 4 begins:-

Gungah to Mackenzie 11-8-88



10 DOWNING STREET
LONDON SW1A 2AA

THE PRIME MINISTER

cc D/Health

28 July 1988

Dear Mr. Day.

Thank you for your letter of 21 July about implementation of the new clinical grading structure for nurses.

I know that since you wrote you have met John Moore and I understand that he was able to reassure you on a number of the points you raise. I also understand that he gave you a copy of the letter which he sent to the chairman of Regional Health Authorities emphasising the need to ensure fair and consistent implementation within both the letter and spirit of the agreement between the two sides of the Nursing and Midwifery Staffs Negotiating Council and the recommendations of the Review Body. I fully endorse the views set out in that letter.

The Government has distributed the full additional amount of £450 million made available for the nurses pay award in England to Regional Health Authorities. It is for Regions to determine how to allocate funds to Districts because they are best placed to take account of local factors which may affect the outcome of the grading exercise. Some Regions have chosen to hold back a small reserve in order to decide distribution to Districts once provisional grading proposals have been received, but there is no question of their doing so in order to divert money to purposes other than nurses' pay.

ca

On the question of restructuring rather than regrading, we have made clear to health authorities that, where possible, jobs should be graded on the basis of existing duties and responsibilities as at 1 April 1988. We have also emphasised to them that jobs should be graded strictly in accordance with the agreed grading definitions.

The interpretation of the guidance which health departments have issued is being closely monitored. Supplementary guidance has been issued on a number of points and the need for further guidance is being kept under review.

I am grateful to you for your recognition of the commitment and enthusiasm which the Government has shown for this exercise and for the nursing profession more generally. The introduction of the new structure is a massive and complex task. It is vital not just to nurses but to patients and the health service as a whole that it is successfully completed and the Government is fully committed to achieving that.

Yours sincerely

Margaret Thatcher

Trevor Clay, Esq.



DEPARTMENT OF HEALTH AND SOCIAL SECURITY

Richmond House, 79 Whitehall, London SW1A 2NS

Telephone 01-210 3000

From the Secretary of State for Social Services

125/7

Paul Gray Esq
Private Secretary
10 Downing Street
LONDON
SW1

25 July 1988

pw h/p

Thank you for your letter of 21 July concerning Trevor Clay's letter of the same date to the Prime Minister. I attach a draft reply together with a further copy, for ease of reference, of my Secretary of State's letter to Sir Donald Wilson of 22 July which the draft refers.

Yours sincerely,
Geoffrey Podger

G J F PODGER
Private Secretary



DEPARTMENT OF HEALTH AND SOCIAL SECURITY

Richmond House, 79 Whitehall, London SW1A 2NS

Telephone 01-210 3000

From the Secretary of State for Social Services

Sir Donald Wilson
Chairman
Mersey Regional Health Authority
Hamilton House
Pall Mall
Liverpool
L3 5AL

1. Mr. Beatty ^{20/7}
2. PA

22 July 1988

Pine Mink 2

You have also had
letters from Kinoshita and
Trevor Clay about this;
we have commenced
replies to each
next week.

mrb

R26
22/7

I was grateful for the opportunity on Wednesday to discuss with you and your fellow Regional Chairmen the implementation of the new clinical grading structure for nurses. I thought it would be helpful if I wrote to record the key points arising from our discussion. I am sending a copy to all Regional Chairmen.

Given the critical importance of the new structure for the funding of nursing, midwifery and health visiting in the NHS, and particularly the opportunities which it provides for career advancement within the clinical field, we all agreed that it is vital to ensure fair and consistent implementation within both the letter and the spirit of the agreement between the two sides of the Nursing and Midwifery Staffs Negotiating Council and the recommendations of the Review Body.

The task of implementing the new structure is both large and complex, involving the individual re-grading, to be completed by 31 October, of nearly half a million posts, in several hundred different locations. This is bound to take time. We therefore agreed to resume our discussions when the necessary firm information is available.

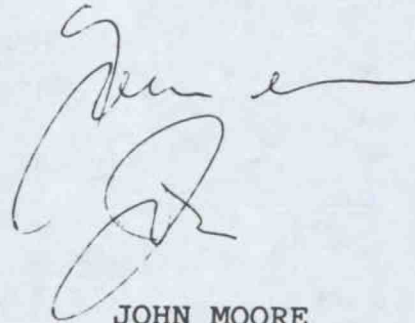
It is also probable that such an exercise will produce some unforeseen problems of implementation. The re-grading involves the application of new grading descriptions which were deliberately designed to be flexible. Despite the considerable effort invested in training the staff who are undertaking the re-grading, it will be a lengthy task to achieve the necessary degree of consistency and to ensure that everyone is interpreting the agreement and the grading descriptions appropriately. Preliminary reports illustrate this. I was grateful for your assurance that your staff were working close with Districts to overcome these problems, a process in which the Department's staff are also assisting.

E.R.

We recognised that not all nurses and midwives can expect to benefit equally from the new structure. As was made clear in the Prime Minister's announcement of the Government's decisions on the Review Body reports, the pay increases for the majority of staff will range from 4.2 to 33.6 per cent. It is most important that implementation is handled with proper sensitivity, and that the position is fully explained to all staff and in particular to those who receive pay increases at the lower end of the range.

I and my Ministerial colleagues will be keeping close personal touch with the exercise. You told me that Regional Chairmen will be doing the same.

In view of the considerable publicity which is currently being given to this matter, I am making this letter available to the press. I am also arranging for copies to be sent to the Review Body and to the Staff Side.

A handwritten signature in dark ink, appearing to read 'John Moore', with a long horizontal flourish extending to the right.

JOHN MOORE



Ali

ea

cc Press

10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

AJC | 21 July 1988

I attach a copy of a letter the Prime Minister has received from Mr. Trevor Clay, General Secretary of the Royal College of Nursing.

I should be grateful if you could provide a draft reply to Mr. Clay for the Prime Minister's signature, to reach me by lunchtime on Monday 25 July please.

PAUL GRAY

Mrs. Flora Goldhill,
Department of Health and Social Security.

050
General Secretary:
Trevor Clay
MPhil RGN RMN FRCN

Avendish Square
London W1M 0AB
Telephone 01 409 3333



Patrons:
Her Majesty the Queen
Her Majesty Queen Elizabeth
the Queen Mother
Her Royal Highness
the Princess Margaret
Countess of Snowdon

R21/7

21 July 1988

The Rt Hon Margaret Thatcher FRS MP
10 Downing Street
LONDON S W 1

Dear Prime Minister,

The Council of the Royal College of Nursing at its meeting today discussed the implementation of the revised clinical grading structure. I was asked to write to let you know the anxieties of the profession and the College's increasing concerns about the implementation arrangements.

The RCN has supported fully the revision of the clinical grading system and it is something for which it has fought for a long time. The College welcomed enthusiastically the Review Body report and its recommendations and also the Government's commitment to introduce these important changes and to meet the Review Body's proposals about funding in full.

Whilst the implementation of the revised system is still far from complete, there are a number of emerging issues which, unless they are resolved quickly and satisfactorily, are likely to jeopardise the whole exercise and will dissipate the goodwill which was engendered earlier in the year.

The concerns of the College centre on the following issues. First, the basis of financing the revised clinical grading system is not sufficiently clear. We are amassing evidence of arbitrary limits being imposed on clinical grades for financial reasons. We are also receiving reports on money earmarked for nurses' pay being implicitly and explicitly withheld because of the distribution mechanisms which are being adopted.

Second, we are concerned that too many health authorities are using the revision of the grading system to attempt a restructuring rather than a regrading exercise which was the purpose and objective of the Review Body's recommendations.

Third, we are critical of the way in which some of the guidance from the health departments is being interpreted, particularly at regional level in England. This is a cause of confusion.

Finally, some health authorities are vulnerable to criticism that they are seeking to manipulate the revised clinical grading system to match financial and other objectives.

The College has been keen to emphasise that the revisions to the clinical grading system should be implemented as soon as practical and that the funds made available for this exercise should be allocated in full before any further discussions about the overall level of finance. This remains our approach but the climate of confidence necessary to guarantee the successful implementation of the new arrangements is being eroded.

At our annual Congress, the Secretary of State spoke constructively about the need to work in a spirit of mutual confidence and goodwill. He also said that the Government would be monitoring closely the implementation arrangements. I will be seeing the Secretary of State and will have an opportunity to discuss these matters with him directly.

Given your own commitment to the nursing profession and particularly to these reforms, the RCN Council agreed that you should be advised as soon as possible of its concerns. The College has welcomed your own statements that the revised clinical structure represents a momentous and historic development for the profession. Indeed, we have been heartened at the commitment and enthusiasm displayed by ministers and yourself on this matter. It would be sad in the extreme if this exercise were now to prove divisive and create the very uncertainties it was meant to rectify.

Yours sincerely,

Trevor Clay

TREVOR CLAY
General Secretary



DEPARTMENT OF HEALTH AND SOCIAL SECURITY
HANNIBAL HOUSE
ELEPHANT AND CASTLE LONDON SE1 6TE
TELEX 883669 TELEPHONE 01-703 6380 EXT

ce pu

Your reference:
Our reference:

19 July 1988

RA

R B Saunders Esq
HM Treasury
Parliament Street
London SW1

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wh*

Dear Dick,

HEALTH DEPARTMENTS' WRITTEN EVIDENCE TO NPRB

As you probably know, there is a long-standing convention with the BMA and BDA, reflecting the DDRB's own preference, that both Sides' evidence will be kept confidential until after publication of the report. This convention has been scrupulously observed and we see no reason to change it.

There is, however, no such convention with the Nursing and PAMs Staff Sides. Given the number of people to whom copies of the Departments' evidence go as soon as evidence is exchanged between the Sides, it is doubtful whether a convention would be maintained even if it existed. The Staff Sides publish their own evidence (with Press Conference) and are adamant that they need to do this. Moreover, elements of the Departments' evidence have been published in professional and union journals, and in the general press, every year since the NPRB's inception. Material has often been misquoted, taken out of context, or subjected to what we regard as unreasonable interpretation. Neither the NPRB's own preference for confidentiality nor our own remonstrances with the Staff Sides have changed the situation. You will remember that there was a particularly florid example this year.

We have considered whether to refuse to exchange evidence with the Staff Sides; but the Review Body are opposed to this because they wish to be able to question each side about the other's evidence. Health Ministers have therefore concluded that the lesser evil is to publish the Health Departments' main evidence in full at the time that copies are sent to the Staff Sides, ie a few days after submission to the Review Body. The Review Body have indicated orally that this course is acceptable to them, and we shall be writing to them in the next few days to tell them formally of our intentions. We shall inform the Staff Sides nearer the time.

E. R:

I thought you would wish to have advance notice of our intentions. We shall of course keep you in touch, and consult you about the content of our press release.

I am copying this letter to Paul Gray (No.10), Diana Seammen (Treasury), Colin Baxter (SHHD) and Grahame Podmore (Welsh Office), and to George Bardwell and John Shaw here.

Your sincerely

Nicky

N B J GURNEY

CONFIDENTIAL

1. Mr. Adkins - to see
2. CF - PC.
PCCG
9/5

PRIME MINISTER

NURSE RETENTION AND RECRUITMENT

Last year, the Health Authority Chairmen commissioned a study on the problems of nurse retention and recruitment and how they should be overcome. This will now be published later this month.

Bill Doughty, Chairman of the North West Thames and one of your guests at Chequers two weeks ago, has now sent me privately an advance copy. Apparently, circulation of the document has been kept on a very restricted basis thus far. The report points to significant problems in the areas of pay, workload and management approach. But it could have come out a lot worse from the Government point of view, and I doubt if it will cause any great problems when it is published. In particular, the structure of the pay review body recommendations is tailored closely to the problems as defined in the report.

PCCG.

PAUL GRAY
6 May 1988

DS2AGY

CONFIDENTIAL

NURSE RETENTION AND RECRUITMENT

A MATTER OF PRIORITY

MAY
~~April~~ 1988

**Commissioned by:
Chairmen of Regional Health Authorities
in England, Health Boards in Scotland
and Health Authorities in Wales**

Price Waterhouse



**Regional Health Authority Chairmen & Regional General Managers
Inter-Regional Secretariat**

FOREWORD

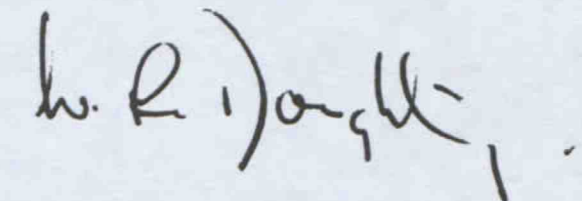
Nurses, midwives and health visitors play a vital role in promoting and maintaining the health of the people of this nation. Rightly, they are held in high regard by patients and the general public who both recognise and respect their skills and dedication.

In certain parts of the National Health Service health authorities are facing difficulties in recruiting and retaining qualified nursing staff. Nurses themselves have expressed concerns about various aspects of their work, particularly pay, pressure and volume of workload.

It is necessary to understand more fully and do everything possible to help overcome these difficulties and concerns. That is why we commissioned an independent and objective study by Price Waterhouse.

The purpose of this study was twofold. First, we needed to know the issues nurses consider are important, so that we could take them into account when we submitted our evidence to the Nurses Pay Review Body. Second, we want to give managers at all levels reliable and detailed information which they can use to improve retention and recruitment of qualified nursing staff. We believe that the study has achieved these objectives.

There are, as the survey shows, many attractive features associated with nursing in the NHS, and many examples where managers have already taken action in the areas suggested in this report. In commending this piece of work to the Service it is intended that the suggestions for action and the good management practices should be extended to all authorities. As Chairmen we will seek to ensure that this is achieved.



*WR DOUGHTY
Chairman
Advisory Group on Nurses*

Nurse retention and recruitment

A matter of priority

Table of Contents	Page
INTRODUCTION	
Background	1
Objectives of the study	2
Process	2
SUMMARY OF FINDINGS AND KEY ISSUES	
Principal findings	4
Pay	6
Workload	8
Management's approach	10
Other significant factors	12
Vulnerable groups	13
SUGGESTIONS FOR MANAGEMENT ACTION	
General comment	15
Pay	16
Workload	18
Management's approach	19
CONCLUSION	21

INTRODUCTION

Background

In many parts of the NHS, managers are experiencing nurse manpower difficulties of varying degrees of intensity. These difficulties are characterised by relatively high turnover rates, increasing recruitment difficulties of both qualified staff and students, and shortages in some specialties.

There are approximately 350,000 qualified nurses, midwives and health visitors working either full-time or part-time in the NHS in England, Scotland and Wales. This figure equates to approximately 300,000 whole time equivalent (wte) nurses. It has been estimated that, each year, approximately 30,000 wte nurses leave the NHS - of whom 21,000 do not return. This, effectively, means that the NHS needs to train enough people to replace all the 300,000 wte qualified nurses every 14 years.

It is unlikely that the NHS can sustain this supply of newly qualified nurses for the following reasons:

- The demographic changes currently taking place, whereby the traditional source of student recruitment ie 18/19 year old women will reduce by a total of approximately 25% between now and 1994
- The increased pressure from other employers for staff
- The concern that nursing is perceived as becoming less attractive as a career.

It is therefore anticipated that the current nursing manpower difficulties will worsen unless improvements are made in the retention and recruitment of already qualified nursing staff.

Objectives of the study

Why do nurses join the NHS? Why do they leave and why do they not return? Can anything be done to improve this position? If so what, and by whom?

In June 1987, Price Waterhouse was commissioned by the chairmen and general managers of health authorities in England, Scotland and Wales, to help answer these questions. The study is now complete, and this report sets out the main findings which were made available by the chairmen to the nurses' Pay Review Body.

Process

The main source of our information is the response from a survey carried out in Autumn 1987 of a cross section of over 7,600 nurses, midwives and health visitors in three main sample groups - NHS, private sector, and leavers. We also interviewed an extensive number of nurses face-to-face, discussed the nursing manpower difficulties with a range of senior NHS managers, and reviewed the available research on this subject. In addition, we have drawn on our experience and knowledge of the NHS and our work on other national and local nursing studies.

This report is intended to provide an overall understanding of the main factors affecting the retention and recruitment of qualified nursing staff. It also outlines our suggestions about how the problems can be improved.

We have also produced a comprehensive report which describes the study and our findings in greater detail. This detailed report provides all the statistical information upon which our work has been based.

Throughout this report the term "management" has been used to describe all those people who are concerned with the direction and management of nurses. This includes, for example, sisters/charge nurses and general management at local level, as well as those concerned with NHS policy at national level. The term "nurse" has been used as a generic term to cover nurse, midwife and health visitor, unless otherwise stated.

SUMMARY OF FINDINGS AND KEY ISSUES

Principal findings

A number of clear messages emerge from the survey. Nursing in the NHS is still attractive, and continues to offer many opportunities for personal job satisfaction. We have described these attractions as "strengths". They are demonstrated by reference to the main reasons why nurses join, and then stay in NHS nursing - reasons which are largely vocational. In order of importance, these strengths are:

- The desire to help others
- Interesting work
- A secure job
- A belief in the NHS.

The survey shows that the main reason for leaving NHS nursing is pregnancy, which reflects the fact that nursing is largely a female profession. However, the survey also shows that there are many areas of dissatisfaction which consistently have an adverse effect on retention, recruitment and re-entry which management can, and does, influence. All of these factors are inter-related - we have termed these as "concerns".

These concerns, in order of priority, are:

- Pay
- Workload
 - standard of service
 - pressure of work
 - volume of work
- Management's approach.

If improvements can be made, it is both important and encouraging to note that within the private sector and leavers samples, 67% of nurses show a favourable attitude towards returning to the NHS ie:

41% - "very likely to return"

26% - "likely to return"

The following section of this report considers each of these concerns. It also highlights some secondary but important additional issues raised by leavers and nurses in the private sector.

Pay

Pay is consistently shown to be an important factor, and is the main source of dissatisfaction associated with nursing in the NHS. While pay assumes less importance when initially joining, it is one of the main factors causing staff to leave or consider leaving. Poor pay also deters many nurses from returning to the NHS.

Table 1 below reflects the views expressed by nurses currently in the NHS:

"Pay compares unfavourably with jobs outside the NHS"

"Pay is unsatisfactory"

"Pay is unreasonable compared to non-nursing staff"

"Compared to nursing colleagues pay does not reflect the work done"

"Not satisfied with the 1987 pay award"

"Cannot manage on basic pay"

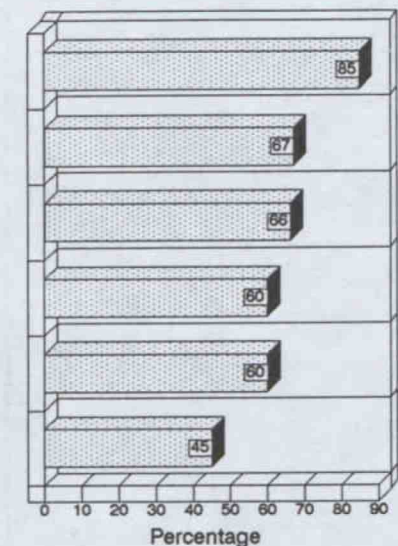


Table 1

Within the overall sample, certain groups express particularly strong views about pay. These groups are:

- Young nurses
- Male nurses
- Recently registered nurses
- Nurses working in and around London
- Basic grade staff - staff midwives, staff nurses, enrolled nurses and, to a lesser extent, sisters.

Workload

This part of the report covers the three elements of the work itself which are major areas of concern to nurses - standard of service, pressure of work, and volume of work. All of the concerns are significant causes of dissatisfaction to nurses currently working in the NHS, and are reasons why many nurses leave or do not return.

Table 2 below reflects the views of nurses currently in the NHS:

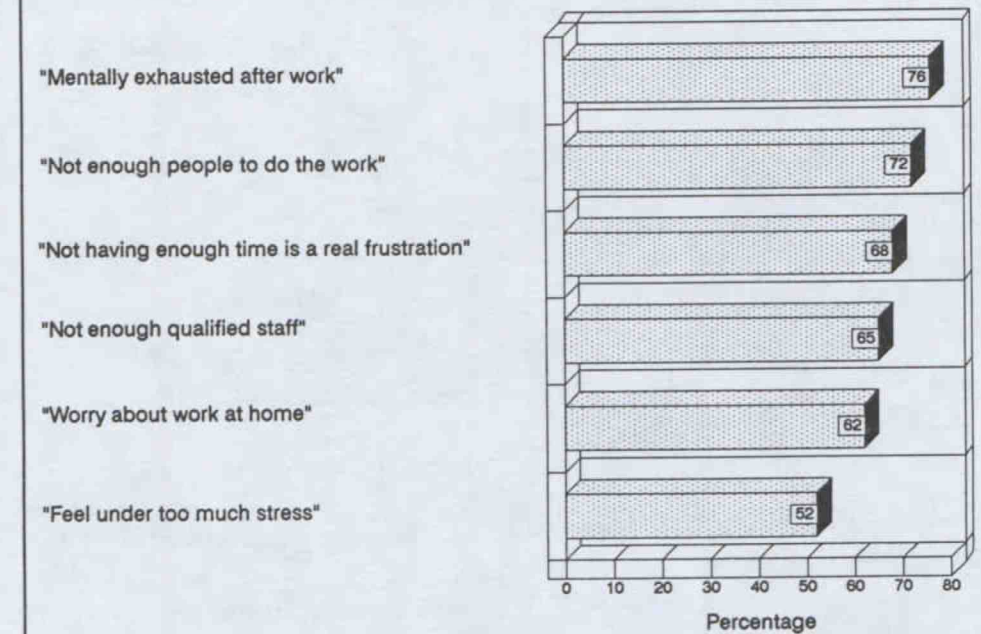


Table 2

There are also, however, a number of positive elements which emerge from this part of the survey. These elements are concerned primarily with nurses' perceptions of themselves and their own professional standards and capabilities, the most important of which are:

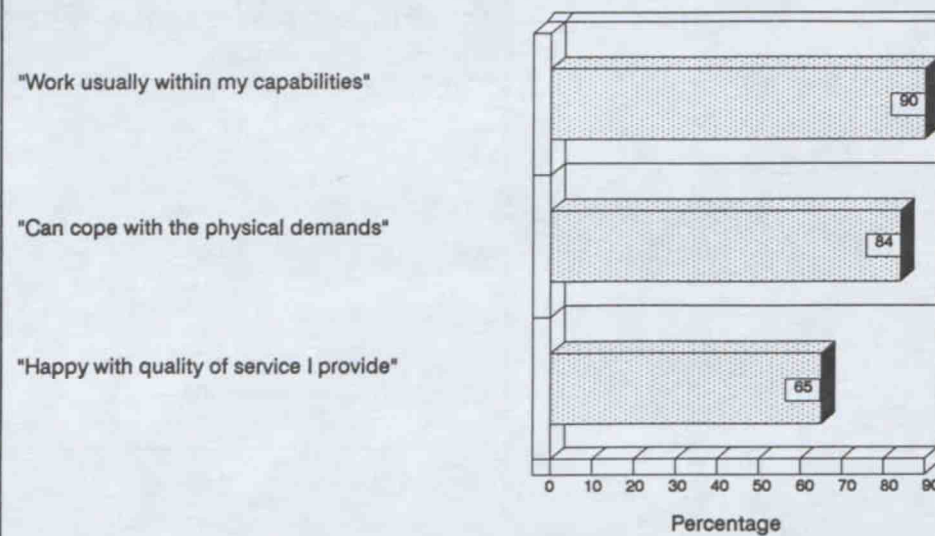


Table 3

Again, some groups consistently express particular concerns about workload-related factors. These groups are:

- Young nurses
- Recently registered nurses
- Nurses with degrees or equivalent qualifications
- Nurses working in and around London
- Senior staff, staff midwives and midwifery sisters

Management's approach

"Management's approach" covers a broad range of issues and relates to nurses' perceptions of management at all levels, including their immediate superiors. For NHS nurses the most important factors are what they regard as management's apparent inflexibility and lack of overall support. For those in the private sector and in non-nursing employment, lack of recognition from management is an important additional reason why nurses say they left the NHS or do not wish to return.

Some of the relevant comments which support this view are highlighted by the responses of NHS nurses as shown in Table 4 below:

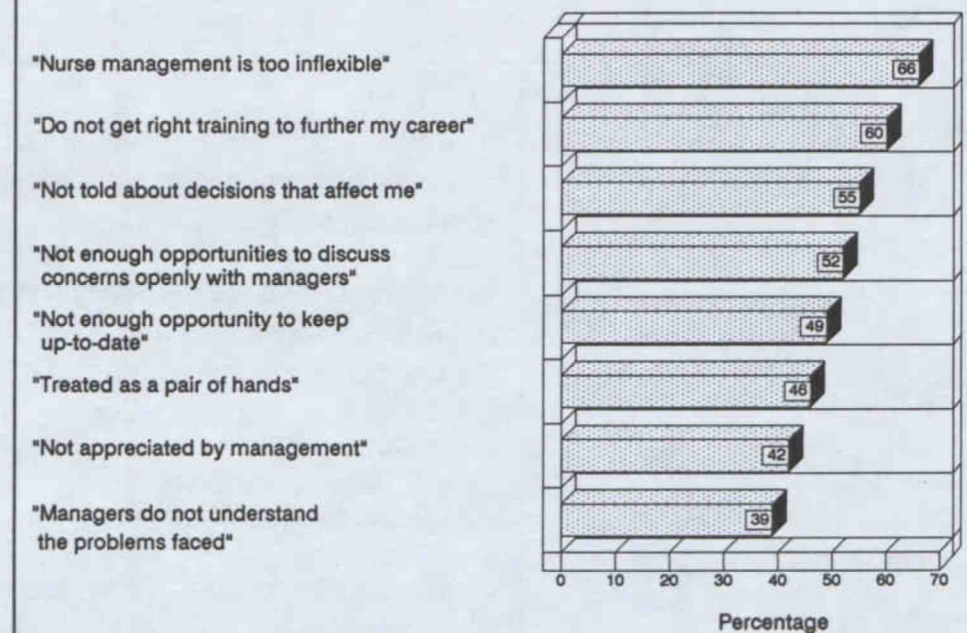


Table 4

On the other hand, a number of positive views were expressed as shown in Table 5 below:

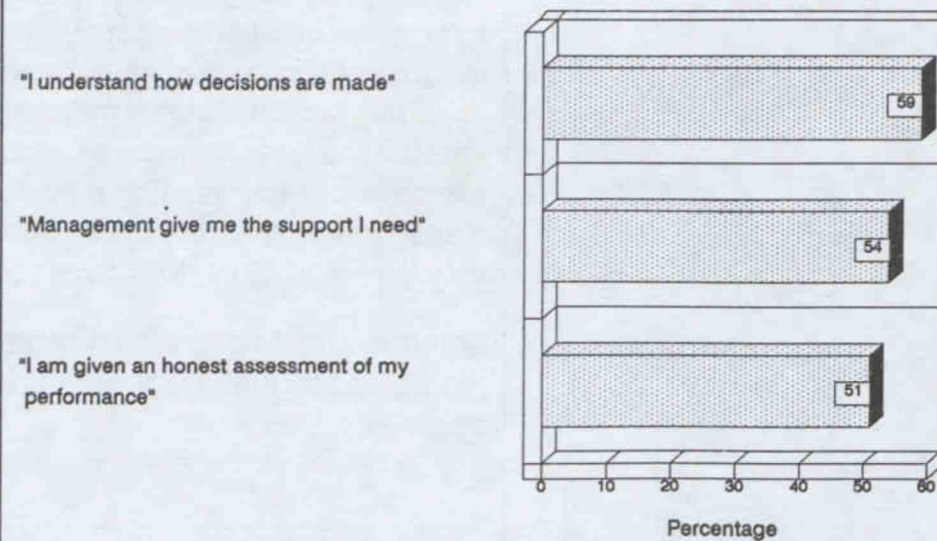


Table 5

However, for these three statements, there are significant numbers of nurses who take the opposite view (35%, 35% and 36% respectively).

All the responses are generally consistent across each of the main groups. However, some groups again emerge as showing greater concerns than others. These groups are:

- Young nurses
- Recently qualified nurses
- Basic grade staff - enrolled nurses, staff nurses and staff midwives
- Nurses working in Mental Illness, Care of the Elderly and, to a lesser extent, Paediatrics.

Other significant factors

Three other significant factors emerge primarily from the samples of nurses no longer working in the NHS. These factors are:

Working hours. This is largely a concern of female nurses who consider that inconvenient working hours in the NHS are a real barrier to their return. If more part-time work is made available at convenient hours, many nurses currently outside the NHS indicate that they are likely to return

Care of dependants. Difficulty in looking after dependants is the main reason for not returning to the NHS from the leavers sample. For many nurses this difficulty appears to be linked to the problems of working hours, and the lack of acceptable and affordable child care facilities, either at the place of work or in a convenient location

Recognition by the NHS for experience gained outside. Nurses in the private sector are less inclined to return to the NHS because their service in the private sector is often not recognised for the purposes of pay or other benefits.

Vulnerable groups

All of the main areas of concern described above are reflected in the responses to the survey as a whole. There are, however, four groups which consistently appear to be more dissatisfied than the others. These groups are:

- Young nurses
- Recently registered nurses
- Nurses working in and around London
- Staff nurses, staff midwives and enrolled nurses.

Necessarily, there is considerable overlap between these groups, and some nurses appear in each. Therefore, while we can differentiate between responses from each of the groups it is not possible to list them in priority order. However, the single most dissatisfied and vulnerable group is the young, recently registered and relatively junior nurses working in London. This fact bears out the difficulties experienced by many of the London authorities.

The dissatisfaction of the four groups described above is confirmed further by the knowledge that "waiting for something better" and "not sure what else to do" are some of the main reasons given by nurses in the age group 21-25 for staying in the NHS.

Overall, 9% of the NHS sample state that they intend to leave the NHS within the next twelve months. However, staff nurses (12%), staff midwives (11%), and enrolled nurses (10%) anticipate that they will leave in greater numbers. Together these three groups account for 59% of the total NHS sample.

All groups of nurses are equally important, but in the context of the current retention and recruitment difficulties, the concerns of some nurses may be more important than others. The indications

are clear - young and relatively junior nurses, who provide the back-bone of the current nursing workforce, are particularly concerned about many elements of working in the NHS, and show a greater propensity to leave and not return than do other nurses. This concern is even greater among the same group of nurses in and around London. These indications should not be ignored.

SUGGESTIONS FOR MANAGEMENT ACTION

General comment

So far, this report has concentrated on concerns rather than strengths. Given the nature of the nursing manpower difficulties and the views expressed in the survey, this is inevitable. However, it is important to recognise and build upon the positive elements which emerge from the study.

There is still a high vocational attraction to nursing. Many nurses believe in the ideals of the NHS, the work is interesting and there is significant loyalty to the patient. These are major strengths which should be recognised, maintained and promoted. However, as the survey shows, these strengths on their own cannot be relied upon to maintain retention and recruitment at acceptable levels.

Many managers have already begun to take steps to improve retention and recruitment of nurses. Most initiatives are based on the application of good personnel management principles. These initiatives should be actively encouraged and extended throughout the NHS.

This report should help by focusing attention on the most important factors which need to be improved. Underlying each of the suggested improvements is a requirement that management, at all levels, should accept the need for a major change in approach.

The following part of this report sets out our suggestions for management action, to deal with the three main factors - pay, workload and management's approach.

Pay

We consider that there are four specific pay-related areas requiring action. Underlying each of them is the need to develop a pay structure which is more responsive to market forces. The four areas are:

- **Competitive pay** - NHS nursing must be seen to be more competitive with other occupations. This is particularly important for young, recently registered, and relatively junior staff, as well as those working in and around London. While pay may not be the sole motivator for pursuing a career in nursing, equally, it should not discourage staff from joining or staying.
- **Selective pay** - there are two elements to this suggestion:
 - Clinical grading - the introduction of a grading structure which recognises the skills and experience necessary, the pressures faced and the qualifications needed.
 - Local factors - there is a need to provide local managers with a means of compensating staff, within normal budgetary arrangements, for temporary or exceptional workload related difficulties; for example, where there are particular staff shortages. These arrangements should be linked closely to measured workload levels.

Such measures will have to be considered carefully to avoid the dangers of "leap-frogging".

- **Staff working in and around London** - the particular needs and pressures on staff working in and around London should be recognised, and reflected in their pay structure.

- **Other benefits** - consideration should be given to using a wider range of benefits, as well as pay, as a means of producing an overall package which is more responsive to local circumstances. This package could include, for example, accommodation or travel allowances, performance related loyalty bonus for long service, greater recognition for previous experience, flexible working hours, and availability of, and support for child-care facilities.

These pay issues need to be resolved first at national level. They are complex and inter-related, but should be addressed as a matter of high priority.

The trend over the past few years has been for some pay awards to be partially funded centrally, with the balance being provided by health authorities via cost improvement or efficiency savings. In many cases this results in productivity increases or changes in service provision which, in certain circumstances, may also have an adverse affect on the retention and recruitment of nursing staff. If health authorities are to continue to provide part of the funding for pay awards through efficiency programmes, it is important that the overall effect on nurses should be recognised and appropriate support provided to avoid aggravating present retention difficulties further.

Workload

There are a number of ways in which management can improve many of the workload related problems, assuming that pressure to increase and maintain patient throughput levels continues. Underlying each of them is a need to challenge the existing roles expected of qualified nursing staff which, in many cases, may be too wide. While we do not underestimate the difficulties involved, we consider there is a need to work towards:

- **Defining and agreeing the amount of work it is reasonable to expect** from nurses by setting objectives and clinical nursing standards and defining patient outcomes accordingly. We consider nurses will welcome such clarification
- **Developing workload measurement systems** to ensure that workload and activity levels can be monitored. Such systems should enable managers to be aware of changing pressures on staff, and allow them to respond accordingly
- **Defining the roles of all nursing staff**, and those with whom they work, and setting performance criteria against which staff can be constructively measured and appraised
- **Ensuring that the necessary support services are available to use skilled nursing resources as effectively as possible**
- **Defining more clearly the role of nurses** in the management process, at both clinical and senior level.

Prime responsibility for achieving improvements in these areas rests with general managers, in close consultation with nurse managers, educators and the nursing professions. The improvements should be adopted by all health authorities. There is also a need to ensure that effort is co-ordinated. The aim should be to make significant progress over the next two to three years.

Management's approach

There are, in the NHS, many examples of good management practice. However, as the survey shows there is also evidence to the contrary. In most cases, the greatest progress has been made where management has recognised the concerns of its staff and has sought to be flexible, understanding, and supportive.

We consider that this positive approach needs to be extended to, and adopted by, all authorities. This approach should be pursued in two ways. First, there should be an acceptance of the need to change the organisational culture and management's overall approach to nursing. Second, management needs to take action at the operational level to implement these changes. We expand on these two areas below.

Cultural changes - the key elements are that all managers should begin by recognising the importance and value of nursing staff, and respond to them accordingly. The aim should be to develop a more sympathetic and supportive management style, in which the change process is managed effectively, and leadership opportunities for nurses are both encouraged and developed. This approach would include improved information, counselling and training for staff. There is also a need to introduce a more structured management development programme for nurse managers, aimed at providing a greater understanding of management issues within the NHS, as well as improved leadership and management skills generally.

Operational changes - each employing authority should have a detailed nurse manpower plan which should include all the processes and activities concerned with ensuring that the authority has an appropriate number of suitably qualified nursing staff to meet its present and future objectives. Central to this plan will be the development of local retention and re-entry strategies which are able to respond to specific local market forces.

The needs of a largely female workforce must be recognised and accommodated - remembering that the main reason most nurses leave the NHS is because of pregnancy. These needs include increased availability of, and support for childcare facilities, improved opportunity for part-time working at both senior and junior levels, increased flexibility of hours of work, maintenance of contact schemes for staff who have left, and re-training for nurses who wish to return. Overall, nurse managers must develop a more effective way of accommodating what, for many nurses, is an inevitable and predictable career break.

Maximum flexibility and discretion should be encouraged wherever possible in the establishment and interpretation of personnel policies at both national and local level.

There is also a need for greater investment in staff management expertise. Specialist personnel support is an important part of this process. However, the focus of attention should be on nurse managers, who have a key management role, but who in many cases have received little formal management training.

It is also important to ensure that nurses themselves are better informed about management processes and what to expect from a good manager - information which could be provided during both basic and continuing education. This greater understanding should lead to improved retention.

Responsibility for the implementation of these changes rests primarily with general managers and nurse managers at authority and unit level, and requires the adoption of a more flexible and supportive approach. It is not possible to set a target completion date for these changes, but work should begin on this process immediately, so that maximum benefit can be achieved as soon as possible.

CONCLUSION

The facts speak for themselves. Many authorities are currently facing nurse manpower difficulties. Indications are that these difficulties will worsen over the next 10 years, unless improvements are made in the retention and recruitment of already qualified nursing staff.

This report provides some answers to the questions - "why do nurses leave and not return?" It also provides a number of pointers as to the action which needs to be taken to help overcome the present difficulties.

There are a number of positive features associated with NHS nursing which need to be developed and promoted. However, many of these features appear to be outweighed by the concerns expressed by a significant number of nurses.

If the current difficulties are to be overcome, management at all levels should recognise the extent of these concerns, accept their validity, and respond with a package of measures aimed at addressing each of these important areas.

The issues involved should not be underestimated, nor will they be solved by a piecemeal approach. The action which needs to be taken should be focused and co-ordinated. The improvements required need a commitment from everyone involved in management.





dti

the department for Enterprise

cc BG

Sir James Cleminson MC DL
Chairman BOTB

The Rt Hon Margaret Thatcher MP
The Prime Minister
10 Downing Street
LONDON SW1A 2AA

**British Overseas
Trade Board**

1-19 Victoria Street
London SW1H 0ET

Switchboard
01-215 7877

Telex 8811074/5 DTHQ G
Fax 01-222 2629

Direct line 01-215 4934

Our ref

Your ref

Date

27th April 1988

Dear Prime Minister,

Many thanks indeed for your letter of 21 April, regarding the Fifth Reports of the Review Body for Nursing Staff etc. *at top*

I will ensure that your thanks are conveyed to the members of the Review Body and I know they will have appreciated the fact that the Government has implemented the recommendations in full. I hope that this will prove to be of benefit to you in this difficult problem.

I have just returned from leading a BOTB mission to South Korea and Taiwan, in both of which countries there are very good opportunities for British business. The progress in Taiwan is really quite remarkable, and they have a firm emphasis on encouraging imports from Europe, rather than from Japan. Despite the problems of recognition, there is a great deal that we can do there successfully.

Yours

James Cleminson

SIR JAMES CLEMINSON

SJ2AMM

BOTB
BRITISH OVERSEAS TRADE BOARD

NATIONAL HEALTH: Nurses' Pay.

Pt 3.



GOVERNMENT



RECEIVED

MEP



✓

10 DOWNING STREET
LONDON SW1A 2AA



Reply with MEP

From the Private Secretary

21 April 1988

Done

Dear Geoffrey,

CP - check response
Chased DES
Anti
DHSS

HEALTH SERVICE PAY

The paper before Cabinet this morning indicated that, following the implementation of the Review Body recommendations, it was now estimated that NHS provision for 1988-89 would exceed that for 1987-88 by £1,953m. This same figure was also used in the Cabinet discussion.

When we spoke about this, you explained that this was the figure for the increase in gross provision. In recent months the main focus of Ministers' comments has been on the increase in net NHS provision which, before implementation of the Review Body recommendations, was £1,100m. The Prime Minister thinks that, for consistency, it would be better for the headline figure given for the result of the Pay Review Body recommendations to be on the same net basis, which yields a figure of £1,850m. The Prime Minister has decided to include this figure in the Written Answer she is giving to the House this afternoon (attached). The same figure will be included in the briefing material being circulated to Ministers this afternoon.

There was also discussion in Cabinet about the impact of the additional NHS funding on the cost to the average family of supporting the NHS. It was agreed that these figures should be looked at further. When we spoke you confirmed that the impact of the additional pay funding was to increase the average weekly cost for a family by about £1 but, because of rounding, the new total figure remained at a figure of £32 previously quoted.

I am copying this letter to the Private Secretaries to members of Cabinet and to Trevor Woolley (Cabinet Office). I should be grateful if copy recipients could draw this material to their Ministers' attention.

Yours,
Paul

Paul Gray

Geoffrey Podger, Esq.,
Department of Health and Social Security.



ce ve
e HMT
0488

10 DOWNING STREET
LONDON SW1A 2AA

THE PRIME MINISTER

21 April 1988

Dear Sir James,

Thank you for your letter of 13 April and for the Fifth Reports of the Review Body for Nursing Staff, Midwives, Health Visitors and the Professions Allied to Medicine.

As you know, I announced today the Government's full acceptance of the recommendations, which will be implemented from 1 April 1988.

I recognise that the task in relation to nurses, midwives and health visitors was a particularly difficult one this year in view of the new grading structure for clinical staff. I am grateful to you and to your colleagues for the time and effort which you have put into this important work. I should be glad if you would pass on my thanks to the other members of the Review Body.

Yours sincerely
Margaret Thatcher

Sir James Cleminson, M.C., D.L.

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v6
cubg
cc R Lewis

10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

21 April 1988

Dear Geoffrey,

HEALTH SERVICE PAY

The paper before Cabinet this morning indicated that, following the implementation of the Review Body recommendations, it was now estimated that NHS provision for 1988-89 would exceed that for 1987-88 by £1,953m. This same figure was also used in the Cabinet discussion.

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I am copying this letter to the Private Secretaries to members of Cabinet and to Trevor Woolley (Cabinet Office). I should be grateful if copy recipients could draw this material to their Ministers' attention.

Yours,
Paul
Paul Gray

Geoffrey Podger, Esq.,
Department of Health and Social Security.

Tuesday 9th February 1988

(Answered by the Prime Minister on Thursday 21st April)

UNSTARRED No. Mr Edward Leigh: To ask the Prime Minister if she will make a statement on the latest report by the Review Body on Doctors' and Dentists' Remuneration.

THE PRIME MINISTER [Pursuant to her reply of 9th February 1988, col 135]:

I am now in a position to make a statement on the latest Reports of the Pay Review Bodies. The 1988 reports of the Review Bodies on the pay of Nursing Staff, Midwives and Health Visitors, and Professions Allied to Medicine, the Doctors and Dentists, and the Armed Forces, and of the Top Salaries Review Body, have been published today. Copies are now available in the Vote Office. The Government are grateful to members of the review bodies for these reports and the time and care which they have put into their preparation.

The following table shows the increases in pay rates recommended by the review bodies, and their cost:

Review Body Reports	Average increase per cent	Range of increase per cent	Cost (1) £ million
Nurses, midwives and health visitors	15.3	4.2-33.6 (2)	803
Professions allied to medicine	8.8	7.6-9.5	45

Doctors and dentists	7.9	7.3-8.1 (3)	318
Armed Forces	6.4	2.5-7.3	232
Top Salaries			
Senior civil servants and senior officers of the armed forces	5.4	5.2-5.5)	5.5
Judiciary	7.4	5.3-11.9(4)	

(1) UK public expenditure cost including employers' national insurance and superannuation contributions, where appropriate. Figures include cost of additional payments to staff working in the London area, where appropriate. The figure for doctors and dentists includes payments for GPs' expenses and hospital doctors' insurance, not counted as pay.

(2) The recommendations include implementation of a new clinical grading structure. Most increases fall within the range shown. Increases could be up to 60 per cent for some nurses. No nurses will receive less than 4 per cent.

(3) About 95 per cent of staff fall within this range. The remainder get higher increases up to 14.5 per cent and in a few cases possibly more.

(4) Most increases fall within the range shown, although in six cases the increase will be 23.7 per cent. The upper end of the range reflects structural changes for certain groups.

The increases recommended for nursing staff, midwives and health visitors include implementation in the Autumn of a radical new grading structure to provide more attractive career prospects and proper recognition of qualifications, skills and responsibilities for staff directly involved in patient care. The Review Body's recommendations are on the basis that there should be an immediate interim payment of 4 per cent from 1 April 1988 and that once the new structure has been introduced, consequential pay increases would be backdated to 1 April 1988.

The Government have decided to accept in full the Review Body's recommendations on nursing staff, midwives and health visitors. They have also decided that the increases recommended by the Review Bodies on the pay of Professions Allied to Medicine, Doctors and Dentists and the Armed Forces should be paid in full from 1 April 1988. The recommendations of the Top Salaries Review Body will be implemented as to 4 per cent from 1 April 1988, with the balance from 1 October 1988.

The full cost of the awards for the Armed Forces Pay Review Body and Top Salaries Review Body groups will be met from within existing public expenditure programme totals for this year. In the case of the health service groups the Government have decided that the cost in excess of the allocation already made for this year should be met from the Reserve. They will provide an extra £749m from the

Reserve within the planned total of public expenditure for this year, of which £683m will be added to health authority cash limits. The remaining £66m is for the Family Practitioner Services. Together with the increases in allocation already announced, the increase in provision for the National Health Service in 1988-89 over 1987-88 will therefore be £1,852 million.

The pay rates and scales resulting from the decisions will be promulgated as soon as possible for all the groups concerned. Pensions will be based on the salaries actually in payment in accordance with the principle set out in my written answer of 13 April 1984, at column 383.

<i>Personal Secretary</i>	<i>Staff Nurse</i>
<i>£ per annum</i>	<i>£ per annum</i>
8,134	8,230
8,399	8,490
8,664	8,750
8,980	9,010
9,373	9,270
	9,530

The scales include inner London weighting of £1,527 per annum for personal secretaries, and London weighting of £930 per annum for nurses. Both groups are eligible for various other payments including overtime, which are excluded from the scales quoted above. Personal secretaries can receive proficiency allowances depending on skill and a special pay addition of £400 based on recruitment and retention needs. Nurses are eligible for various leads and allowances, including special duty payments of up to 60 per cent. of basic pay for working unsocial hours on top of any overtime payments.

Surplus Industrial Capacity

Mr. Austin Mitchell: To ask the Prime Minister whether the Government will provide funds for surplus industrial capacity to be set aside for use in times of war; and if she will make a statement.

The Prime Minister: We have no plans to do so.

Doctors and Dentists (Pay)

Mr. Leigh: To ask the Prime Minister if she will make a statement on the latest report by the Review Body on Doctors' and Dentists' Remuneration.

The Prime Minister: I have received the review body's report on the proposed new hospital staff grade, which is being published this afternoon. Copies will be available in the Vote Office. The Government are grateful to the chairman and members for the speed and thoroughness of their deliberations. The salary scale they have recommended is from £13,720, progressing by six equal increments to £20,470. The Government propose to accept the review body's recommendation. There will be further discussions with the profession's representatives to finalise detailed arrangements with the aim of introducing the new grade in the spring.

Engagements

Mr. Harry Greenway: To ask the Prime Minister if she will list her official engagements for Tuesday 9 February.

Mr. Ieuan Wyn Jones: To ask the Prime Minister if she will list her official engagements for Tuesday 9 February.

Mr. Wigley: To ask the Prime Minister if she will list her official engagements for Tuesday 9 February.

Mr. Pike: To ask the Prime Minister if she will list her official engagements for Tuesday 9 February.

Mr. Stern: To ask the Prime Minister if she will list her official engagements for Tuesday 9 February.

Mr. Janner: To ask the Prime Minister if she will list her official engagements for Tuesday 9 February.

The Prime Minister: This morning I had meetings with ministerial colleagues and others. I attended the memorial

service for Lord Duncan Sandys at St Margaret's, Westminster. In addition to my duties in the House, I shall be having further meetings later today. This evening I hope to have an audience of Her Majesty the Queen.

DEFENCE

AIDS

Mr. Butler: To ask the Secretary of State for Defence, pursuant to his reply of 14 December 1987, *Official Report*, column 415, if he will give his reasons for not testing all Army recruits for HIV status.

Mr. Freeman: The scale of the AIDS problem is such that we see no need at present for general compulsory screening. The MOD policy not to test all Army recruits for HIV status is in accordance with Government policy on employment. Within the service, those who consider themselves to have been at risk are encouraged to undergo voluntary screening and to seek immediate confidential advice from their unit medical officers.

Service Personnel (Electors)

Mr. Nicholas Bennett: To ask the Secretary of State for Defence if he will list the total number of service personnel in each branch of the armed forces who are registered as electors for the latest year for which statistics are available; and what is the percentage these figures represent of the total manpower in each service.

Mr. Freeman: The statistics requested are as follows:

As at 31 December 1987

	<i>RN-RM</i>	<i>Army</i>	<i>RAF</i>
Numbers registered as electors	51,684	105,480	50,855
As percentage of strength	79	65	54

All figures exclude service spouses also registered under the service voters provisions.

Nuclear Weapons (Transportation)

Mr. Hood: To ask the Secretary of State for Defence how many nuclear weapons have been transported within or through the Clydesdale constituency since 1979.

Mr. Ian Stewart: It has been the practice of successive Governments not to give details of the movement of nuclear weapons.

HOME DEPARTMENT

South African Embassy (Incident)

Mr. John Carlisle: To ask the Secretary of State for the Home Department if he has received reports from the Commissioner of Police of the Metropolis of an incident that took place outside the South African embassy on Tuesday 19 January which resulted in injury to a superintendent of police.

Mr. Douglas Hogg: My hon. Friend may be referring to an incident which took place at the Strand entrance to Charing Cross underground station on 19 January. I understand from the commissioner that a police superintendent was pushed down the underground stairs and assaulted. The assailant ran off before help could be summoned and to date has not been identified. Police inquiries into the incident are continuing.



OFFICE OF MANPOWER ECONOMICS

22 KINGSWAY
LONDON WC2B 6JY

Telephone 01-405 5944

The Rt Hon Margaret Thatcher MP
10 Downing Street
LONDON SW1

13th April 1988

Dear Prime Minister,

REVIEW BODY FOR NURSING STAFF, MIDWIVES, HEALTH VISITORS AND PROFESSIONS ALLIED TO MEDICINE

I have pleasure in enclosing the Review Body's fifth reports on nursing staff, midwives and health visitors, and on the professions allied to medicine, which set out our recommendations on the levels of pay which we consider appropriate as at 1 April 1988.

If there are any points in these reports which you wish to raise with me, I shall be glad to discuss them with you.

Yours sincerely
James CLEMINSON

SIR JAMES CLEMINSON
CHAIRMAN

PRIME MINISTER

MEETING WITH TREASURY MINISTERS AND MR. MOORE:
MONDAY 22 FEBRUARY

The Chancellor mentioned at his bilateral this week that he might want a word with you about what should be said in Wednesday's debate on the Public Expenditure White Paper about handling the Nurses Review Body Report. Monday's meeting has been arranged for that purpose.

Unfortunately the Treasury have not yet provided a form of words and the Chancellor will be bringing it with him to the meeting. The issue will be to what extent, if any, hints should be dropped about the likelihood of additional funding being found from the Reserve.

The Treasury have however provided the enclosed paper on the desirability of changes to the future timing of the Pay Review Body Reports. If you agree that action should be taken to change things from 1989 a sensible next step might be for me to discuss the position with the Office of Manpower Economics, who service the Review Bodies; I gather the Treasury have not yet done that.

REG.

PAUL GRAY
19 February 1988

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CONFIDENTIAL



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SH
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10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

15 February 1988

**NURSES PAY: LONDON WEIGHTING
AND REGIONAL VARIATIONS**

The Prime Minister was grateful
for the information provided with your
letter of 12 February.

PAUL GRAY

Geoffrey Podger, Esq.,
Department of Health and Social Security

CONFIDENTIAL

ECU



Prime Minister CCBC²

Doesn't add anything to what Mr. Moore told Cabinet last week. He also rehearsed the point that an attempt directly to change the London weighting system would be likely to increase costs for all NHS staff. It seems separate regional pay supplements can be more easily targeted on nurses alone.

DEPARTMENT OF HEALTH AND SOCIAL SECURITY

Richmond House, 79 Whitehall, London SW1A 2NS

Telephone 01-210 3000

From the Secretary of State for Social Services

P Gray Esq
Private Secretary
10 Downing Street
LONDON
SW1A 2AA

ms

12 February 1988

RRCG
12/2

Dear Paul,

NURSES PAY: LONDON WEIGHTING AND REGIONAL VARIATIONS

Thank you for your letter of 29 January. I attach a note on the present position of London Weighting and regional pay for nurses.

I am advised that if we were to seek to bring nurses' London Weighting within the ambit of the Review Body, it would be necessary to extract consideration of it from the ambit of the London Weighting Consortium which, under the aegis of the General Whitley Council, negotiates London Weighting for all groups of NHS staff. It is thought that whilst the nurses' representatives might see some advantage in this, there would be likely to be misgivings on both the Management and Staff Sides and that agreement could not safely be assumed. For the Review Body to take this issue on board would involve the Prime Minister changing the remit of the Review Body which is normally done with the consent of the members. We do not know of their likely reaction.

Current pay policy is directed towards a different approach than that outlined in the previous paragraph. The objective is to introduce discretion for employing authorities to supplement national rates of pay, within pre-determined limits, in response to recruitment and retention difficulties with a gradual withering of London Weighting until it is subsumed within the wider arrangements.

*Yours sincerely,
Geoffrey Podger*

G J F Podger
Private Secretary

NHS: LONDON WEIGHTING/GEOGRAPHICAL PAY: NOTE FOR No.10

1. The Prime Minister asked for a note distinguishing between London Weighting and geographical pay in the NHS.

London Weighting

2. The London Weighting allowance applies to all NHS staff within specific zones. It is paid at flat rates, irrespective of recruitment and retention difficulties, and is therefore a relatively blunt instrument. Current rates are -

	£pa
Inner London	1201
Outer London	718
Pan London	930 (doctors, nurses, ambulance staff)

These compare unfavourably with other staff groups in the private and public sector (Civil Service rates are £1,465 Inner, £840 Intermediate and £615 Outer).

- now £1527. PCCG.

3. An offer of a 5½ per cent increase from 1 July 1987, rejected in November, remains on the table. Industrial action is possible.

Geographical pay

4. In line with Government policy, the NHS Management Board is working towards a degree of flexibility for local management to respond to labour market conditions. Proposals made last year in the Administrative and Clerical Whitley Council included provision for supplementary "national" rates where necessary, but the Staff Side declined to negotiate on them then. They will be re-introduced in this year's pay round.

5. Recruitment and retention difficulties for nurses are most pronounced in London and the South East. To respond to these (without the knock-on effects and inflexibility of the London Weighting system), DHSS invited the Review Body to recommend supplements - on top of London Weighting - for nurses in and around London. Zoning is still being discussed with NHS management. The Review Body were also invited to recommend discretionary supplements to help meet particular shortages elsewhere in the country. Rates would be for the Review Body to recommend, but DHSS have in mind amounts of approximately £1,000 per annum in Inner London, £500 in Outer London and its environs and, subject to further consultation, discretionary amounts of the same magnitude elsewhere.

6. It is envisaged that what is now proposed for nurses will be subsumed in a wider scheme for local pay differentiation in the NHS as policy and practice evolve.

NAT HEALTH: Nurses Pay PTS

NOTE: LONDON NATIONAL GEOGRAPHICAL SOCIETY

London, England, 1912

Dear Sir,

I have the honor to acknowledge the receipt of your letter of the 14th inst. regarding the proposed increase in the pay of nurses in the National Health Service.

The matter is being considered by the relevant authorities.

I am, Sir, very respectfully,
Yours faithfully,

W. H. ...

Enclosed

The enclosed documents contain the details of the proposed pay scale for nurses in the National Health Service, as discussed in your letter.

I am, Sir, very respectfully,
Yours faithfully,

W. H. ...

I am, Sir, very respectfully,
Yours faithfully,

W. H. ...

CONFIDENTIAL



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ce B6

10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

29 January 1988

NURSES' PAY: LONDON WEIGHTING AND REGIONAL VARIATIONS

BF | As I understand it, at present the Nurses' Pay Review Body is not able to consider the issue of London Weighting (that is reserved for the Whitley Council) for nurses, but could consider proposals for regional variations of nurses' pay. I should be grateful if you could let me have a note confirming the position and indicating what steps would need to be taken for the handling of London Weighting and regional variations to be brought together.

PAUL GRAY

Geoffrey Podger, Esq.,
Department of Health and Social Security.

CONFIDENTIAL

Khs

Prime Minister (2)

MBR 25/1



PRIME MINISTER

1. PRCG
2. PC

You might be interested to see what I said about the prospects of industrial action in the Health Service. My remarks were obviously directed at the health unions like NUPE. I pointed out that the reason the nurses received an independent review body was their refusal to take strike action. I think that it might be worthwhile seeking to get Mr Kinnock to disown industrial action in the Health Service.

I am sending this minute prior to PM's Questions as I gather you will be on television tonight.

N F

25 January 1988

Statement by Norman Fowler MP, Secretary of State for Employment, speaking on a visit to the West Hertfordshire Conservative Association.

INDUSTRIAL ACTION IN HEALTH SERVICE CONDEMNED

Nothing would be more damaging to the Health Service than the calls for strike action coming from health unions. Patients have suffered that action before in 1978 and 1982. Those actions added thousands to the waiting lists. They caused infinitely more suffering to patients than any so-called "cut" by a health authority.

It is a terrible irony that a campaign that on the surface aims at better health care should end up striking at the very heart of the health service. The fact is that the health position is now being exploited. Take the industrial action in Scotland over competitive tendering. Competitive tendering does not just save money - it diverts extra money to direct patient care. In England over £100 million a year is going to treating patients rather than ancillary services. Industrial action over competitive tendering has nothing to do with achieving better health care.

Over the last months, the tactics of the Labour Party have been quite clear. They have whipped up the anxiety of the public and exploited the fears of the sick. But there is now a direct challenge to the Labour Party. Mr Kinnock and all his colleagues must clearly and unequivocally condemn industrial action in the health service. They cannot shelter behind the Royal College of Nurses and Trevor Clay. They must disown the tactics of strikes and industrial action.

It was not strike action that achieved for nurses the independent review body that now determines their pay. It was their dedicated service and their refusal to take strike action. That is the only way forward for those who care for the NHS and those it treats. You don't improve patient care with picket lines. You don't build morale in the Service through running cynical political scares. Industrial action is a certain way of cancelling operations and closing wards. The Health Service should have nothing of that. The health unions should get their tanks off the streets.

1. ~~ME~~ EA } case
2. ~~NW~~



~~Part - I~~
Have told
DHSS

10 DOWNING STREET

Kent

Prime Minister

EVIDENCE TO NURSES
PAY REVIEW BODY

1. The attached material for DHSS arrived at 9 p.m. — they want clearance to submit the evidence tomorrow.
2. It has been seen in draft by the Policy Unit — see their attached minute which supports the evidence. It has also been cleared with the Treasury.
3. The key elements are Mr. Moore's minute and Section 2 of the evidence.
4. Contact for DHSS to submit tomorrow?
Yes no

PRC 2/11

PRIME MINISTER

*in attached folder***GOVERNMENT EVIDENCE TO THE NURSES' PAY REVIEW BODY**

You will wish to see the evidence which we propose to put to the Review Body this year on nurses' pay.

The main thrust of our evidence is that large, across-the-board increases are not a cost-effective way of tackling nurse shortages which are localised in certain geographical areas and in some key specialties, and that a better targetted approach is essential. Our proposals - summarised in Section 2 - are intended to result in greater differentiation in pay in response in local labour markets and particular skill shortage.

The proposal for geographical and skill shortage supplements (Section 5) would, if accepted by the Review Body break new ground in that this would be the first large group of NHS staff to whom such arrangements would apply. This is bound to be controversial and may well meet with a hostile response from the Staff Side. It will also increase our problems in negotiating with NHS unions on their London Weighting claim which is still outstanding. But we must tackle this issue if we are to avoid the Review Body recommending for the country as a whole rates needed to recruit and retain nursing staff in London.

Our evidence on the new clinical grading structure (Section 6) provides the opportunity to match pay levels much more closely to skill and thus to cater better for shortages in these specialisms.

The established convention is that the Government's and Staff Side's written evidence to the Review Body is exchanged so that, in taking oral evidence, the Review Body can question each side on points made by the other. Elements in the Staff Side can be relied on to publicise our evidence, so some circumspection is needed in its presentation. For this reason, there are a number of points which can best be brought out in our oral evidence to the Review Body, including the level of cost-of-living increase which we consider would be appropriate; more detailed indication of the rates of pay we would wish to see attached to the new scales and to the geographical supplements; and, most significantly, what we should like the Review Body to do on Special Duty Payments (paragraph 6.40 and 6.41). In written evidence it seems best to invite the Review Body to review rather than reduce these payments.

The increased complexity of our evidence as compared with previous years has meant that we are already well past the target date for submitting evidence and the Review Body's timetable is such that we need to submit the evidence tomorrow. I should therefore be grateful to know that you are content with our line on the issues I have outlined above.

CONFIDENTIAL



The evidence on the professions allied to medicine (Section 7) is largely non-controversial - except that they pay variation proposals do not extend to these groups - and need not, I think, trouble you at this stage.

A copy of this minute goes to John Major, Wyn Roberts, Richard Needham and Michael Forsyth.

Jan 21. '88.

A handwritten signature in blue ink, appearing to be 'J.M.' with a flourish.

JM

CONFIDENTIAL

PRIME MINISTER

21 January 1988

EVIDENCE TO NURSES' PAY REVIEW BODY

John Moore has sent you a draft of the Government's evidence to the Nurses' Pay Review Body.

The evidence is robust in arguing that there is no need for large pay increases across the board. Equally, it is realistic in recognising that there are shortages of staff in London and the South East and in some specialisms. It proposes that these should be tackled by giving local managers flexibility to increase pay scales to reflect shortages of staff in certain locations (London and the South East) and specialisms. A new grading of structure for nurses, agreed with the unions, involving nine new grades with inner pay spine, allows this to be done.

The approach in the Government's evidence is right in recognising that scarcity and not comparability must be the determinant of annual pay increases. You need to consider in the current climate whether it conveys the right balance between toughness in maintaining control over expenditure and realism in recognising that there are problems in the Health Service that need to be tackled. We think it does this in rejecting large across-the-board increases and focussing on recruitment, retention and motivation as the prime criteria for pay increases.

Conclusion

We recommend that you approve the Government's evidence to the Nurses and Midwives Review Body.

J.O.S.

JOHN O'SULLIVAN

PJS

PETER STREDDER



file EL3BWZ

cc DHSS

10 DOWNING STREET
LONDON SW1A 2AA

THE PRIME MINISTER

27 April 1987

Dear Sir James.

I am writing to thank you and your colleagues for the fourth Reports of the Review Body for Nursing Staff, Midwives, Health Visitors and the Professions Allied to Medicine. I am most grateful for the hard work and careful consideration which clearly went into their preparation.

As you know, I announced on 23 April the Government's acceptance of your recommendations and our decision to implement them in full with effect from 1 April.

Yours sincerely
Margaret Thatcher

Sir James Cleminson, M.C., D.L.

OTS



Treasury Chambers, Parliament Street, SW1P 3AG
01-270 3000

22 April 1987

Geoff Podger Esq
PS/Secretary of State
Department of Health and Social Security
Alexander Fleming House
Elephant and Castle
LONDON SE1 6BY

Dear Geoff

NBPM

REVIEW BODY REPORTS

Your Secretary of State and the Minister for Health discussed the financing of the Review Body recommendations for the National Health Service Groups with the Chancellor and Chief Secretary this evening.

After extensive discussion, it was agreed that £25 million of the additional costs for England should be met from planned efficiency savings in the Hospital and Community Health Services programme in England. This, together with the resulting formula consequential for the territories, would reduce the claim on the Reserve for the UK by £30 million from what it would have been if the whole cost in England had been met from the Reserve and the territories had received the formula consequential of that. The Chancellor made it clear that he was only prepared to accept this on the clear understanding that your Secretary of State would support this compromise fully in Cabinet, even if it came under attack from others. Your Secretary of State agreed to this. The Chancellor also made it clear that his agreement was on the understanding that the likely increases for non-Review Body staff would be fully funded from within existing resources, though he recognised that if a completely extraordinary award were made for those staff your Secretary of State might approach the Chief Secretary again. Your Secretary of State accepted that.

There was also some preliminary discussion about the presentation. Your Secretary of State said he would not want too much to be made of the point that part of pay awards would be financed from the cost

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improvement programme. The Chancellor said that he would certainly not want to suggest that the £30 million should be the focal point of the presentation, but he felt it was very important that it should not be concealed, nor that anything should be done to suggest these were phoney or cosmetic savings. The Minister for Health suggested that something might be made of the point that the extra pay for nurses and doctors should reduce the need to call on agency staff, though the net savings from this would in practice be very small. It was agreed that officials should draw up a draft line on this urgently tomorrow morning.

I am copying this letter to David Norgrove (10 Downing Street)

*Yours
Alex*

A C S ALLAN
Principal Private Secretary

CONFIDENTIAL



File LB
cc Tsy

10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

15 April 1987

REVIEW BODIES

As agreed, I enclose copies three and four of the Nursing Staff, and Professions Allied to Medicine Reports respectively. Copy no. five of each Report is being sent to the Treasury under cover of a copy of this letter, and the two copies no. two have gone to Trevor Woolley (Cabinet Office).

P. A. BEARPARK

Geoffrey Podger, Esq.,
Department of Health and Social Security.

CONFIDENTIAL



OFFICE OF MANPOWER ECONOMICS

22 KINGSWAY
LONDON WC2B 6JY

Telephone 01-405 5944 Ext 372

The Rt Hon Margaret Thatcher MP
10 Downing Street
London SW1

14 April 1987

Dear Prime Minister,

REVIEW BODY FOR NURSING STAFF, MIDWIVES, HEALTH VISITORS AND PROFESSIONS
ALLIED TO MEDICINE

I have pleasure in enclosing the Review Body's fourth reports on nursing staff, midwives and health visitors, and on the professions allied to medicine, which set out our recommendations on the levels of pay which we consider appropriate as at 1 April 1987.

If there are any points in these reports which you wish to raise with me, I shall be glad to discuss them with you.

Yours sincerely

James CLEMINSON

SIR JAMES CLEMINSON
CHAIRMAN

010
 copied to other
 subject file

Pine Winter

I shall arrange a
 meeting for 22 April.

Ref. A087/1058

MR NORNGROVE

Difficult at

DLW
 9/4.

Review Body Recommendations

The recommendations of the Review Bodies, all to take effect from 1 April 1987, are or will be as follows:

Top Salaries

Increase of 4.8 per cent on existing paybill.

Armed Forces

Increase of 5.96 per cent on existing paybill: increases varying from 4.0 to 7.0 per cent for individual ranks.

Doctors and Dentists

Increase of 7.7 per cent on existing paybill:

General medical practitioners	7.0 per cent
General dental practitioners	7.0 per cent
Hospital and community doctors	8.25 per cent

Nurses and Midwives

Increase of 9.5 per cent on existing paybill:

based explicitly and strictly on arguments of recruitment and retention; ranging from 5 per cent for first and second year learners to 11.0 to 12.7 per cent for staff nurses.

Professions Allied to Medicine

Increase of 9.1 per cent on existing paybill:

ranging from 6 per cent to 12.6 per cent for individual groups.

2. I shall be discussing these recommendations with the Permanent Secretaries concerned in the next twenty four hours, with a view to the preparation of a note which could be circulated to Ministers

directly concerned for a meeting on Wednesday 22 April and thereafter consideration by Cabinet and announcement on Thursday 23 April.

3. I understand that you will be responsible for arranging printing. We have two of the reports; the DDRB Report should reach us tomorrow or Monday; the Nurses and Midwives and PAM Reports on Wednesday or Thursday of next week.



ROBERT ARMSTRONG

9 April 1987

PRIME MINISTER

QUESTIONS TODAY: NURSES PAY

DHSS officials have been considering the figures on nurses pay very carefully. They have been looking in particular at the question of whether nurses pay was one-third higher in real terms than in 1979, even before the last July increase. This was one of the points you made in reply to Mr. Kinnock this afternoon. The draft Hansard is attached.

The figure you used last Thursday, of 23 per cent, is the one which DHSS Ministers have also been using. DHSS believe it is the right one. They have sought, however, to see how to arrive at the figure of one-third:

- (i) DHSS have looked at the overall cost of the nurses pay bill. The overall number of nurses and midwives is up to 491,000, an increase of 60,000. Taken in conjunction with the approximately 18 per cent increase (before the July 1986 award), this suggests that the total pay bill has risen in real terms by roughly 35 per cent. DHSS will confirm this tomorrow, as early as possible.
- (ii) DHSS have also looked at average pay and then at different starting points and different periods over which to deflate the pay increase. But these calculations end up with a figure lower than 23 per cent.
- (iii) Finally, DHSS have looked at the pay rates of different grades of nurses. The one which comes closest is the ward sisters' maximum. This has risen by about 30 per cent in real terms, but that is after taking account of the July 1986 increase. Excluding that would give a lower figure.

The position is complicated by the fact that there was a pay

award in April 1979 which DHSS do not now as a rule include in their calculations for the increase in pay under this Government (though they do of course include the two Clegg awards payable in August 1979 and April 1980). The April award does not help, however, in getting closer to the one-third figure.

The 2,700 figure you quoted is accurate, though it does in fact include the April 1979 settlement. It is not therefore a figure which can be compared directly with the others DHSS have provided more recently.

I have looked very carefully through the notes we still have to try and find the source of the one-third figure on the June 1986 brief which you took into the Chamber today. But neither my researches, nor DHSS's, throw any light on it. I do not believe the figure was based on the overall pay bill. Nor is it clear whether it was calculated here or taken from DHSS direct. There is a lesson, however, in all this: we should not use old notes, even if in theory nothing has changed, without checking them first.

Assuming DHSS confirm (i) above, you have two options:

(i) leave the record as it is;

(ii) write to Mr. Kinnock to clarify that your reference to the 23 per cent figure last Thursday stands, and that you were referring today to the total nurses' pay bill.

There is something to be said for a letter. Nurses' pay is likely to remain a key issue for a while. Sending a quick and short note would prevent the Opposition being able to argue that the one-third figure was misleading. A possible draft is attached. Do you wish to write on that basis?

If the DHSS come back to us tomorrow morning saying the figures do not work out, an even shorter letter correcting the record might be appropriate.

I will ensure in any case we get a full and consistent set of figures on nurses' pay tomorrow.

MARK ADDISON

7 April 1987



10 DOWNING STREET

THE PRIME MINISTER

6 June 1986

Dear Mr. Gray,

Thank you for your letter of 28 May in which you seek reconsideration of the Government's decisions on the recent Review Body report.

The Government's decisions mean that main scale rates for most nurses will increase by 8 per cent from 1 July. The average increase in pay in 1986/87 as a whole will be nearly 6 per cent. This will mean a significant boost to nurses' earnings, at a time when inflation - 10.3 per cent and rising when we came into office - has dropped to 3 per cent per year. It comes on top of the 33 per cent real increase in nurses' pay over and above inflation which the Government had already implemented since 1979.

When the Government established the Review Body, we made it clear that we would implement its findings except where there were clear and compelling reasons to the contrary. The cost of the Review Body recommendations was much greater than Health Authorities' ability to pay, and implementation in full from 1 April would have had a serious effect on services to patients. You know the Government's determination to keep tight control on public expenditure through cash limits. It is a measure of our concern both for nurses and for the NHS that we have made a wholly exceptional payment from the reserve so that the recommended increases can be implemented in full from 1 July.

FILE

JA

cedHSS

C/A

CAS

I understand the special concerns of those whose pensions will be affected. But it is established practice to base pensions on salaries actually in payment at or immediately before the date of retirement. It would not be fair or appropriate to depart from that practice in individual instances.

I understand also why nurses are concerned that their pay increases should not affect service levels. When we set NHS cash limits for 1986/87 we made no specific provision for pay, but the very substantial cash increase - £800 million for Great Britain - was intended, together with Health Authorities' cost improvements, to cover pay and price increases during the year as well as service growth and the full year cost of last year's Review Body awards. Inflation during 1986/87 was then forecast at 4.5 per cent; the actual rate is of course substantially lower than that. The extra money which we have just allocated plus the savings from lower inflation are sufficient to cover the difference between the costs of the Review Body awards from 1 July and the original 4.5 per cent inflation forecast.

The Government remains committed to implementing Review Body reports except where there are clear and compelling reasons to do otherwise. I do not accept that our decision this year shows any lack of commitment to nurses and the NHS. Quite the contrary: I believe our commitment is demonstrated in our record, which is one of increasing resources and levels of care.

Yours sincerely
Margaret Thatcher

Trevor Clay, Esq.

DRN

GR - for
amendment

I managed to retrieve the letter to Trevor Day before the PM signed it.

DHSS want one final amendment to be made.

In the final paragraph, last sentence they wish to delete the word 'steadily'.

Agree?

Yes

Amanda
5.6.86



DEPARTMENT OF HEALTH & SOCIAL SECURITY
Alexander Fleming House, Elephant & Castle, London SE1 6BY
Telephone 01-407 5522
G.T.N. 2915

From the Secretary of State for Social Services

PO/6381/875

3th June 1986.

David Norgrove Esq

10 Downing Street
LONDON
SW1

Dear Mr Norgrove,
Thank you for your letter of 29 May.
I enclose a draft reply.

Yours Sincerely
E Scarlett
EDWARD SCARLETT
Private Office

DRAFT LETTER FROM PRIME MINISTER TO

JATHAUE

Trevor Clay Esq, MPhil SRN RMN
General Secretary
Royal College of Nursing
20 Cavendish Square
LONDON
W1M 0AB

Please type.

Thank you for your letter of 28 May in which you seek reconsideration of the Government's decisions on the recent Review Body report.

The Government's decisions mean that main scale rates for most nurses will increase by 8 per cent from 1 July. The average increase in pay in 1986/87 as a whole will be nearly 6 per cent. This will mean a significant boost to nurses' earnings, at a time when inflation - 10.3 per cent and rising when we came into office - has dropped to 3 per cent per year, ~~and is on course to fall further.~~ ^{Over and above inflation} It comes on top of the ~~33 per cent~~ 33 per cent real increase in nurses' pay which the Government had already implemented since 1979.

When the Government established the Review Body, we made it clear that we would implement its findings except where there were clear and compelling reasons to the contrary. The cost of the Review Body recommendations was ~~very considerably in excess~~ ^{much greater than} of Health Authorities' ability to pay, and implementation in full from 1 April would have had a serious effect on services to patients. You know the Government's determination to keep tight control on public expenditure through cash limits. It is a measure of our concern both for nurses and for the NHS that we have made a wholly exceptional payment from the reserve so that the recommended increases can be implemented in full from 1 July.

I understand the special concerns of those whose pensions will be affected. But it is ~~not~~ established practice to base pensions on salaries actually in payment at or immediately before the date of retirement. It would not be fair or appropriate to depart from that practice in individual instances.

I understand also why nurses are concerned that their pay increases should not affect service levels. When we set NHS cash limits for 1986/87 we made no specific provision for pay, but the very substantial cash increase - £800mn for Great Britain - was intended, together with Health Authorities' cost improvements, to cover pay and price increases during the year as well as service growth and the full year cost of last year's Review Body awards. Inflation during 1986/87 was then forecast at 4.5 per cent; ^{the actual rate is 2 per cent} ~~a rate which is now substantially~~ ^{lower than that.} reduced. The extra money which we have just

allocated plus the savings from ^{lower inflation} reduced prices are sufficient to cover the difference between the costs of the Review Body awards from 1 July and the original 4.5 per cent inflation forecast.

The Government remains committed to implement ^{ing} Review Body reports except where there are clear and compelling reasons to do otherwise. We ~~must~~ ^{have to} however look at each report ~~in the circumstances prevailing at the time and strike a balance, if necessary,~~ ~~between competing considerations,~~ ^{as we did} This is what we had to do this year. I do not accept that ^{our decision this year} ~~this~~ shows any lack of commitment to nurses and the NHS. I have clearly stated that commitment many times, and I take this opportunity to state it again. I believe ~~it~~ is demonstrated in our record, which is one of steadily increasing resources and levels of care.

our commitment

and to ensure that the cost

Quite the contrary!

cc Mr. O'Connor ✓
Mr. Fisher ✓
Mr. Kerin ✓
Mr. Podge ✓
Mrs Poole ✓
Mr. Hart



RECEIVED IN THE
OFFICE OF
30 MAY 1986
THE SECRETARY
OF STATE FOR
SOCIAL SERVICES

10 DOWNING STREET
LONDON SW1A 2AA

DP3/6

From the Private Secretary

29 May 1986

Mr. Wormald - for advice + reply pl.
Mrs Banks /
Mrs Stewart

MR WORMALD
HAP 25
HAW X 3131

Dear Tony,

M/S Nurses Pay.

I attach a copy of a letter the Prime Minister has received from Trevor Clay, General Secretary of the Royal College of Nursing.

DN-PM

MIND

6381

I should be grateful if you could provide a draft reply for the Prime Minister's signature, to reach me by 3 June.

857

I am copying this letter to Jill Rutter (HM Treasury).

Jans,

David

(David Norgrove)

Tony Laurance, Esq.,

Department of Health and Social Security



BM

CB1
JMT

10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

all 29 May 1986

I attach a copy of a letter the Prime Minister has received from Trevor Clay, General Secretary of the Royal College of Nursing.

I should be grateful if you could provide a draft reply for the Prime Minister's signature, to reach me by 3 June.

I am copying this letter to Jill Rutter (HM Treasury).

(David Norgrove)

Tony Laurance, Esq.,
Department of Health and Social Security

K

Her Majesty the Queen
Her Majesty Queen Elizabeth the Queen Mother
Her Royal Highness the Princess Margaret
Countess of Snowdon



20 Cavendish Square, London, W1M 0AB
Tel: (01) 409 3333
General Secretary: Trevor Clay, MPhil, SRN, RMN.

Royal College of Nursing
of the United Kingdom

TC/JMS/sc

28 May 1986

The Rt Hon Margaret Thatcher, MP
Prime Minister
10 Downing Street
London SW1

Prime Minister 2
To be aware of this
letter. Reply in preparation.
ms
DWS
29/5.

Dear Prime Minister,

The Council of the Royal College of Nursing at its meeting today discussed the Government's announcement of its decisions on the recommendations of the Review Body for Nursing Staff, Midwives, Health Visitors and Professions Allied to Medicine and wishes to express its anger and frustration that, for the second year running, the Government has interfered with the recommendations of the Review Body.

The Council would ask that the Cabinet reconsider the decision, announced on 22 May, to implement the award only from 1 July and requests that this be paid from 1 April as recommended by the Review Body. It is not a sign of a caring government that a medicine prescribed for the beginning of April is not administered until 1 July.

Furthermore, Council requests that the award be fully funded. The Review Body indicated in making its recommendations that it had taken economic factors into consideration; nurses resent being penalised by double jeopardy wherein the Government, whose evidence on economic factors had already been weighed by the Review Body, then had a further opportunity to apply economic sanctions when making its announcement.

The Council of the RCN also seeks a firm assurance now that staging will not be repeated next year and that the starting date for implementing nurses' pay awards will return to 1 April. The effect of staging the 1985/6 and the 1986/7 awards has been a substantial loss of money for many nurses; a ward sister at the top of her scale, singled out for attention by the Review Body last year, has thus lost over £800 in two years - the equivalent of one whole year's increase.

The salaries of most nurses remain low by almost any criteria and, because of the way in which staging has been decided for this year, the absence of the usual backdated lump sum will cause considerable problems for many individual nurses, who have traditionally depended on such sums to pay for holidays and other things which make their life on low pay tolerable. I cannot over-emphasise how bitterly the staging from 1 July is resented throughout the nursing profession.

Staging will mean, moreover, that those nurses who retire before 1 July 1986 will have their pensions based on last year's pay scales, an injustice which is scant reward for a lifetime of dedicated service. The Council requests that you intervene to ensure that all those retiring in this financial year receive pensions calculated on the new rates.

The RCN is extremely concerned about the funding of the award. While extra money has been made available the Service is still being expected to find further savings on top of the "efficiency savings" already set as targets for health authorities. Council doubts whether the lower than anticipated rate of inflation will release additional funds for the NHS. There is clear evidence that medical and hospital costs are rising faster than the general rate of inflation; in order to cope with this high level of costs in the independent sector of health care a prominent provident association has had to increase its charges by 18%. Pay has once again been used as a stick with which to beat the health service. Nurses resent the inference of "blame" attached to their justified increases in pay.

The Council of the RCN believes, and the DHSS has acknowledged to the Public Accounts Committee, that nursing is sitting on a demographic time bomb with the drop in the number of adequately qualified 18 year olds leaving school. Improved pay will be an essential element in maintaining recruitment; there are already problems around the country and staging of the award will have sent the wrong signal to young people considering nursing as a profession.

I look forward to hearing from you what action the Government will take to redress this iniquitous situation and to demonstrate that it does indeed care about nurses and the National Health Service.

Yours sincerely

Trevor Clay

Trevor Clay
General Secretary



OFFICE OF MANPOWER ECONOMICS

22 KINGSWAY
LONDON WC2B 6JY

Telephone 01-405 5944

The Rt Hon Margaret Thatcher MP
10 Downing Street
London SW1

17 April 1986

Dear Prime Minister,

REVIEW BODY FOR NURSING STAFF, MIDWIVES, HEALTH VISITORS AND PROFESSIONS
ALLIED TO MEDICINE

I have pleasure in enclosing the Review Body's third Reports on nursing staff, midwives and health visitors, and on the professions allied to medicine, which set out our recommendations on the levels of pay which we consider appropriate as at 1 April 1986.

Very sincerely,

John Greenborough

SIR JOHN GREENBOROUGH



10 DOWNING STREET

THE PRIME MINISTER

13 June 1985

Dear Sir Robert,

Thank you for your letter of 30 April with which you submitted the Fifteenth Report on the Remuneration of Doctors and Dentists. I am most grateful to you and your colleagues for your work in preparing this report. As you will know, I announced on 6 June the Government's acceptance of your recommendations and our decision to implement them from 1 June. This is with the exception of your recommendation on general practitioners' expenses which will apply from 1 April.

Our decision to delay the implementation of the report was based on a judgment about how quickly we could ask the health service to absorb the extra costs which it would face as a result both of your report and that of the Nurses and Midwives Review Body. We were concerned that any step we took to contain the cost of the award in the current year should not prevent our achieving the final remuneration levels which you had recommended in this financial year. It was for this reason that we decided to make this short postponement in the date from which your recommendations would be effective.

*Yours sincerely
Margaret Thatcher*

Sir Robert Clark, D.S.C.

—

881



File *ed*

cc DHSS

10 DOWNING STREET

THE PRIME MINISTER

13 June 1985

Jean Sui-John,

Thank you for your letter of 22 April with which you submitted the Second Report of the Review Body for Nursing Staff, Midwives, Health Visitors and the Professions Allied to Medicine. I am most grateful to you and your colleagues for the careful consideration which clearly went into their preparation.

In considering the reports, the Government attached great importance to the fact that your recommendations had the effect of establishing appropriate levels and patterns of salary scales for most of the different groups of staff concerned. We were therefore anxious to ensure that the results of your review of the pay structure for these groups should be implemented as soon as possible. We did, however, have to take account of the overall resources available to the health service and the need to ensure that patient services were protected. The resources available to the health service comprise not only the funds provided by the taxpayer but also the resources freed by the health authorities themselves by increasing efficiency and productivity. This was an important factor for us in determining how quickly the health service could be expected to absorb the impact of your recommendations.

Our decision was that your report should be implemented in two stages. From 1 April 1985, all groups will receive increases equivalent to 5 per cent of the pay bill, except

881

for those groups where the overall increase is lower. The remaining increases will be paid from 1 February 1986. The effect of this is that your recommendations will have been implemented in full in the current financial year.

Yours sincerely
Raymond Baxter

Sir John Greenborough, K.B.E.

CF

I typed these drafts for Andrew yesterday.
Do you want them to link up with the file.
Could you let me know which Department supplied
the drafts so that we ensure copies get sent
to them.

Thanks.

Andrew -
to whom would you
like these copying?

LIZ
12/6

~~Both from Steve Goodles~~
DASJ

Copies of PMs refile to be
filed.

CF
Thanks.

DRAFT LETTER TO SIR JOHN GREENBOROUGH

KBE

EW3AJD

6 - m - m
22 KBE
← WC286JM

Thank you for your letter of 22 April with which you submitted the Second Report of the Review Body for Nursing Staff, Midwives, Health Visitors and the Professions Allied to Medicine. I am most grateful to you and your colleagues for the careful consideration which clearly went into their preparation.

In considering the reports, the Government attached great importance to the fact that your recommendations had the effect of establishing appropriate levels and patterns of salary scales for most of the different groups of staff concerned. We were therefore anxious to ensure that the results of your review of the pay structure for these groups should be implemented as soon as possible. We did, however, have to take account of the overall resources available to the health service and the need to ensure that patient services were protected. The resources available to the health service comprise not only the funds provided by the taxpayer but also the resources freed by the health authorities themselves by increasing efficiency and productivity. This was an important factor for us in determining how quickly the health service could be expected to absorb the impact of your recommendations.

Our decision was that your report should be implemented in two stages. From 1 April 1985, all groups will receive increases equivalent to 5 per cent of the pay bill, except for those groups where the overall increase is lower. The remaining increases will be paid from 1 February 1986. The effect of this is that your recommendations will have been implemented in full in the current financial year.

I am most grateful to you and your colleagues
for ~~the~~ your work in preparing the report

DRAFT LETTER TO SIR ROBERT CLARK

DSC (6 - 10 - 1960)

Thank you for your letter of 30 April with which you submitted the
~~letter~~

I am writing to thank you and your colleagues for your Fifteenth
Report on the Remuneration of Doctors and Dentists. As you will
know, I announced on 6 June the Government's acceptance of your
recommendations and our decision to implement them from 1 June.
This is with the exception of your recommendation on general
practitioners' expenses which will apply from 1 April.

Our decision to delay the implementation of the report was based
on a judgement about how quickly we could ask the health service
to absorb the extra costs which it would face as a result both of
your report and that of the Nurses and Midwives Review Body. We
were concerned that any step we took to contain the cost of the
award in the current year should not prevent our achieving the
final remuneration levels which you had recommended in this financial
year. It was for this reason that we decided to make this short
postponement in the date from which your recommendations would be
effective.

RL3AJC



DEPARTMENT OF HEALTH & SOCIAL SECURITY

Alexander Fleming House, Elephant & Castle, London SE1 6BY

Telephone 01-407 5522

From the Secretary of State for Social Services

Andrew Turnbull Esq
Private Secretary
10 Downing Street

11 June 1985

Dear Andrew

PAY REVIEW BODIES

attached for signature (2)

I attach, as requested, draft letters for the Prime Minister to send to Sir Robert Clark and Sir John Greenborough.

Both Sir Robert and Sir John were seen before the Review Body reports were published and the Government's decisions were explained to them. Sir Robert said that, while he would have preferred the Government to have implemented the Review Bodies' recommendations in full, he recognised the difficulties the Government faced and was particularly grateful that the recommendations were to be implemented so that the Review Body would begin its next report from the remuneration levels which it had recommended.

Sir John Greenborough had, of course, already been consulted about the options for phasing. He recognised that the Review Bodies' recommendations had been bound to present serious difficulties for the Government and felt that, if they were not to be implemented in full, then it was particularly important that the higher levels of pay which the Review Body had recommended for the more senior and experienced staff should be reached within the one year. He said that he would take this line in public if asked. In both cases, we had the impression that the Review Body Chairmen felt the Government's decisions were reasonable and did not anticipate any great problems with their members.

Yours

Steve

S A Godber
Private Secretary

NAT HEALTH
Nurses Pay

DEPARTMENT OF HEALTH & SOCIAL SECURITY
ADMINISTRATIVE SERVICES DIVISION
WASHINGTON, D.C. 20492

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1974

SECRET

7 *ag*

File



10 DOWNING STREET

From the Private Secretary

3 June 1985

Dear Steve,

REVIEW BODIES: NURSES

The Prime Minister has seen your Secretary of State's minute of 31 May. She thinks Sir John Greenborough's idea is too complicated and she therefore agrees with your Secretary of State's original proposal of 5 per cent from 1 April and the rest from 1 February.

I am sending copies of this letter to Rachel Lomax (H.M. Treasury), Elizabeth Hodgkinson (Department of Education and Science), Richard Mottram (Ministry of Defence), John Graham (Scottish Office) and Richard Hatfield (Cabinet Office).

Yours sincerely

Andrew Turnbull

Andrew Turnbull

Steve Godber, Esq.,
Department of Health and Social Security.

SECRET



PRIME MINISTER

REVIEW BODIES: NURSES

At our meeting following Cabinet last week you invited me to seek the views of the Chairman of the Nurses Review Body on the staging of the award and, in the light of that, to put forward my recommendations.

Sir John Greenborough has confirmed that while he would like to see the Government committed to implementing the recommended rates of pay as soon as possible, he and the Board recognise that only the Government can decide, in the light of its commitments on public expenditure, to what extent it could do so from 1 April this year. He said that, while accepting staging, he would judge the result with regard to:

- (i) the Government's decision on the other Review Body reports: in particular, if the Armed Forces were to be given their recommended rates in full from 1 April, he saw no good case for paying the nurses a first stage significantly less than the Armed Forces award;
- (ii) how much extra money, if any, the Government was prepared to make available for the specific purpose of implementing the Review Board's recommendations for adjustments in the nurses' salary profile.

He also made the point that, whatever the amount of the first stage, he would regard it as highly desirable to have the full award introduced by the end of the year.

Sir John's preferred option was for a two-stage award: 6 per cent from 1 April (or the full award for those grades where the

Prime Minister C
 Mr Forster has considered Sir John Greenborough's idea of a 3 stage payment but prefers his original two stage proposal, 5% in 1/4 and rest in 1/2 1986. Delaying the first payment to June was thought unfair to be lowest paid with the smallest increases.
 Do you prefer
 (i) Greenborough suggestion
 or (ii) Forster proposal?

I do not like 3 stages - it is too messy. 5% in 1/4 proposal.

AT 31/5

E.R.

recommendation is less than 6 per cent), with the balance by the end of the year. Full implementation from 1 December would cost £61 million for the UK in 1985/86 and could not be met without recourse to the Reserve. We are agreed that we should not do that. It was made clear to Sir John that we were considering staging within that constraint, and he suggested another approach, namely:

- a first stage under which those getting the lowest awards (4 per cent for the under-18s and 4.6 per cent for the basic grade of nursing auxiliaries) received the award in full from 1 April; the others got, say, 4.6 per cent from that date;
- a second stage sufficiently high, and sufficiently early, to ensure that many other staff received their full award (and that those due for the largest awards received a substantial part of their award) before the end of 1985; and
- a third stage, of the balance due to those getting the highest awards, in the New Year.

The only practical three-stage option which could be contained within the 5½ per cent provision would involve paying a second stage up to 7 per cent on 1 December and the third stage on 1 March. Although the third stage would increase the administrative complexity of the award, Sir John's approach does have some merit, particularly in the presentation of the nurses' award against our proposals on the other review body reports:

- (i) those nurses entitled only to the "lowest" awards (4 - 4.6 per cent) receive the award in full from the due date of 1 April;
- (ii) the later staging can then be presented as a structural change, thus justifying why the nurses' award is being staged, whereas the others are not;

E.R.

- (iii) some 40 per cent of nurses would get their full award by the second stage;
- (iv) those receiving the highest awards would get a substantial part of their award in 1985 and it might be reasonable to expect them to wait a little longer for the rest.

I have considered the advantages of this option against the earlier options we have discussed. There is little to choose but I feel that the advantages of being able to make the first stage up to 5 per cent and not having to leave any of the staging as late as March inclines me to recommend the two-stage award I previously put forward: 5 per cent from 1 April; and the rest from 1 February.

You will, of course, recall that the Government's proposals on staging will have formally to be considered by the appropriate negotiating councils. The doctors traditionally do not argue about the Government's decisions but the nurses may well do so. I would be willing to consider amendments to the package if they wish, providing they remain within the same overall cost. That will not, however, happen for some time after the announcement.

I am copying this minute to the Chancellor of the Exchequer, the Secretaries of State for Education, Defence and Scotland and to Sir Robert Armstrong.

31
May 1985


N F

EON POL : TSRB : PE 6



CONFIDENTIAL

SECRET

5

PRIME MINISTER

REVIEW BODIES : NURSES PAY

Ken Stowe rang to say that he has spoken to Sir John Greenborough. The outcome was not entirely helpful. While Sir John is reconciled to more staging he has in mind something like 6-7 per cent in April and the rest in November. Ken Stowe explained that this could not be found within the existing provision and indicated that Ministers had no intention of providing additional money to meet Review Body recommendations. Sir John was strongly against delaying the first payment beyond 1 April on the grounds that this was unfair to those receiving the smallest increases.

He did, however, make one useful suggestion. The increases should be made in three rather than two stages. The first would be 4.6 per cent, a figure which pays increases for those at the bottom of the scale in full. (This also had the advantage of using a figure which emerged from the report rather than a figure imposed by Ministers.) There would then be a second stage in say November or December which paid up to say 8 per cent. This would allow another group to be paid in full before Christmas. Those with the very large increases of 14-15 per cent would wait until the New Year. This would follow the rule that the biggest increases were subject to the greatest staging. DHSS are now costing a proposal of this kind to see if it can be ^{met} ~~met~~ within the constraints.

AT

MT

(ANDREW TURNBULL)

24 May, 1985

SECRET



PRIME MINISTER

NURSES REVIEW BODY

Following my minute of 17 May, I have now checked the Review Body's costings and satisfied myself so far as I can that they are accurate.

My preferred option on phasing is to pay an initial 5 per cent from 1 April and the rest, averaging 4 per cent, from 1 February. This is uncomfortably late, but to bring the second stage forward to 1 December I should have to reduce the initial payment to 4 per cent, or delay it until 1 June, or ask the National Health Service to find some £20 million (United Kingdom £25 million) extra in 1985/86 at the expense of patient care. I do not think any of these possibilities is attractive. My preferred option will already take up about half of the lead over forecast inflation which was built into 1985/86 cash limits for the National Health Service.

I am copying this minute to Nigel Lawson, Michael Heseltine, George Younger, Tom King, Keith Joseph and Sir Robert Armstrong.

S-2. 9
L-2 for pay.

1 April
1 Jan
6/2

[Handwritten signature]
1 June

22 May 1985

N F

5 April
1 June
Apr 4/2

June 5: 4 Dec

SECRET

ECL
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File



10 DOWNING STREET

From the Private Secretary

20 May 1985

NURSES REVIEW BODY

The Prime Minister has seen your Secretary of State's minute of 17 May and has discussed it with him and the Chancellor. She agrees that announcement of the Government's response should now be after Whitsun. A meeting has been arranged for Thursday after Cabinet to discuss your Secretary of State's proposals on nurses and professions allied to medicine.

I am copying this letter to Rachel Lomax (Treasury), Richard Mottram (Ministry of Defence), John Graham (Scottish Office), David Normington (Department of Employment), Elizabeth Hodgkinson (Department of Education and Science) and Richard Hatfield (Cabinet Office).

(Andrew Turnbull)

Steve Godber, Esq.,
Department of Health and Social Security.

SECRET



PRIME MINISTER

NURSES REVIEW BODY

At your meeting on Wednesday, I was asked to consider the options for phasing the review body award for the nurses and professions allied to medicine. That I am doing, although I have to say that all options present considerable difficulties both for us politically and for the health service in meeting its service commitments. Some slight uncertainty has also emerged about the precise costing of the nurses' award which cannot be resolved until Monday. Although small, any change could be significant in reaching a judgement between the options and I would prefer to wait before advising you of my conclusions.

I have, however, a more general anxiety about the timing of the announcement of the decisions on the reports themselves. There is the general problem that an announcement just before the Recess would allow the story to run for much longer, thereby exacerbating any political damage. But I am also concerned that the timetable for finalising the Social Security Green Paper is extremely tight and, as you know, there are issues which we still have to settle. I am anxious not to put that at risk by having to divert substantial extra time to handling the publication and presentation of the Review Body decisions. I feel strongly that it would be better to delay any announcement until after Whitsun and the publication of the Green Paper.

I am copying this minute to Nigel Lawson, Michael Heseltine, George Younger, Tom King, Keith Joseph and Sir Robert Armstrong.

N F

17 May 1985

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2
3
4
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6
7

PM

Gregson

Fowler

Armstrong

Chandler

Prints .

KJ



10 DOWNING STREET

From the Private Secretary

15 May 1985

SECRET

REPORT OF REVIEW BODY ON NURSES AND PROFESSIONS

ALLIED TO MEDICINE

I enclose a copy of the two reports of the Review Body. I would be grateful if they could be handled on the same basis as in other Departments and be shown only to your Secretary of State and the Permanent Secretary.

ANDREW TURNBULL

Miss Elizabeth Hodkinson,
Department of Education and Science.

SECRET



cc Mr. Gregson

10 DOWNING STREET

From the Private Secretary

23 April 1985

Review Body for Nursing Staff, Midwives, Health Visitors and Professions Allied to Medicine

I enclose copies of the Report of the Review Body on Nursing Staff, Midwives and Health Visitors, and the Report on Professions Allied to Medicine. The Prime Minister has asked that this Report should, for the time being, be shown only to the Secretary of State and the Permanent Secretary. I am sending a copy, on a similar basis, to Rachel Lomax (HM Treasury).

A meeting has been arranged for 8 May to discuss the Review Body Reports.

(Andrew Turnbull)

Steve Godber, Esq.,
Department of Health and Social Security.



OFFICE OF MANPOWER ECONOMICS

22 KINGSWAY
LONDON WC2B 6JY

Telephone 01-405 5944 Ext 386

Andrew Turnbull Esq
10 Downing Street
London SW1

23 April 1985

Dear Mr Turnbull,

REVIEW BODY FOR NURSING STAFF, MIDWIVES, HEALTH VISITORS AND PROFESSIONS
ALLIED TO MEDICINE: SECOND REPORT ON NURSING STAFF MIDWIVES AND HEALTH
VISITORS 1985

I regret to say that there is a printing error on page 31 of the six copies
of the Review Body's report on nursing staff which we delivered to you yesterday
(the error does not appear in the original with the Review Body's signatures).
In the top line, the symbol " || " should of course be a "f" sign.

I apologise for this mistake and should be grateful if you would arrange
for the six copies to be corrected.

Yours sincerely,

D R BOWER



OFFICE OF MANPOWER ECONOMICS

22 KINGSWAY
LONDON WC2B 6JY

Telephone 01-405 5944

cc Mr Gregson
+ NMHV2
PAM2

The Rt Hon Margaret Thatcher MP
10 Downing Street
London SW 1

22 April 1985

Dear Prime Minister,

REVIEW BODY FOR NURSING STAFF, MIDWIVES, HEALTH VISITORS AND
PROFESSIONS ALLIED TO MEDICINE

I have pleasure in enclosing the Review Body's second Reports on
nursing staff and on the professions allied to medicine, which set
out our recommendations on the levels of pay which we consider
appropriate as at 1 April 1985.

Very sincerely,

A handwritten signature in blue ink, appearing to read 'John Greenborough', written in a cursive style.

SIR JOHN GREENBOROUGH



File DA
CCDHSS

10 DOWNING STREET

THE PRIME MINISTER

20 June 1984

Dear Sir John,

I am writing to thank you and your colleagues on the review body for your reports on the pay of nursing staff, midwives and health visitors, and on the professions allied to medicine. I am aware of the time constraints within which you worked, and I appreciate the efforts you made to submit your reports on time. I have also noted your planned programme for the coming year.

In considering the reports, the Government took account of the factors leading to the establishment of the Review Body, and of the special circumstances of this, its first report. In the light of those special factors, the Government decided, as you know, to accept the recommendations in both your reports in full, the bulk of the cost being met from the Reserve and the balance from health authorities' cost improvement savings. You will also be aware that, in the light of the overall cost and the clear need for restraint in public expenditure, the recommended increases for groups covered by the other review bodies will be implemented in stages.

For the future, affordability and developments in relation to productivity in nursing and the professions

/ allied

allied to medicine, as well as factors such as recruitment and retention, are likely to be major factors in Government decisions.

Yours sincerely

Raymond Shelden

Sir John Greenborough, K.B.E.

DCAAABTU



FUE

JD

10 DOWNING STREET

THE PRIME MINISTER

23 May, 1984

Dear Mr Williams,

Thank you for your letter of 30 April about the Review Body for Nursing Staff, Midwives, Health Visitors and Professions Allied to Medicine.

Ministers have received the Review Body's Report, as well as those of other Review Bodies. The reports will be considered together, and it is hoped to make a statement after Parliament reassembles from the Whitsun recess.

Yours sincerely
Raymond Sturt

D.O. Williams, Esq.

Re



o.c. l
DHS

10 DOWNING STREET

From the Private Secretary

21 May, 1984.

The Prime Minister has asked me to thank you for your letter of 4 May about the Review Body for Nursing Staff, Midwives, Health Visitors and Professions Allied to Medicine.

Ministers have received the Review Body's reports, as well as those of other Review Bodies. The reports will be considered together, and it is hoped to make a statement after Parliament reassembles from the Whitsun recess.

Timothy Flesher

P.H. Gray, Esq.

file

da



10 DOWNING STREET

THE PRIME MINISTER

21 May, 1984

Dear Miss Ashton,

In your letter of 15 May you urge that the Government respond to the recommendations of the Review Body for Nurses, Midwives, Health Visitors and Professions Allied to Medicine as soon as possible after the Whitsun Recess. I can assure you that the Government recognises the need to deal with the report expeditiously. However, we have reports from four separate Review Bodies and it is appropriate that we should consider them all together. In doing so, we have to consider not only the amount recommended by the Review Bodies but also other issues including where the money will come from to meet whatever recommendations are made. That process of consideration is under way and we will make every effort to adhere to the timetable I have suggested.

Yours sincerely

Margaret Thatcher

Miss Ruth Ashton

ECL



DEPARTMENT OF HEALTH & SOCIAL SECURITY
 Alexander Fleming House, Elephant & Castle, London SE1 6BY
 Telephone 01-407 5522

From the Secretary of State for Social Services

PO 4715/612
 622
 631

Timothy Flesher Esq
 Private Secretary
 10 Downing Street
 Whitehall
 LONDON

18 May 1984

Dear Tim,

Thank you for your letters of 30 April, 2 May and 4 May to Ellen Roberts about the review bodies reports on the pay of nurses, midwives, etc.

I enclose draft replies for each one based on the Prime Minister's reply to Trevor Clay (copy attached).

Yours ever
 Derek.

DEREK REID
 Private Secretary

ENC

PO 4715/612

Miss A V Cowie
Staff Side Secretary
Nurses and Midwives Council

The Prime Minister has asked me to thank you for your letter of 26 April about the Review Body for Nursing Staff, Midwives, Health Visitors and Professions Allied to Medicine.

Ministers have received the Review Body's report, as well as those of other Review Bodies. The reports will be considered together and it is hoped to make a statement after Parliament reassembles from the Whitsun recess.

PRIVATE SECRETARY TO ~~THE~~
PRIME MINISTER

PO 4715/631

Mr P H Gray
Staff Side Secretary
PT'A' Council

The Prime Minister has asked me to thank you for your letter of 4 May about the Review Body for Nursing Staff, Midwives, Health Visitors and Professions Allied to Medicine.

Ministers have received the Review Body's reports, as well as those of other Review Bodies. The reports will be considered together and it is hoped to make a statement after Parliament reassembles from the Whitsun recess.

PRIVATE SECRETARY TO THE
PRIME MINISTER

PO 4715/622

D ● Williams Esq
General Secretary
Confederation of Health Service Employees

Thank you for your letter of 30 April about the Review Body for Nursing Staff, Midwives, Health Visitors and Professions Allied to Medicine.

Ministers have received the Review Body's report, as well as those of other Review Bodies. The reports will be considered together and it is hoped to make a statement after Parliament reassembles from the Whitsun recess.



The Royal College of Midwives

15 Mansfield Street, London W1M 0BE
Telephone: 01-580 6523/4/5

Patron: Her Majesty Queen Elizabeth The Queen Mother

President: Miss D Webster, CBE SRN SCM MTD
General Secretary: Miss Ruth Ashton, SRN SCM MTD

RMA/MJH/JW

15th May 1984

R17

The Right Honorable Mrs Margaret Thatcher, MP,
10 Downing Street,
London, SW1.

Dear Prime Minister,

I am writing to draw to your attention the extreme sense of frustration and dismay felt by members of the Royal College of Midwives at the continued delay on the part of the Government in responding to the recommendations of the Pay Review Body for Nurses and Midwives and the Professions allied to Medicine. You will recall that when you confirmed the establishment of a Review Body for these groups you recognised "their special position within the National Health Service."

If you are to avoid a total lack of confidence in your remarks then I ask you to respond at the earliest opportunity following the Whitsun recess to the members of the midwifery profession who have so patiently awaited the outcome of the recommendations of the independent Review Body.

Yours sincerely,

Ruth M. Ashton

Ruth M. Ashton,
General Secretary.

Not Health Pt 3

Nurses Bay



10 DOWNING STREET

THE PRIME MINISTER

15 May 1984

Dear Mr. Yule

Thank you for your letter of 3 May

We do, of course, recognise the need to deal with the report expeditiously. However, we have reports from four separate review bodies and it is appropriate that we should consider them all together. In doing so, we have to consider not only the amount recommended by the review bodies but also other issues including where the money will come from to meet whatever recommendations are made. That process of consideration is under way but, as I have said in the House, it is most unlikely that I will be in a position to announce the conclusions before the Whitsun Recess.

When establishing the Review Body on the Professions Allied to Medicine the Government stated that its recommendations would be accepted unless there were clear and compelling reasons not to do so. That remains the position.

Yours sincerely
Raymond Whelan

A. Yule, Esq.

SEH

file cedhss Mr. Yule



SSH

file

10 DOWNING STREET

THE PRIME MINISTER

15 May 1984

Dear Miss Cowie,

Thank you for your letters of 26 April and 10 May. In your first letter, you point out that the staff you represent have not received an increase in their pay since 23 August 1982. The increase given then was, of course, agreed on the basis that it covered the period until April 1984, and the recommendations of the Review Body cover pay levels from that date.

In your letter of 10 May you urge that an announcement be made as soon as possible after Parliament reassembles following the Whitsun Recess. I can assure you that the Government recognises the need to deal with the report expeditiously. However, we have reports from four separate Review Bodies and it is appropriate that we should consider them all together. In doing so, we have to consider not only the amount recommended by the Review Bodies but also other issues including where the money will come from to meet whatever recommendations are made. That process of consideration is under way and we will make every effort to adhere to the timetable I have suggested.

Yours sincerely

Margaret Thatcher

Miss A V Cowie



10 DOWNING STREET

THE PRIME MINISTER

15 May 1984

SSH

File
cc D H S
Mr Greyson

Dear Mr. Gray,

Thank you for your letter of 8 May.

I can assure you that I am fully conscious of the importance which the Royal College attaches to the Nurses and Midwives Review Body. Norman Fowler has told me of the strength of feeling which was expressed when he addressed your Annual Congress at the end of April.

We do, of course, also recognise the need to deal with the report expeditiously. However, we have reports from four separate review bodies and it is appropriate that we should consider them all together. In doing so, we have to consider not only the amount recommended by the review bodies but also other issues including where the money will come from to meet whatever recommendations are made. That process of consideration is under way but, as I have said in the House, it is most unlikely that I will be in a position to announce the conclusions before the Whitsun Recess.

/The College

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The College has presented its evidence to the Review Body which has taken it into account in making its recommendations. In these circumstances I do not think a meeting with the College is necessary.

Yours sincerely

Margaret Thatcher

Trevor Clay, Esq.

The College has presented its evidence to the Review Body which has taken it into account in making its recommendations. In these circumstances I do not think a meeting with the College is ~~either necessary or helpful~~.

Yours sincerely
Margaret Thatcher

Trevor Clay, Esq.



DEPARTMENT OF HEALTH AND SOCIAL SECURITY

Alexander Fleming House, Elephant & Castle, London SE1 6BY

Telephone 01-407 5522

From the Parliamentary Under Secretary of State for Health

Andrew Turnbull Esq
Private Secretary
10 Downing Street

11 May 1984

Dear Andrew

Thank you for your letter of 8 May. I now enclose a draft reply which the Prime Minister might send to Mr Trevor Clay of the Royal College of Nursing. The draft sticks closely to the words which the Prime Minister has herself used in the House of Commons recently.

I have amended the draft in the light of our talk on the phone.

Yours

Steve

S A Godber
Private Secretary

DRAFT REPLY FOR THE PRIME MINISTER TO TREVOR CLAY

Thank you for your letter of 8 May.

I can assure you that I am fully conscious of the importance which the Royal College attaches to the Nurses and Midwives Review Body. Norman Fowler has told me of the strength of feeling which was expressed when he addressed your Annual Congress at the end of April.

We do, of course, also recognise the need to deal with the report expeditiously. However, we have reports from four separate review bodies and it is appropriate that we should consider them all together. In doing so, we have to consider not only the amount recommended by the review bodies but also other issues including where the money will come from to meet whatever recommendations are made. That process of consideration is under way, ^{as I said in the House,} but, ~~I have to tell you that~~ it is most unlikely that I will be in a position to announce the conclusions before the Whitsun Recess.

MJ

Ack'd.

11 May 1984

Nurses and Midwives
Council

You may like to have a copy of this letter for your records. We will reply by adapting the draft which you are preparing for the Prime Minister's letter to the Royal College of Nursing.

Andrew Turbull

Steve Godber Esq
Department of Health and Social Security.

6

NURSES AND MIDWIVES COUNCIL

OF THE WHITLEY COUNCILS FOR THE HEALTH SERVICES (Gt. Britain)

Staff Side and Joint Secretary:
Miss A. V. COWIE

ROYAL COLLEGE OF NURSING OF
THE UNITED KINGDOM
HENRIETTA PLACE
LONDON W1M 0AB
Telephone: 01-636 3866

AVC/JBG

10th May, 1984

lu

Dear Prime Minister,

At its meeting on Tuesday, 8th May, 1984, the Negotiating Committee of the Staff Side of the Nurses and Midwives Council noted reports of the statement made by you in the House of Commons on Thursday, 3rd May, 1984, regarding the announcement of the implementation of the recommendations of the Pay Review Body for Nurses and Midwives and the professions allied to medicine.

The Negotiating Committee reiterated its concern on behalf of the staff it represents that there would be a further delay and instructed me to write to you, urging in the strongest terms that the announcement be made at the earliest possible opportunity after Parliament reconvenes.

Yours sincerely
A. V. Cowie

Miss A. V. Cowie
Staff Side Secretary

The Rt. Hon. Mrs. Margaret Thatcher, M.P.
10 Downing Street,
London, S.W.1.

A. YULE



11/5

FILE

SA

Ack'd (8/5)

10 DOWNING STREET

From the Private Secretary

8 May, 1984

I enclose a copy of a letter which the Prime Minister has received from Mr. A. Yule, President of the Society of Radiographers.

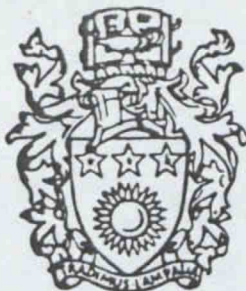
I should be grateful for advice and a draft reply which the Prime Minister might send to Mr. Yule by Friday, 11 May.

ANDREW TURNBULL

S. Godber, Esq.,
Department of Health and Social Security

6

Patrons: Her Majesty the Queen
Her Majesty Queen Elizabeth the Queen Mother
Her Royal Highness the Princess Margaret
Countess of Snowdon



20 Cavendish Square, London, W1M 0AB
Tel: (01) 409 3333
General Secretary: Trevor Clay, MPhil, SRN, RMN.

TPM

Royal College of Nursing
of the United Kingdom

cc: Mr (reg) ssu
(CO)

TC/JMS/ps

8th May 1984

The Rt. Hon. Margaret Thatcher MP,
10 Downing Street,
London SW1.

Dear Prime Minister,

I am writing to you on my return from Harrogate where the Royal College of Nursing Representative Body was meeting last week.

I am sure that you will have been informed of the reaction of that meeting when I advised members on Thursday afternoon of the reply which you had given earlier in the House of Commons as to when you might announce the government's decision in respect of the recommendations of the Nurses and Midwives Review Body. The College understands that it is necessary for you to consider the report in great depth and, in doing so, to have in mind reports from the other review bodies. Nevertheless, I am sure you will appreciate that the expectations of the nursing profession, and particularly of the Royal College of Nursing, have been raised as a result of your government's offer of new machinery to determine nurses' pay. The Review Body has, unfortunately, had to present its first report to you in a climate of increasing frustration being expressed by many groups in the public sector; nurses do, however, maintain the uniqueness of their case. I should be most grateful if you would let me know whether in the special circumstances which exist at the present time, it is possible for you to make an announcement before the Whitsun Recess. Members of the Representative Body were anxious that representatives of the College should seek a meeting with you in order to discuss the situation.

I am sure that I do not need to remind you that Rcn members have shown praiseworthy patience since 1982, when the notion was first raised that the system for determining their pay awards should be transferred from the Whitley machinery to an independent pay review body. The promise that this action gave came to be welcomed by the profession and nurses have been waiting in expectation that when your announcement is made it will reward that patience, as well as recognise their worth to society, by giving them justice in pay terms. Their disappointment at learning that this waiting period would last for at least another four weeks manifested itself into the anger and frustration to which I have referred above.

I look forward to hearing from you.

Yours sincerely,

Trevor Clay

Trevor Clay
General Secretary

P.H. GRAY



22/5

Adv 4/5 JP

10 DOWNING STREET

From the Private Secretary

4 May 1984

I attach a copy of a letter which the Prime Minister has received from Mr. P.H. Gray, the Staff Side Secretary of the PT 'A' at the Chartered Society of Physiotherapy.

I should be grateful for a draft reply for my signature by Tuesday 22 May.

(TIM FLESHER)

Miss Ellen Roberts,
Department of Health and Social Security.

BM

PT'A'

WHITLEY COUNCILS FOR THE HEALTH SERVICE

(GREAT BRITAIN)

STAFF SIDE

PROFESSIONAL AND TECHNICAL COUNCIL 'A'

STAFF SIDE SECRETARY:

The Chartered Society of Physiotherapy
14, Bedford Row,
London. WC1R 4ED

Phillip H Gray

Tel : 01-242 1941

Rt. Hon. Margaret Thatcher M.P.,
Prime Minister,
10, Downing Street,
London. SW1.

4th May, 1984.

Dear Prime Minister,

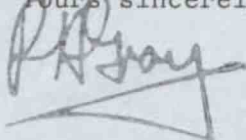
Review Body Report on the Professions Allied to Medicine

I am writing on behalf of the PT'A' Staff Side, which represents the Professions Allied to Medicine, to express our grave concern at the further delay in the publication of the Review Body Report for the PAMs.

Your reply to a parliamentary question from Mr. Steel on Thursday 3rd May 1984, was that no announcement would be made on the report for Nurses, or on the separate report for the Professions Allied to Medicine, until after the House of Commons recess at Whitsun. That means a delay for at least another month, when the Government originally committed itself to salary increases for the PAMs taking effect from the 1st April 1984. It could also mean a gap of almost twenty two months since the last award by the time the increases are paid to the staff. This delay, along with press speculation about a possible cut in the award is depressing morale and shaking the confidence of the Professions in the Review Body system. The Staff Side is extremely concerned at reports that the reasons for the delay may be connected with the settlement of the teachers and civil servants pay by the Government. The declared intention of the Government in establishing the Review Body for the Professions and Nurses, was to recognise their special position in the NHS and remove them from intense conflict on pay settlements. The Staff Side is very concerned to learn that the first report of the independent Review Body seems to have become a political football.

The Staff Side asks that the Review Body Report on the PAMs should be published in the very near future so that this dedicated group of Professions can have the confidence that the Review Body system is a change for the better in the determination of salary levels and is not just another variation of the old, familiar treadmill.

Yours sincerely,



P.H. Gray,
Staff Side Secretary.

Telephone:
-935 5726-7-8

Telegraphic Address
Radiograph, London, W1

THE SOCIETY OF RADIOGRAPHERS

*cc: Mr. Geggson
(8/5)*

Secretary
R. M. JORDAN, F.C.R.



14, UPPER WIMPOLE STREET,
LONDON, W1M 8BN.

OUR REF: ABJ/JR/L1.1

3rd May 1984

Rt Hon Margaret Thatcher MP
10 Downing Street
LONDON SW1

Dear Prime Minister

On behalf of the members of the Society of Radiographers the Council wishes to express its concern at the delay in the publication of the report of the Pay Review Body on the remuneration of the Professions Allied to Medicine.

In common with the other Professions Allied to Medicine, the Society of Radiographers has fulfilled all the requirements placed on it by your Government by providing substantial and detailed evidence to the Pay Review Body.

We understand that the Pay Review Body has also produced its first report which now rests with you. You will readily appreciate that our members are worried and concerned, firstly, at the delay in publishing the report and secondly, what significance, if any, can be placed on this delay.

The Society would like to receive assurances, therefore, that the report will be published without delay and that the Government will not seek to alter the recommendation of the Pay Review Body.

Yours faithfully

Mr A Yule
PRESIDENT

File

16/5

D.O. WILLIAMS

2 May 1984

I enclose a copy of a letter which the Prime Minister has received from the General Secretary of the Confederation of Health Service Employees.

I should be grateful if you would let me have a draft reply to Mr. Williams, for the Prime Minister's signature, to reach this office by Wednesday 16 May.

Timothy Flesher

Miss Ellen Roberts,
Department of Health and Social Security.



DEPARTMENT OF HEALTH & SOCIAL SECURITY

Alexander Fleming House, Elephant & Castle, London SE1 6BY

Telephone 01-407 5522

From the Secretary of State for Social Services

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CNBPN
AT
1/5

Brett Bonner Esq
Private Secretary to
The Rt Hon Tom King MP
Secretary of State for Employment
Department of Employment
Caxton House
Tothill Street
LONDON
SW1H 9NF

1 May 1984

Dear Bret -

NURSES AND MIDWIVES REVIEW BODY

I promised to send you a note on the Nurses and Midwives Review Body. The attached note is scarcely exciting but I am afraid that, at this stage, a straight bat is all that can be implied.

I am copying this letter to Andrew Turnbull.

Yours
S A Godber

S A Godber
Private Secretary

NURSES AND MIDWIVES REVIEW BODY REPORT

[Anxiety stirred up by weekend reports that the Review Body has recommended a pay increase of 7 per cent for nurses from 1 April 1984 but that Government has decided either not to accept the recommendation or to postpone part of the increase.]

Line to take

There is no truth in the suggestion that the Government has decided to reject the findings of the Review Body. This and the other Review Body reports have only recently been received. As is normal practice, the Government will consider them together and announce its conclusions in due course.

Cannot yet say when decisions will be announced as consideration of the reports is still at an early stage.

[If pressed]. The Government's decision to set up a Nurses' Review Body was in response to their responsible attitude on industrial action during the 1982 NHS pay dispute. It was what they wanted and the Government wanted to see them treated fairly. The Secretary of State said at the time that we had not set up the Review Body in order to ignore its findings. But the Government has to reserve the right - as with all review bodies - not to accept their recommendations if there are ^{clear and} compelling national reasons.

1 May 1984

PART 2 ends:-

Government Answer (field) 25.4.84

TF to DHSS 30-4-84

PART 3 begins:-

DHSS to Employment 1.5.84



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