



10 DOWNING STREET

Prime Minister

Mr Fowler, Mr Clarke and
Mrs Poole (Chief Nursing Officer,
DHSS) will come at 2.20, about
10 minutes before the RCN so
that you can have a word about
how to handle the meeting.

Shall we meet in the ^{small} ~~large~~
dining room? (Six of them and six of us)

Shall we offer them coffee? ✓

Cabinet Room

Mes 28/6

Yes

MD



→ C.N.O.

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From the Secretary of State for Social Services

Michael Scholar Esq
Private Secretary
10 Downing Street
London SW1

27/6/83

Dear Michael

I enclose briefing for the Prime Minister's meeting with the RCN at 2.30 pm on Wednesday, 29 June. I also attach, for convenience, a copy of the consultation document on the Review Body, the RCN's comments on that document and the note of the meeting between the Prime Minister and the Nurses and Midwives Whitley Council in December 1981.

Yours
C. L. Souter

MRS C L SOUTER
Private Secretary

BRIEF FOR THE PRIME MINISTER'S MEETING WITH REPRESENTATIVES
OF THE ROYAL COLLEGE OF NURSING AT

1. The Royal College of Nursing asked to meet the Prime Minister to put their views that there should be a separate review body for nurses which should be restricted to qualified staff and those in training for a qualification.

BACKGROUND

2. The proposal for a Review Body developed out of the Government's commitment to more satisfactory long-term pay arrangements for all nursing staff. This was reiterated when the Prime Minister met representatives of the Staff Side of the Nurses and Midwives Whitley Council - representing both qualified and unqualified staff - on 18 December 1981 (copy of note of meeting attached). On 9 November 1982 the Government announced that it was considering setting up a new Review Body which would report in April 1984. Representatives of nurses and the professions allied to medicine accepted a two year pay settlement up to 31 March 1984 on this basis.

3. On 22 February the Government issued its consultation document, which outlined the arrangements proposed for the new review body on the pay of nurses, midwives and the professions allied to medicine - copy attached at Annex A. The period for comments ended on 6 April. The main issues on which the Government sought views were the composition and membership of the proposed review body, the staff it would cover and its terms of reference. It was proposed that the review body should deal with the pay of both qualified and unqualified staff. In general the principle of a

Review Body has been welcomed although there has been considerable representation on detailed aspects of the proposals.

4. The full text of the response submitted by the Royal College of Nursing (RCN) is at Annex B. The RCN welcomes the establishment of a review body, subject to a number of reservations, of which the main ones are:

i. The review body should only deal with the pay of qualified staff and those in training for a statutory nursing qualification. (The Association of Nurse Administrators and the Health Visitors Association concur with this, whilst the Royal College of Midwives, NALGO, NUPE and COHSE strongly disagree, and support the Government's view that the (unqualified) nursing auxiliaries and nursing assistants should be included.)

ii. The review body should only deal with nurses, midwives and health visitors and not also with the professions allied to medicine. (The demand for two separate review bodies has been pushed strongly by professional organisations from the Staff Side of both of the Whitley Councils concerned.)

iii. Whilst largely accepting the proposals on composition and membership, the RCN would not wish to see a majority of members drawn from existing review bodies.

iv. The RCN accept the suggestion that terms and conditions of service should be directly negotiated with DHSS (rather than in the Whitley Council), provided that there is adequate representation of staff interests and that the Departmental officials involved are empowered to reach settlements.

STAFF COVERAGE

5. The question of what staff should be covered by the review body is the one which most concerned the RCN, and is likely to dominate the meeting. The Government's proposal to include unqualified as well as qualified staff was based on three main factors:

i. The Government's commitment to long-term pay arrangements applied to all nursing staff. This was the basis on which the Prime Minister met the Staff Side of the Nurses and Midwives Whitley Council in December 1981. As a result of this, the two year pay settlement for unqualified as well as qualified staff was reached on the basis that the proposed Review Body would cover all nursing staff. To go back on this would expose the Government to an apparently well-founded charge of bad faith.

ii. It would not be possible to wind up the Whitley Council if the pay of one-quarter of all nursing staff had to be negotiated outside the Review Body. (Not for mention to the RCN.)

iii. The effect of putting the unqualified staff within the remit of the Review Body would be to associate them with a very large body of qualified staff who do not take industrial action, and thus reduce the likelihood of militancy. The reverse is also true. The exclusion of unqualified nurses would strengthen their links with other staff and the more militant trade unions, who would benefit from a strong body of staff in nursing uniforms in the forefront of any future dispute.

6. All these considerations remain valid. (i) is particularly important because the organisations representing unqualified staff feel strongly that they should be covered by the review body. If the Government at this stage decided to change its original view, there would be a major row, involving charges of deliberate bad faith.

7. The RCN is likely to base its case on three main arguments:

i. Their long-term aim is to establish the professionalism of qualified nurses, with the RCN as the profession's representative body. Its achievement will be hampered if the pay of qualified nurses is handled in the same context as that of unqualified staff.

ii. In support of this objective, they believe it is possible to achieve a wholly professional nursing service by the end of the century. They are strengthened in their aim of ultimately eliminating unqualified staff by fears of unemployment amongst qualified nurses, especially those just emerging from the training schools.

iii. They fear that the smooth working and standing of the review body will be harmed by the arguments about low pay and the like which the affiliated trade unions can be expected to advance, and by the publicity which may be sought for those arguments.

8. The RCN's case in relation to professionalism has some arguments in its favour but we must avoid the danger of producing an over-trained, over-qualified and therefore over-paid staff. The balance of argument

arly seems to favour maintaining the Government's present stance. The past history, and the commitment given to all nursing staff, tells particularly powerfully in this direction. Feelings amongst RCN members on this matter are strong, and there is a possibility that they might threaten to refuse to co-operate with a review body which was not set up in accordance with their wishes. There may in some quarters of the RCN be a tendency to believe that ultimately they will get their way because Governments are reluctant to embark on a confrontation with the nurses because of the public sympathy they attract. In fact, they might be less likely to carry public support if they were to turn down the offer of a review body on what would seem unconvincing grounds. On balance, it is thought more likely that ultimately the RCN will draw back and co-operate with a review body which deals with unqualified as well as qualified staff; but careful handling will be needed to ensure this outcome.

TWO SEPARATE REVIEW BODIES

9. This is not the RCN's top priority, but they feel they deserve the recognition which would be accorded by having "their own" Review Body. A number of staff organisations have commented on the need for two review bodies. Those representing nurses are concerned about the amount of time the Review Body will need to spend on the small complex professions allied to medicine, whilst those representing the professions allied to medicine fear being overwhelmed by the numerically larger nursing staff group.

10. Undoubtedly the Review Body would have to consider a very wide range of staff groups, though arguably no less than the Armed Forces Review Body. But quite apart from the obvious practical difficulties in establishing two new Review Bodies in a Service which already has a separate Review Body for doctors and dentists there are other considerations.

Both groups of staff have historical pay links. Both were considered by Halsbury and subsequently Clegg. There are no clear job for job comparisons to be made in either case and it seems sensible that similar methods should be adopted to determine their pay. The establishment of a further review body is therefore unacceptable; but the proposed terms of reference distinguish between the two groups, and it might be presentationally helpful if the Review Body was asked to report separately on the pay of the two groups.

HANDLING OF MEETING

11. In the light of last year's events, the RCN may over-estimate their ability to induce Government to accept their wishes (see paragraph 8 above). They may also have unrealistic hopes of what a review body will do for them (eg in the way of catching-up, going back to relative pay levels recommended in the Halsbury Report). It will be helpful to reduce unrealistic expectations; but while firmness is desirable, tactful handling is equally important, for circumstances could arise where the RCN were inclined to refuse to co-operate with a review body save on their own terms. This is something which should if possible be avoided - not only would it be contrary to the long-term interests of the nurses, it would also open up an unfavourable situation for Government by creating the likelihood of an extremely difficult 1984 pay round in the NHS.

7 | 12. The Prime Minister might at the outset invite the RCN to state their case. In replying, she might express sympathy with the RCN's general stance - professionalism and the avoidance of industrial action naturally have the Government's support; but past history, and commitments already given, make it impossible fully to meet their wishes. The Government has always seen their commitment to find more satisfactory arrangements for handling

nurses' pay as applying to all nursing staff, not just to qualified nurses and students, and this was certainly the line she took at her meeting with the Staff Side in December 1981. There seems no conclusive reason on merits for taking any different view. Neither in the subsequent abortive tripartite talks nor in the announcement of last November about the proposed Review Body was there any suggestion of limitation to qualified staff. To impose this restriction now would expose the Government to a justifiable charge of bad faith. She might also make the point that she can understand anxieties that including unqualified staff might lead to pressure on the Review Body to take account of low pay and disrupt appropriate differentials between unqualified and qualified staff. But quite apart from the fact that the Review Body can be expected to take a balanced view of such matters, it is reasonable to hope that the outcome will rather be to develop a more professional attitude on the part of the unqualified staff. Moreover, when the Review Body is considering at the outset how to conduct its work, it would be open to the RCN to urge them to deal with qualified and unqualified staff separately, and in particular to receive separate evidence in relation to the two groups.

More generally, the fact is that it is because of the commitment made and fulfilled by this Government that nurses now have in prospect an improved method of handling their pay which they have been seeking for many years and which no other Government has been prepared to give them. For the reasons which have been explained, the review body has to deal with all nursing staff. That may not be seen as ideal by the RCN; but it is surely a quite minor drawback to a really major benefit which no other Government has been - or perhaps

in future would be - prepared to make available. It would show a sad lack of perspective to over-stress the question of coverage.

13. On the question of two review bodies, it is not thought the RCN will wish to press their view too far. The Prime Minister might wish to say that this is really not a practical proposition; but the Government would be prepared to ask the Review Body to report separately on the pay of nurses and of the professions allied to medicine.

ADDITIONAL POINTS

14. Points on which the Prime Minister may like to be forewarned include:

- i. Form and procedure of any new negotiating body in terms of service.

The RCN may seek the right to be consulted before any negotiating machinery is established. The position is that the decision on whether to replace the Whitley Council is for Government; but subject to that, there will have to be some discussions with staff representatives about the new arrangements.

- ii. Government acceptance of review body recommendations.

The RCN have commented that Government will have the right to put in its own evidence, and that any evidence should be judged on its merits. Given an equal opportunity to present its case, the Government should have no reason subsequently to veto the recommendations of the Review Body. They may wish to seek assurances that the Government will accept the recommendations

except where there are clear and compelling reasons for not doing so. This assurance is in the Consultative Document.

✓
iii. Implementation date of the first report.

The RCN is concerned that the Review Body will be established too late to make recommendations for the settlement due on 1 April 1984 which will follow straight on at the end of the 2-year pay deal concluded late in 1982. The Government is firmly committed to this timetable and the Prime Minister may wish to underline this. (The Review Body might decide that there was insufficient time to establish carefully considered pay determination procedures, and therefore use some sort of interim approach. But that is a matter entirely for them, and there will probably be no need to mention it to the RCN at this stage.)

APPENDIX

LIST OF BODIES TO WHOM THE CONSULTATION DOCUMENT HAS BEEN SENT

Association of Hospital and Residential Care Officers
Association of Nurse Administrators
Association of Supervisory Midwives
Confederation of Health and Service Employees
General and Municipal Workers Union (MATSA)
Health Visitors Association
National and Local Government Officers Association
National Union of Public Employees
Royal College of Midwives
Royal College of Nursing
Scottish Association of Nurse Administrators
Scottish Health Visitors Association

Association of Clinical Biochemists
Association of Scientific, Technical and Managerial Staff
British Association of Occupational Therapists
British Dietetic Association
British Orthoptic Society
Chartered Society of Physiotherapy
College of Speech Therapists
Federation of Professional Organisations
Hospital Physicists' Association
Society of Chiropodists
Society of Radiographers
Society of Remedial Gymnasts

Regional Health Authority Chairmen and Regional Administrators, Medical Officers,
Nursing Officers and Treasurers,
Chairmen of Boards and Authorities in Scotland and Wales
Nurses and Midwives Whitley Council Management and Staff Side Chairmen & Secretary
Professional and Technical (A) Council Management and Staff Side Chairman &
Secretary
National Association of Health Authorities in England and Wales
Confederation of British Industry
TUC Health Services Committee
Scottish TUC

For Information

Association of County Councils
Association of Municipal Authorities
British Dental Association
British Medical Association
General Whitley Council
Convention of Scottish Local Authorities

CONSULTATION DOCUMENT: REVIEW BODY FOR NURSING AND MIDWIFERY STAFF AND PROFESSIONS ALLIED TO MEDICINE

1. In a statement in the House of Commons on 9 November 1982, the Secretary of State for Social Services announced that the Government proposed the establishment of a review body which would have the task of making recommendations about the pay of nurses, midwives and health visitors and the professions allied to medicine, and that consultations with interested bodies would shortly be undertaken on the detailed arrangements.
2. The Government proposes that the new review body should follow the same general pattern as the Doctors and Dentists Review Body. It may therefore be helpful to recall that the Royal Commission on Doctors and Dentists Remuneration which reported in 1960 identified three broad objectives: to avoid disputes over the remuneration of doctors and dentists; to provide an assurance to the staff concerned that their pay would be determined on a fair basis; and to provide fair treatment for the taxpayer. In order to achieve them, it recommended the establishment of a Doctors and Dentists Review Body. This is an independent body, which reports to the Prime Minister. Its secretariat is provided by the Office of Manpower Economics. The Review Body is free to determine its own method of working, obtain any information it requires and take evidence from interested parties. The Government has given an assurance that its recommendations will be accepted unless there are clear and compelling reasons for not doing so.
3. There are three important aspects of the Government's proposals relating to the establishment of the new review body on which interested organisations may wish to express views. These are: its composition and membership; the staff to be covered by its remit; and the terms of reference. Further details are given below. The Government is anxious that the review body should be established as quickly as possible so that it may have sufficient time to carry out the necessary groundwork prior to the submission of its first report in April 1984. Comments are therefore requested within 6 weeks of the date of the covering letter and should be sent to John H James, Room 77 Hannibal House, Elephant and Castle, London SE1 6TE. A list of the bodies to whom the consultative document has been sent is in the appendix to this paper.

Composition and Membership

4. It is proposed that the review body should have a chairman and a maximum of seven other members, who would be appointed by the Prime Minister. The intention is that the review body should have some common membership with the Doctors and Dentists Review Body and the Armed Forces Pay Review Body.
5. Members of the review body would be appointed for their individual qualities. They should be completely independent, and none should be members of, or closely connected with, the professions whose pay is being reviewed. It is proposed that members should generally serve for a period of four years but may be reappointed for further terms.

Coverage

6. It is proposed that the review body should make recommendations about the pay of all qualified and unqualified staff whose pay and conditions of service are currently negotiated by the Nurses and Midwives Whitley Council and the full Professional and Technical 'A' Council. This approach would maintain the long-standing association between these groups in respect of their pay determination arrangements. The pay of groups currently negotiated in the wholly autonomous Sub-Committees 'A' and 'E' of the PTA Council would continue to be negotiated in the existing or an amended Whitley framework.

7. The review body would deal only with the remuneration of the groups concerned, leaving their terms and conditions of service to be negotiated elsewhere. Because of the important links between pay and terms of service, however, it would be necessary to make arrangements, similar to those which apply in relation to the Doctors and Dentists Review Body, for the review body to be kept fully informed of agreed or prospective changes in the terms of service, so that it could have an opportunity, if appropriate, to express a view to the negotiators about the changes proposed in respect of their implications for pay. The Government proposes that the Department should be responsible for negotiating changes in the terms of service with staff interests and jointly with those interests, for keeping the review body informed. In exercising these functions the Department would look for advice to NHS management.

Terms of Reference

8. The following terms of reference are proposed:-

"To advise the Prime Minister on the remuneration, with effect from 1 April 1984, and subsequently, of:

- i. Nursing Staff, Midwives and Health Visitors employed in the National Health Service;
- ii. Physiotherapists, Radiographers, Remedial Gymnasts, Occupational Therapists, Orthoptists, Chiropodists, Dietitians, Speech Therapists, and related grades employed in the National Health Service."

9. The Government will look to the review body to give due weight to economic and financial considerations, as well as to the recruitment, retention and motivation of the staff concerned, and will submit evidence to them on these matters.

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Regional Health Authority Chairmen and Regional Administrators, Medical Officers,
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