



DEPARTMENT OF HEALTH & SOCIAL SERVICES

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From the Minister for Health

Mr D Williams
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 Glen House
 High Street
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28th August 1980

Dear Mr Williams

You are aware of Ministers' concern about the problem of the relative decline in nurses' pay which has tended to follow a general pay adjustment. We are also conscious that some dissatisfaction has been expressed at the outcome of the Standing Commission's review, despite the substantial additions to the pay bill which resulted from it.

It would be misleading to suppose that there is a simple solution to these long-standing problems, or that there is any current prospect of injections of money over and above the general levels of funds becoming available for spending on the National Health Service. The Secretary of State and I are however very conscious of the need to seek a solution, especially in view of the commendable attitude so widely adopted by nurses and midwives of putting the interests of patients first and refusing to resort to industrial action in support of their own pay claims. We have therefore been giving preliminary thoughts to ways in which the problem might be tackled and the Secretary of State has asked me to write to you to seek the reactions of the Staff Side to two possible approaches. Either of these approaches might require independent objective advice, from an appropriate body or person, as to its precise application; but this is something which can be pursued only when the broad approach to be used has been determined.

The first approach would be to design what might be described as a basket of analogues, in order to arrive each year at an appropriate percentage figure by which the pay of the profession as a whole should move forward, leaving the pattern of distribution of the total sum thus arrived at for negotiation by the Whitley Council. Care would be needed in ensuring that the particular analogues chosen were appropriate for the purpose, and in devising detailed methods for applying the data thus derived to nurses and midwives. If this approach were adopted in relation to pay movement, it might be thought necessary in addition to consider what objective factors could help in determination of the absolute level of pay. Here, we have in mind the possibility of an independent objective assessment of the relevance of levels of pay to the ability of the NHS to recruit and retain nurses and midwives of the required calibre for the various

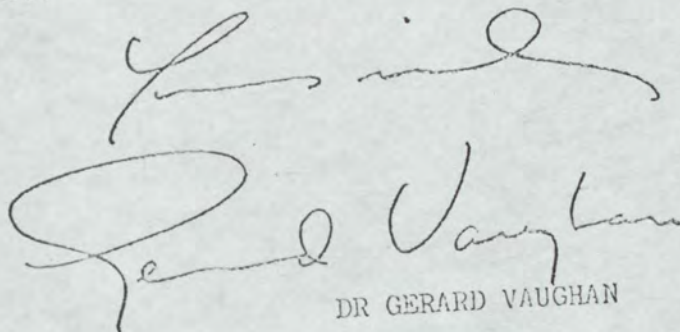
tasks which the professions perform. Of course it can be argued that other factors are also important, but the ability to recruit and retain people of the necessary calibre is plainly a vital element which, so far as we are aware, has never yet been objectively assessed.

The second approach which might be considered would call for the identification of precise pay analogues for a small number of pay grades selected from across the full range of nursing and midwifery grades. By this means, the appropriate pay levels might be established at a few fixed points in the nurses' pay structure, with the pay of the remaining grades then being a matter for negotiation within the overall pattern set by the fixed points.

I should be glad to have the reactions of the Staff Side to the possible approaches which I have outlined above. I assume that the Management and Staff Sides will wish to consult together about these proposals, but it is of course for them to decide whether they wish to respond jointly or separately.

Finally, let me add that we are anxious that efforts to find solutions to some very real difficulties should not be impeded by misunderstanding or ill-informed comment. It might therefore be helpful if I sought to put this letter in perspective. We are not, as I am sure you will recognise, making a new pay offer, proposing an instant solution to the erosion problem, or providing some form of immediate guarantee. All that we are doing, without commitment and as a basis for further discussion and study, is to make some positive proposals which we hope will help us to find a constructive way forward. Questions regarding implementation and timing are matters for future consideration. We need first to find ways of moving forward. I believe the suggestions contained in this letter could provide a basis for finding a long-term solution to the problems which have bedevilled nurses' pay for so long. I hope that both Sides of the Whitley Council will be able to let me have a positive and constructive response to them.

I am writing in similar terms to Mr Wallace.



DR GERARD VAUGHAN