Royal College of Nursing Evidence to the NHS Pay Review Body for the 2011 pay round November 2010

Introduction
This year’s staff side evidence to the NHS Pay Review Body presents evidence about economic factors and their impact on NHS staff, about affordability, relating to morale and motivation, recruitment and retention, the labour market and workload. As in 2007, the staff side has this year commissioned Income Data Services (IDS) to undertake a survey of members of the 14 trade unions represented in the NHS whose members are on Agenda for Change (AfC) pay terms and conditions. Again, the findings of that survey have been presented to the NHS Pay Review Body as part of staff side’s evidence.

In this evidence from the Royal College of Nursing (RCN) we draw from the 2010 IDS survey to highlight the current attitudes of nursing staff, including the RCN’s healthcare assistant members. We compare these findings with findings from the RCN’s own survey Past imperfect, future tense. Nurses’ employment and morale in 2009. The RCN is also submitting its 2010 labour market review, Sustaining the Long View. The UK nursing labour market review 2010 as evidence to the Review Body. The key points from the review are summarised and commented on in this document. We highlight how proposals in the Government’s white paper, Equity and Excellence: liberating the NHS and the current approach to NHS finances are likely to exacerbate negative unfavourable labour market developments.

For the first time, the RCN has undertaken a panel survey of nurses aged over 50 who responded to our 2003 and 2009 surveys. The forthcoming report, Nurses aged 50 plus in 2010, provides information about the morale and motivation, attitudes and patterns of job changes relevant to the Review Body and which underscores key points in the labour market review. Again, these are summarised and commented on in this document.

The Government has signaled its intention in the White Paper, Equity and Excellence: liberating the NHS, that local employers should take a more active role in determining pay for their staff in the white paper. The RCN considers the impact this would have on stability, equality and fairness and argues in this submission that national pay is essential for fair pay for nursing staff.

Finally, we demonstrate how current economic factors are affecting our low paid health care assistant members in particular, and why a pay increase of at least £250 is essential to motivate and retain these valuable members of the healthcare team.
The state we are in
The state we are in can be best portrayed as one of uncertainty and upheaval, as the NHS both deals with the economic and social consequences of the recession and embarks on a new direction in policy as a result of a change of government.

In addition to the pressures of increased demand for health and social care as a result of the recession, the NHS will continue to tackle the growth in such areas as chronic conditions, Alzheimer’s, teenage pregnancy and the rising costs of drugs as well as pressures from obesity, rising birthrates and family breakdown. Meanwhile, the NHS in England has been instructed to find efficiency savings of £20 billion over the next four years and a reduction in management costs of 45%. Similarly, the devolved administrations are also under pressure to find efficiency savings and cut management costs.

Historically, NHS trusts have often resorted to reductions in frontline staffing levels to reduce costs when faced with financial pressures. This was last seen in 2005/6 as trusts responded to deficits with such short-term measures as cuts to training budgets, redundancies and freezing vacancies. The RCN has consistently warned that this should not be allowed to happen again. However, our Frontline First campaign has demonstrated that cuts are a reality within the NHS, impacting on staffing levels and levels of care.

Another layer of uncertainty and anxiety has been created by the announcement of the White Paper, Equity and excellence: liberating the NHS. The RCN has warned that many of the reforms proposed in the White Paper will result in intolerable pressures and adversely affect the safe and effective delivery of frontline services.

The RCN believes that the combination of all these factors, allied to the two year pay freeze and anxieties about pensions reforms will lead to a sharp decline in NHS staff morale. The reforms and reorganisations contained in the White Paper have far-reaching implications for the NHS workforce – in terms of staffing levels, job location and content and professional development. Any organisational restructuring requires the active involvement and commitment of the workforce – yet this risks being undermined by low morale and motivation.

Surveys undertaken for the RCN highlight the danger of declining morale and motivation among NHS staff, showing growing concerns around workload, workplace restructuring, potential job cuts, recruitment freezes and pay. Given the government’s wish to see more health care carried out in community settings, the high levels of dissatisfaction among health visitors is particularly alarming.

Against this background, the RCN calls on the government and employers to respond to the ‘state we are in’ by supporting the current and future workforce through good management and HR practice, training and development, staff and union engagement
and effective workforce planning. We also call on government and employers to consider the long-term impact of a pay freeze for those earning more than £21,000 per year on recruitment and retention in the NHS. We believe that the best process for this should be through the NHS Pay Review Body, continuing to take evidence and make recommendations on national pay awards. The RCN believes that the current system of national pay bargaining, alongside the pay review body mechanism, provides industrial stability, prevents unequal pay problems and aids recruitment and retention. A move to local pay setting would be highly inefficient, forcing local organisations to research, negotiate and manage their own pay and reward systems, and result in highly damaging competition for staff as they moved around the NHS in search of higher pay. NHS resources are better focused on improving service delivery rather than diverted to local pay bargaining.

**Morale and motivation in the NHS workforce**

Research projects undertaken by Aston University\(^1\) clearly demonstrate the link between staff and patient satisfaction (2003), the link between people management and organisational performance in the NHS (1999-2001), and between staff involvement and organisational performance in the NHS (2002-2005). The researchers also contributed a major part of the Boorman review into the Health and Wellbeing of NHS staff (2009), demonstrating the benefits of a healthy workforce, linking data from the NHS staff survey with outcomes such as absenteeism, turnover, patient satisfaction, patient mortality, waiting times, infection rates and the Annual Health Check. The interim report on health and wellbeing report by Dr Steve Boorman stated that ‘trusts which have lower rates of sickness absence, turnover and agency spend nearly always scored better on measures of patient satisfaction, quality of care and use of resources.’\(^2\) The evidence of a link between the working environment in the NHS and the patient experience is compelling and demonstrates why morale, motivation, recruitment and retention of NHS staff are important to the Review Body’s considerations.

The RCN has undertaken employment surveys of its members over a twenty four year period. These surveys have consistently indicated that where nurses working across a range of healthcare employers in the NHS and private sectors are dissatisfied with their pay and/or pay band/grade, they are more likely to have lower levels of job satisfaction and higher work pressure and are less likely to recommend their employer as a place to work.

The latest report, *Past imperfect, future tense. Nurses’ employment and morale in 2009* describes the findings from the 22\(^{nd}\) RCN employment survey of a sample of RCN members. Nine thousand nurses from across the UK were surveyed and elicited a response rate of 54%. It uses a methodology which builds on a longstanding series of

---

\(^1\) [www1.aston.ac.uk/aston-business-school/research/structure/centres/ihse/research-projects/](http://www1.aston.ac.uk/aston-business-school/research/structure/centres/ihse/research-projects/)

\(^2\) NHS Health and wellbeing Review, 2009

surveys beginning in 1985 and allows changes over time to be reported. Surveys of the RCN membership (which covers more than half of all practicing nurses) are broadly representative of the nursing workforce as a whole, thus the results of this survey of members can be taken to reflect the UK nursing workforce more generally. The full report is submitted as part of the RCN’s evidence to the Review Body.

As in 2007, the findings indicate that NHS staff continue to be highly motivated in terms of wanting to perform their job to the highest level and provide the best patient care. However, there are concerns around particularly workload, workplace restructuring, potential job cuts, recruitment freezes and pay.

### Morale and motivation – RCN Employment Survey

- 80% said they felt enthusiastic about their job most days
- 81% said that nursing was a rewarding career
- 60% would recommend nursing as a career
- 53% felt their work was valued
- 84% said nursing was poorly paid in relation to the work done
- 74% said it was very difficult to progress from their current grade
- 45% said that opportunities for nurses to advance careers have improved
- 71% are happy with working hours

The RCN survey elicited some encouraging responses from the nursing workforce, with more nurses reporting feeling enthusiastic about their jobs, that nursing was a rewarding career and would recommend nursing as a career than at any time in the last 12 years. And confidence expressed about various aspects of working life had generally improved since 2007 when there had been a steep downturn from 2005 survey. However, levels of satisfaction had still not returned to those recorded in 2005 and nurses remain more dissatisfied with their pay and remuneration than any other aspect of their working lives.

This paper also presents findings from the NHS Staff Survey of over 33,000 staff conducted by Incomes Data Services, with data from nurse respondents extrapolated from the survey. The main findings are summarised in box 2 below.

### Morale and Motivation - IDS NHS Staff Survey

- 70% said job security is their top priority
- Only 11% of nurses said that their morale and motivation was better or a lot better than a year ago while 33% said that they were the same
- 55% said that morale was worse or a lot worse than a year ago
- Nearly half (49%) said they would definitely or probably recommend their career and 56% would probably or definitely not recommend it. This second figure is considerably larger than that for the whole survey response of 47%.
- 70% said workload had negatively affected morale
Both surveys demonstrate that NHS nursing staff continue to be highly-motivated, wanting to perform their job to the highest standard and provide the best levels of patient. Concerns were expressed, however, about workload, workplace restructuring, potential job cuts, recruitment freezes and pay.

The RCN is concerned about the resilience of nurses’ motivation and morale faced with the combination of the pay freeze changes to pensions arrangements, imminent reforms within the NHS on top of the wider social and economic consequences of the recession. Without guarantees of any prospect of future pay rises, we can only expect motivation and morale to be severely tested in the years to come. Given the already high number of nurses moving abroad, particularly Australia and the USA, we might expect this trend to continue and increase further. We would also warn against any complacency that may arise from judgements about the impact of the recession on the wider labour market. A fall in demand for labour in the private sector and other parts of the public sector may limit the impact on recruitment and retention in the NHS, yet this should not obviate the need for good HR and management practice, particularly pay and reward strategies.

Workload
Both the IDS NHS Staff Survey 2010 and the RCN employment survey 2009 demonstrated particular concerns around workload among the nursing workforce. Nurses’ views have continued to decline, with more nurses reporting heavy workloads and feeling under pressure since previous surveys. Both surveys also highlighted the negative impact of heavy workloads and stress on staff morale and patient care.

### Workload and stress - RCN employment survey 2009
- 61% said their workload was too heavy
- 54% too busy to give the care they would like to
- 55% reported being under too much pressure
- 55% said that staffing was inadequate
- 42% said short staffing compromises patient care once or twice per week
- Number of nurses moving jobs because of stress and workload increased from 31% to 23% in 2007

The RCN employment survey 2009 found that nurses were more negative about workloads than in 2007. Although more nurses said that there were sufficient staff to provide a good standard of care, six in ten (61%) NHS nurses said their workload was too heavy, just over half said that they were under too much pressure at work (55%) and too busy to provide the standard of care they would like (54%).
Views of NHS hospital nurses about their workload are strongly correlated with reported patient to Registered Nurse (RN) ratios. Those who said their workload was not too heavy work on wards with an average of 6.8 patients per RN, compared with 9.3 patients per RN for those who said their workload is too heavy. More than a half of NHS nurses (55%) considered that the nursing establishment where they worked is not sufficient to meet patient needs. In addition to this, 42% said that short staffing compromises patient care at least once or twice per week, with one in four saying that happens on most or every shift.

<table>
<thead>
<tr>
<th>Workload and Stress – IDS NHS Staff Survey</th>
<th>Box 4</th>
</tr>
</thead>
<tbody>
<tr>
<td>• 56% said that workload had increased a lot over the previous year. Alongside ambulance staff and midwives, nurses are most likely across all NHS occupational groups to report an increased workload</td>
<td></td>
</tr>
<tr>
<td>• Among those nurses whose workload had increased - 79% said this was due to additional duties and responsibilities; 48% due to insufficient cover; 44% due to pressure to meet targets; 34% due to vacancy freezes; and 25% due to recruitment problems</td>
<td></td>
</tr>
<tr>
<td>• 47% said that stress was negatively impacting on work and non-work relationships and 43% said that stress was affecting their health</td>
<td></td>
</tr>
<tr>
<td>• 25% said that workloads and stress meant fewer opportunities to work flexibly</td>
<td></td>
</tr>
<tr>
<td>• 70% reported a negative impact on staff morale due to stress and 42% said that it was having a negative impact on patient care</td>
<td></td>
</tr>
<tr>
<td>• 33% said that high workloads had increased their intention to leave NHS</td>
<td></td>
</tr>
<tr>
<td>• 58% of nurses work more than contracted hours and of these 61% said these additional hours were unpaid</td>
<td></td>
</tr>
</tbody>
</table>

The qualitative research undertaken as part of the IDS NHS Staff Survey highlights the risks to patient care from expanding workloads and staff vacancies.

*I’m stressed, worried and upset that, because we’re overloaded, I can’t give the quality service that I want to give. Mistakes get made too.*

Midwife, band 7

*Nurses are so demoralised that at one point we had 18 trained-staff vacancies out of 50. The chief executive said, if people aren’t happy they’ll vote with their feet – and they did. We get quite a few complaints. Call bells ring for too long and patients don’t get change out of wet beds quickly enough.*

Nurse, band 6

The IDS survey found that 24% of all nurses and midwives reported that a skill mix review following reorganisation in the workplace had taken place in the previous 12 months. Of these 3,283 nurses and midwives, half reported that this had resulted in restructuring, such as upgrading or downgrading. However, the survey also showed that downbanding, rather than upgrading was likely to the result for NHS staff and are often
expected to take on additional responsibilities without being upgraded. The financial consequences of downbanding are also a major concern for NHS staff.

In departments that have already been restructured, band 8 roles became band 7, band 7 roles became band 6 and band 6 roles became band 5. Job descriptions were changed but the work done remains the same. I am a top band 6, so going down to band 5 will be financially crippling.

Nurse, band 6

One of the key factors that affect workplace morale and motivation is the working environment and the NHS working environment has certainly become more intense over recent years, with increasing workloads and shifting duties between and within professions. Nurses, midwives and health care assistants have all reported to the RCN that they are already under great pressure to do more with less and expect workloads to continue to intensify. Increased workloads often lead to investment in staff training and development falling by the wayside as managers and staff struggle to find the time, as well as higher stress and absence levels and deteriorating morale. The consequences for the quality of patient care are easy to predict but not unavoidable; steps must be taken by the NHS to ensure that the workforce has the motivation and capacity to provide high quality care.

The labour market – back to boom and bust?

Sustaining the Long View. The UK nursing labour market review 2010 shows how fewer registrations of nurses, combined with increasing numbers of those leaving nursing, through retirement and migration abroad, a reduction in nurses entering the UK from abroad due to changed immigration regulations and a reduction in commissioned training places in universities is likely to mean a tighter labour market, ie fewer registered nurses in the system from 2013. A continuing concern is the lack of integrated nursing workforce planning despite the RCN’s efforts in the last 10 to 15 years to ensure this issue is a priority for policy makers. The failure by policy makers to address this issue in the 1990s resulted in an acute nursing shortage and expensive interventions, including international recruitment on a mass scale to meet demand.
The RCN argues that understanding and responding to the implications of the dynamics of the nursing labour market for the longer term is critical for policy makers and that the improvements in UK wide data could be achieved with relatively little extra resource. We point to the new workforce planning system being developed in Scotland as a model which should be examined and developed in the whole of the NHS. This is an annual system involving health service employers, the private sector as well as representatives from nursing associations and the education sector in national level planning. The approach attempts a whole system perspective by factoring in estimates of future demand for nurses from the private sector. There is now a statutory duty on the NHS in Scotland to carry out workforce planning.

Our response to the White Paper Equity and Excellence: liberating the NHS highlights that the nursing family is the biggest professional group delivering frontline care in the NHS and as such provides the foundation for the delivery of improved patient outcomes, as well as increased productivity and efficiency. The RCN argues that the ambitious, far reaching structural changes proposed in the White Paper and the drive to local pay combined with the requirement to find billions of pounds’ worth of efficiency savings and substantial cuts in management costs will lead to a sharp decline in morale and motivation and thus impact harshly on recruitment and retention. The RCN’s Frontline First campaign has demonstrated that cuts are already a reality on the ground.

The RCN also insists that there must be national oversight of workforce planning. If workforce planning is relegated to local organisations as proposed in the White Paper, there is a risk that, it will not be possible to supply a nursing workforce fit for purpose and able to meet the needs of the population. We consider particular sections of the nursing workforce below to highlight specific issues for workforce planning. For example the chronic lack of health visitors, currently singled out by the Government as an area for urgent action, provides a stark warning for the future.

The deterioration in the UK labour market has certainly been matched by the nursing labour market and both look certain to worsen further. Nursing vacancies stood at 5,850 in August 2010, representing a fall of 1,447 over the previous year. Yet caution must be applied to any analysis of these figures and conclusions made about the nursing labour market. The extent of recruitment freezes applied throughout the NHS conceals the real level of vacancies and shortages. Moreover, while the low level of vacancies within the NHS and the wider economy may act to dampen difficulties in attracting and retaining nurses in the NHS, both the IDS staff survey and the RCN survey highlighted levels of dissatisfaction within the nursing workforce as summarised in boxes 5 and 6 below. Dissatisfaction with levels of workload, access to training or promotion and with organisational restructuring may currently present themselves in thoughts of leaving

---

3 www.frontlinefirst.rcn.org.uk/
rather than firm intentions, but the long-term impact on staff and the quality of care cannot safely be ignored.

**Recruitment and Retention – IDS NHS Staff Survey 2010**

- 61% of nurses said that they had very or fairly seriously considered leaving their current position in the NHS. Out of all the occupational groups, only people working in the personal social services were more likely to have considered leaving the NHS (64%)
- When asked about their reasons for leaving, 78% cited stress or workload; 46% said they felt undervalued due to levels of pay while 32% felt undervalued due to grading. 32% cited lack of access to training and CPD and 40% referred to a lack of career or promotion prospects.
- On an organisational level, reasons for leaving also included having to compromise on standards of care (59%) and dissatisfaction with restructuring (54%)
- When asked about staff shortages in their working area or department, 69% said that they were frequently a problem and 63% said that staff shortages had prompted them to consider leaving.
- 33% of nurses said that they would consider taking up a position outside the health care sector, with the most preferred option being a move to teaching (39%)

**Recruitment and Retention – RCN Employment Survey**

- 81% of NHS nurses agree that nursing is a rewarding career
- 60% would recommend nursing as a career
- 48% would leave nursing if they could
- 44% do not want to work outside nursing

**The labour market – older nurses**

The UK registered nursing population is ageing. In 2008 fewer than one in ten nurses on the UK Register was aged under 30, while one in three was aged 50 or older. More than 200,000 nurses on the register were aged 50 or older. James Buchan and Ian Seccombe warn that: ‘The impact of recession may delay the retirement of some nurses, and attract others back into the labour market. In the short term this may take the pressure off supply, but will also add to the “ageing” profile. Those older nurses who continue to participate in employment are less likely to work full-time, if past trends are continued, which may mean a relative reduction in nursing hours available from those who do delay retirement.’

The RCN’s forthcoming report *Nurses aged 50 plus in 2010* shows that a higher proportion of nurses aged 50 plus work in the community compared with younger nurses. More of this age group work part-time and this age group are more likely than any other to cite stress, workload and personal finances as a reason for changing their job. These are important findings in light of the fact highlighted in the labour market review that 200,000 nurses are set to retire in the next ten years and that this area of
the NHS is currently subject to probably the greatest ever level of change, uncertainty and upheaval in the NHS.

The qualitative research undertaken by IDS found that several respondents reported that NHS staff were taking early retirement because of stress levels and that these individuals were hard to replace.

*People are taking early retirement because of the stress levels. We have advertised one vacancy four times and haven’t had one applicant, and another twice, with no applicants.*

Health visitor, band 7

*We’re losing very experienced staff who are taking early retirement. They’ve had enough. They’re wondering how the NHS is going to change.*

District nurse manager, band 8

The 2010 UK nursing labour market review, asserts that; ‘Developing a clear understanding of retirement behaviour of nurses, and how these can change in response to policy changes is a critical aspect of effective workforce planning in a profession where so many are nearing possible retirement age.’

**The labour market - health visitors**

The Coalition Agreement issued in May pledged to increase the number of Sure Start health visitors by 4,200. However, there are real concerns about the stability and capacity of the current workforce, given its age profile and the state of morale and motivation among employees. In July 2010, there were 7,965 full-time equivalent (FTE) health visitor posts (excluding bank or agency staff) compared with 8,285 FTE jobs in September 2009 – a drop of 320 posts. In 1999, there were 10,161 FTE health visitors.  

---

4 The NHS Information Centre. Provisional Monthly NHS Hospital and Community Health Service Workforce Statistics in England, October 2010.
The average age of health visitors is 46 (with 32% over 50), compared with 40 for nurses working in an NHS hospital and is therefore a potential risk to retaining a future workforce. Other risks are highlighted in the 2008 Health Care Commission National NHS Staff Survey which found that health visitors had the lowest levels of job satisfaction, highest work pressure and was the staff group least likely to recommend their trust as a place to work\(^5\). The 2009 RCN Employment Survey also found that among all nursing groups, health visitors were most dissatisfied with their transition to AfC and three-quarters stated that their grade/pay band was not appropriate to their role and responsibilities (compared with 49% in 2003 prior to AfC). Linked to this finding is a general dissatisfaction with pay levels, with 61% of health visitors stating they were not happy with their pay in relation to the work they do. In addition, health visitors were found to be the group most likely to report feeling under too much pressure at work (70%).

**The labour market – midwives**

The most pressing issue facing the midwifery labour market is again the ageing workforce in the NHS. 65% of the English workforce is over 40 and 26% over 50 years of age\(^6\). The age profile is similar for Scotland, where 69% of the midwifery workforce is over 40 and 25% over 50\(^7\). Combined with the finding by the Nursing and Midwifery Council (NMC) of a shortfall between the number of midwives and rising birth rates, there are significant concerns about the future of the midwifery labour force.

The NMC report stated that maternity wards in at least six out of ten regions in England closed at some point during 2008-2009 because they could not cope with demand\(^8\). The reasons given for sending women to other units to give birth, included a shortage of midwives and beds. The NMC pointed in particular to the increasing numbers of experienced midwives and supervisors of midwives who may leave the workforce as they approach retirement age.

The IDS staff survey pointed to other issues with the midwifery workforce, particularly around rising workloads. It found that midwives (83%) and maternity support workers (80%) were most likely to report frequent staff shortages out of all surveyed occupation groups. Midwives were also the second most likely group (after ambulance staff) to report that their workloads have increased a lot since the same time last year (57%) and to report a negative impact on staff morale as a result of an increased workload (78%).

\(^5\) Health Care Commission National NHS Staff Survey, March 2009
\(^6\) The NHS Information Centre for health and social care. Non-Medical Workforce Census, 2009
\(^7\) Scottish Workforce Information Standard System, September 2009
\(^8\) Supervision, Support and Safety: An Analysis of the 2008 to 2009 Local Supervising Authorities Annual Reports to the NMC.

In addition, just over three-fifths of midwives (62%) reported insufficient sickness, maternity or holiday cover as a particular issue facing their workplaces and out of all occupational groups, midwives (83%) and maternity support workers (80%) were the most likely to report frequent staff shortages in their working area or department in the past year. Midwives (85%) were also the most likely to cite stress and workload as a key factor for wanting to leave their jobs and to state that they had had no training, other than mandatory training over the previous year (37%).

The labour market – international nurses

According to the 2010 Labour Market Review, the early part of this decade saw between 10,000 and 16,000 international nurses added annually to the UK register. By 2009, this figure had fallen to less than 3,000 per year. The review explains that international recruitment of nurses to the UK from non-EU countries has collapsed, in part because of reduced UK demand, and in part because entry to the UK for non-EU nurses has become much more challenging and costly.

The authors go on to explain that increased registration requirements from the Nursing and Midwifery Council and a shift to a points based work permit system has made international recruitment a more difficult option for employers. The last full report from the Migration Advisory Committee in October 2009 recommended retaining only a small number of nursing specialties on the shortage occupation list, such as operating theatre nurses and nurses in neonatal intensive care. The overall approach to immigration policy in the UK is now under new scrutiny, and it is currently more difficult for a non-EU nurse to enter the UK to work than at any time in the last twenty years.

Within the overall trend of declining number of international nurses, the UK has become proportionally much more reliant on nurses from the UK than from other international sources. In 2008-9, 71% of international registrants were from the EU, compared with less than 7% in 2001/2. More nurses are now registered each year from EU countries such as Poland or Romania than from “traditional” source countries such as Australia.

In addition to these trends, the UK is moving from being an active recruiter of nurses to a passive “source” of nurses for other countries. In 2008/9 more than 11,000 UK registered nurses requested their UK registration to be verified, as part of the process of applying for a job in another country.

---

9 Migration Advisory Committee Skilled, Shortage, Sensible. October 2009. www.cwdcouncil.org.uk/assets/0000/4008/Social_work_workshop_171208-MF_and_VA_FINAL.ppt
10 This NMC data indicates an intention to nurse in other countries but does not necessarily record an actual geographical move
Buchan and Seccombe conclude that the size of the nursing workforce is highly vulnerable to changes in international inflow, and in 10 years’ time would be affected by varying policy interventions on retention, retirement and international recruitment, and could decline if the inflow from international recruitment remained low.

The RCN last warned about the long-term impact of managerial decisions made in the face of financial uncertainties in 2005/06. These included redundancies, vacancy freezes and reductions in training budgets. At the time, we cautioned against a return to the early 1990s which were beset by NHS underfunding, fragmented workforce planning and underinvestment in nurse education, resulting in rising vacancies and nursing shortages. We are currently experiencing a reduction in nurses entering the UK from abroad and a growing number leaving nursing either through retirement or migration and the challenges these trends are imposing on the supply of nurses will only be exacerbated by short-term failures in workforce planning and development.

**The case for national pay, terms and conditions for nursing staff**
The RCN strongly believes the Government should maintain the national pay system for NHS staff, underpinned by Agenda for Change and supported by the independent pay review body. The NHSPRB currently provides independent, objective scrutiny of pay in recommending pay uplifts and a transparent means of pay determination. The RCN believes that transparency in pay determination helps ensure fair pay and this in turn is an important factor in ensuring nurses feeling valued, thus supporting their morale and motivation. The RCN therefore believes that the Government should ensure the Review Body has a continuing role in determining pay for NHS staff.

Since the introduction of Agenda for Change in 2004 its key drivers remain, namely; equal pay for work of equal value; recruitment and retention of staff; improving local flexibility; and removing barriers to change. The RCN has publicly set out its objections to any drive to local or regional pay, particularly the White Paper’s proposals which would encourage local employers to break away from the national agreement. This would prove expensive in terms of transactional costs and it is very unlikely to deliver any greater benefits to individual employers. Indeed a drive towards local pay would not only reintroduce the risk of equal pay claims, but lead to greater industrial unrest and take financial and management resources away from a focus on improving frontline clinical services. The security afforded by a national pay system, combined with the NHS pension scheme provides staff with much-needed stability and assurance during periods of transition and fiscal challenge.

**Fair pay for nurses**
The RCN considers that the process by which pay is determined is critical to delivering fair pay. The current national pay system as delivered through Agenda Change and underpinned by a job evaluation scheme supports transparency and equality. Fair pay is also predicated on other factors, including earnings comparisons with similar
occupations within and outside the NHS, previous awards and cost of living considerations. All these issues contribute to nurses’ perception of their pay being ‘felt fair’.

In the RCN Employment Survey, the majority of nurses (84%) stated that nurses were not paid well in relation to other professional groups. Analysis of the 2009 Annual Survey of Hours and Earnings (ASHE) shows that the mean gross hourly earnings of nurses in the public sector were £15.71 per hour\textsuperscript{11}. While annual earnings growth was higher than similar professions in the public sector, hourly earnings compare unfavourably including primary school teachers (27% lower) and secondary school teachers (29%). Gross hourly earnings were 2.2% lower than social workers and 11% lower than police officers. Nursing auxiliaries’ and assistants’ mean gross hourly earnings were £9.39 per hour. Compared to clerical and office assistants, these were 18% lower than local government staff, 3% lower than civil servants and 7% lower than mean earnings for all assistants across both public and private sectors.

<table>
<thead>
<tr>
<th>Pay and Grading – NHS Staff Survey</th>
</tr>
</thead>
<tbody>
<tr>
<td>• 71% of nurses said that the 2010 pay award was low or very low, a higher number than across all occupational groups (66%). Only 25% said the award was about right.</td>
</tr>
<tr>
<td>• 57% said that they felt worse off, relative to the cost of living, than 12 months previously and 44% reported that they were dependent on unsocial hours payments to sustain their standard of living</td>
</tr>
<tr>
<td>• 52% said their band was inappropriate or very inappropriate; 35% said that their pay band was very appropriate or appropriate.</td>
</tr>
<tr>
<td>• Despite these concerns, job security was rated as a bigger concern than pay, with 71% of nurses describing this as their top priority</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Pay and Grading – RCN Employment Survey</th>
</tr>
</thead>
<tbody>
<tr>
<td>• 46% of NHS nurses said their pay band or grade is not appropriate given their role and responsibilities. This is a similar finding as 2007.</td>
</tr>
<tr>
<td>• 57% did not feel well paid ‘considering the work they do’ – a lower number than 2007 (64%)</td>
</tr>
<tr>
<td>• 84% agreed that nurses are not well paid in relation to other professional groups</td>
</tr>
<tr>
<td>• Nurses’ earnings represent most or all of the household income in 48% of cases – a figure almost unchanged since 2003.</td>
</tr>
<tr>
<td>• 24% of nurses have second jobs – 70% of whom state that this is to earn additional income.</td>
</tr>
</tbody>
</table>

\textsuperscript{11} www.statistics.gov.uk/StatBase/Product.asp?vlnk=15313
### Table

<table>
<thead>
<tr>
<th>Occupation</th>
<th>Mean gross hourly pay 2009</th>
<th>Annual change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nurses</td>
<td>£15.71</td>
<td>6.3%</td>
</tr>
<tr>
<td>Midwives</td>
<td>£18.41</td>
<td>7.6%</td>
</tr>
<tr>
<td>Primary school teachers</td>
<td>£21.39</td>
<td>4.2%</td>
</tr>
<tr>
<td>Secondary school teachers</td>
<td>£22.24</td>
<td>2.4%</td>
</tr>
<tr>
<td>Social workers</td>
<td>£16.06</td>
<td>2.2%</td>
</tr>
<tr>
<td>Police officers</td>
<td>£17.58</td>
<td>1.3%</td>
</tr>
<tr>
<td>Nursing auxiliaries and assistants</td>
<td>£9.39</td>
<td>3.5%</td>
</tr>
<tr>
<td>Local government clerical officers/assistants</td>
<td>£11.46</td>
<td>3.2%</td>
</tr>
<tr>
<td>Civil service clerical officers/assistants</td>
<td>£9.64</td>
<td>4.0%</td>
</tr>
<tr>
<td>General clerical officers/assistants</td>
<td>£10.11</td>
<td>4.6%</td>
</tr>
</tbody>
</table>

*Source: ASHE 2009*

NHS staff remain among the lowest paid in the public sector and yet they are often the sole or main earner in their household. The RCN employment survey revealed that nurses’ earnings represented most or all their household income around half of all cases (48%), and half of the household income in a quarter of all cases (24%). The following groups of nurses are all more likely to have earnings that represent a higher proportion of their household income (ie most or all of the household income).

- Nurses working full-time (61%)
- Nurses without children living with them (55%)
- Nurses from Asian (64%) Afro Caribbean (60%) or mixed ethnic groups (57%)
- Nurses who first qualified overseas and were recruited to UK as nurses (65%)
- Nurses on pay bands 7-9 (60%)
- Nurses early in their career

It is likely that the pay freeze will create both internal anomalies and distortions within NHS pay bands and external problems as comparability with jobs outside the NHS is eroded. These issues may take years to disentangle and address properly. For example, internal problems arising from nurses at the top of their pay band (and thus receiving no incremental pay increase) having differentials between their earnings and other nurses being knocked out of kilter. Indeed, looking at the pay for a top level Band 3 employee such as a Senior Healthcare Assistant, there will be just £2,099 between their pay and that of a newly qualified Staff Nurse starting at the first point in Band 5 at the end of the two-year freeze. The subsequent compression of pay scales is likely to lead to confusion and dissatisfaction as employees unfavourably compare their pay against that of their colleagues. In turn, this may well lead to employees taking up equal pay cases.
more significant problems may arise through the combination of these factors with skill mix reviews which are currently being undertaken within a large number of NHS trusts. RCN negotiators are aware of many such reviews resulting in downbanding, where whole grades of staff are moved down a pay band. Weakened comparability with similar jobs outside the NHS as a result of the pay freeze is also likely to impact on recruitment and retention. All these factors will undoubtedly combine to have a negative impact on morale and on confidence in both the Agenda for Change system and the value of education.

Both the IDS NHS Staff Survey and the RCN Employment Survey pick up concerns about cost of living. The Consumer Prices Index (CPI) stood at 3.1% at the Retail Prices Index (RPI) at 4.6% in September, driven by rising furniture prices and food bills. Food prices are expected to continue to rise and this, coupled with the pending hike in VAT to 20% in January, means the pressure on the cost of living is not set to ease. Announcements made in the October Comprehensive Spending Review will also result in reduced benefit levels for many nursing staff, particularly lone parents. Both the IDS and RCN surveys reveal worrying levels of dissatisfaction with pay levels among the nursing workforce, with the NHS Staff Survey capturing nurses’ reactions to the last year of the last pay award. Almost three-quarters (71%) of nursing respondents reported that the award was too low and well over half (57%) said they felt worse off, relative to the cost of living than a year ago. Similar numbers in both surveys said that their pay grade was not appropriate (between 46% and 52%) and while this is a worrying finding, the IDS NHS Staff Survey found that this was more likely to be an issue for other NHS professions, most notably ambulance staff, clinical support workers, personal social services staff and maternity support workers. Nurses were also asked how they view their financial circumstances to provide a barometer of how well nurses are coping financially in 2009. Across all respondents one in four (24%) said they were ‘living comfortably’, just over half (53%) said they were ‘getting by’ and one in four (23%) said they were ‘finding it difficult’.

The long-term goal for the NHS must be to secure a sustainable supply of well-trained staff across all groups and professions. Agenda for Change introduced a transparent and open system based on the principle of equal pay for work of equal value alongside new entitlements for learning and training which provide new opportunities for development, particularly benefiting lower paid staff.

The pay freeze will impact on the stability and equity of the Agenda for Change system and undermine any future attempts to address problems for particular groups of staff. It will serve to exacerbate pay gaps with comparable occupations outside the NHS, causing particular damage to male to female earnings ratios. The partial pay freeze would also undermine the AfC system’s internal coherence and stability. We therefore call for a return to national pay uplifts, which adequately reflect cost of living rises, across the whole NHS workforce as soon as possible.
Valuing low paid healthcare support workers

Across pay bands it is clear that the lowest paid staff feel the impact of higher prices more sharply. Since the start of 2010, both the RPI and CPI have been higher than the NHS award, eroding the value of pay. RPI in particular has been running high and is currently at 4.7% - double the value of the last pay rise.

Even though comparable jobs in the NHS are now valued and rewarded equally (within the NHS), there are still more women working in more low valued jobs like care assistants. And more women work part-time and/or have breaks in their careers. Low pay reflects the value that wider society continues to put on women’s jobs. In a 2006 study, the Equal Opportunities Commission showed that working in a female dominated occupation is more detrimental to pay levels than being a woman per se\textsuperscript{12}. For every 10 percentage points greater the proportion of men is in an occupation, hourly wage levels are boosted by 1 percent.

Among the lowest paid staff in the NHS are Health Care Assistants (HCAs). Kessler et al’s study of support workers in the NHS undertaken for the Department of Health provides some useful findings and analysis around the employment of HCAs.\textsuperscript{13} The study explains that the ‘modernisation of the NHS has propelled the support worker role to the fore,’ and that the role was introduced for various reasons, including the removal of routine tasks from nurses; replacing nurses in the provision of some core nursing tasks; providing a future supply of nurses; and enhancing care quality.

The study found that HCAs typically did twice as much direct patient care on the wards as nurses. While nurses spent 15% of their time giving direct care, HCAs spent 30%. The researchers said the findings suggested the “core” of patient care had shifted from tasks performed by nurses to those performed by HCAs.

At the time of the survey, the research found roughly three nurses for every HCA. However, based on interviews with managers, researchers suggest that this could narrow as trusts look to cut costs. According the report, ‘any consideration of the HCA role at corporate level was usually within the context of a skill-mix review. While such reviews could be linked to broader, forward looking trust goals… they were typically guided by more pressing issues associated with cost efficiency.’


The study found that while half of all HCAs surveyed entered the role with ambitions of becoming a nurse, there were huge inconsistencies in HCA pay, training, duties and opportunities for advancement. It concluded that the HCA role was considered in an ad hoc and opportunistic way, with little evidence of a strategic management approach in Trusts, driven rather by selective workforce targets, for instance related to level of staff absence, turnover and the use of agency staff.

Support workers, and particularly Health Care Assistants are playing an increasingly important role in the NHS, reflected in their growing numbers and widening responsibilities. This overwhelmingly female workforce is among the lowest paid in the NHS and vulnerable to rising cost of living and changes to welfare entitlements. The £250 a year flat rate increase is certainly preferable to a pay freeze and may well be more beneficial than a small percentage increase particularly since across-the-board percentage increases tend to be of higher benefit to higher paid staff than the lower paid. However the £250 uplift will not make a large enough difference to living standards faced with rising inflation, VAT and changes to welfare entitlements which will affect many lower paid NHS staff.

Conclusions
This paper has set out how a range of issues are impacting on the NHS nursing workforce, leading to a general sense of uncertainty and anxiety about the cost of living, job security and the future of the NHS. These issues include pressures external to the NHS such as the economic slowdown, public spending and welfare cuts and internal pressures such as the prospect of wide-ranging NHS reforms, rising workloads, staff shortages and pension reforms. The level of anxiety and uncertainty among healthcare staff is exacerbated by the prospect of a pay freeze for those earning more than £21,000 pa and looks likely to affect morale and motivation in the NHS. Moreover, as over two-thirds of the public sector workforce is female and the proportion of women in the NHS is even higher at around 80%, the public sector pay freeze is likely to widen the gender pay gap across the whole economy.

The RCN calls for a return to national pay uplifts, adequately reflecting cost of living rises, across the whole NHS workforce as soon as possible. We also call for particular attention to be paid for lower paid staff, including Health Care Assistants and the award of a flat increase higher than £250. In addition, we call for effective management and HR support for the workforce to ensure that training and development is not compromised, that NHS are not subject to growing and unmanageable workloads and stress levels.

As set out in the staff side evidence, we also call on the NHSPRB to benchmark the main NHS labour market indicators prior to the implementation of the pay freeze for staff earning more than £21,000. This will allow the pay review body, employers and trade unions to assess the impact of the policy. We are prepared to work with the NHSPRB on collating evidence about the effect of the pay freeze on staff on either side
of the threshold in terms of such factors as recruitment and retention, morale and motivation, living standards, intentions to stay in the NHS, retirement plans, staff development and training and perspectives on quality of care with the service. As set out in the staff side evidence, it is only through the collection and analysis of this data that the NHS will be able to properly plan ahead and ensure a workforce fit for the future.