

**Royal College of Nursing in Northern Ireland - Supplementary Evidence to the
NHS Pay Review Body 2016-17**

February 2016

1. **Introduction**

In January 2016, the Northern Ireland Health Minister imposed a pay award for nursing and other HSC staff for 2015-2016. Under the terms of the Minister’s announcement, staff at the top of their Agenda for Change pay band will receive a 1% non-consolidated award. Nursing staff who are not at the top of their pay band will not receive any cost of living pay increase.

The Royal College of Nursing [RCN] questions the view that entitlement to an incremental award negates a right to a cost of living pay rise. Incremental progression, subject to satisfactory performance, is a contractual entitlement under Agenda for Change that, in our judgement, is not within the DHSSPS’s remit to “award” or withhold.

This most recent announcement follows several years of pay restraint, including two years of a pay freeze (2011-2012 and 2012-2013) and a 2014-2015 award whereby staff at the top of their Agenda for Change pay band received a 1% non-consolidated award. Accordingly, on 1 April 2016, those staff who received the non-consolidated award will see their pay return to the same level as at 1 April 2013. A health care assistant employed in a Band 2 post in Northern Ireland is now paid £806 less per year than a counterpart in England and £1064 less than in Scotland. A newly-qualified band 5 staff nurse in Northern Ireland is now paid £214 per year less than a counterpart in England and £340 per year less than in Scotland. An experienced band 5 staff nurse at the top of the pay banding is now paid £207 per year less than a counterpart in England and £567 less than in Scotland. A specialist nurse in Northern Ireland is now paid up to £406 per annum less than a counterpart in England and £815 less than in Scotland (see Chart 2). As detailed below, the RCN has already identified worrying evidence of the impact of this position upon the ability of Northern Ireland nursing staff to meet fuel bill and childcare commitments, for example.

The policy on pay pursued by the Department of Health, Social Services and Public Safety [DHSSPS] in recent years has, in the judgement of the RCN, intensified the hardship felt by nursing staff and added to the perception that the care they provide to the people of Northern Ireland is not valued by the Executive and Assembly.

The impact of this on health and social care in Northern Ireland is apparent, with high levels of vacancies across the HSC and the independent (nursing home) sector, and demand for nursing staff outstripping supply.

There is a significant over-reliance on the supply of nursing staff on an *ad hoc* basis through the nurse bank and nursing agencies. Nursing staff in Northern Ireland are more likely than colleagues in England, Scotland or Wales to cite increases in workload, unfilled vacancies and recruitment freezes in their workplace. As our evidence demonstrates, there are alarmingly high sickness absence rates amongst HSC staff that are, we believe, largely attributable to stress and mental ill health. The 2015 HSC staff survey soon to be published, indicates that 19% of all HSC staff, almost one-fifth of the workforce, say that they will probably look for another job elsewhere in the next 12 months, whilst 16% report that they will leave the HSC as soon as they find another position.

According to the 2012 HSC staff survey, three-quarters of all nurses in Northern Ireland worked beyond their contracted hours each month because they were concerned about patient care. More than 50% of those that did so were unpaid for these extra hours. Preliminary results from the 2015 HSC staff survey indicate that 71% of all HSC staff work additional unpaid hours each week (compared with 58% in England) and that this figure has increased significantly from the 47% recorded in 2012. Over half (56%) are unable to meet the conflicting demands of their work.

The DHSSPS workforce plan for 2015-2025 indicates that some 21% of newly-qualified nurses here plan to leave Northern Ireland to work elsewhere. The impact of this upon patient care in Northern Ireland will be devastating.

1. **Need for NHS Pay Review Body recommendations**

In 2014-2015 the then Northern Ireland Minister of Health chose not to accept the NHS Pay Review Body [NHSPRB] recommendation of a 1% consolidated pay award for all staff on Agenda for Change terms and conditions. Instead, in January 2015 the Minister followed the decision made by the Secretary of State for Health in England and awarded a 1% non-consolidated payment for those staff at the top of their increment.

In relation to the pay award for 2015-2016, the decision was not made until 8 January 2016, with the Minister announcing via a press release that the same award as for 2014-2015 would be implemented for all HSC staff on Agenda for Change terms and conditions.

These successive decisions have led to a growing disparity in pay between Northern Ireland and the other UK countries, with Northern Ireland clearly at the bottom of the table for all bands. The RCN believe this is unfair, unequal and unacceptable.

In light of the significant delay on the part of the DHSSPS in formulating a 2015-2016 pay award, the RCN launched a campaign to highlight a range of issues relating to the fair treatment of nursing staff and the link between these concerns and high quality patient care. Specifically, the RCN called for a 1% consolidated uplift for all nursing staff on Agenda for Change terms and conditions of service. This call was supported by 68 individual members of the Northern Ireland Assembly and by five of the political parties with Assembly representation, The RCN believes that there exists in Northern Ireland a significant political consensus in support of fair pay for nursing staff.

The RCN welcomed the Minister’s announcement on 9 February 2016 that he has committed to seek a recommendation from the NHSPRB in respect of a 2016-2017 pay award. The RCN also welcomed the Minister’s recommendation that the conclusions of the NHSPRB are honoured in determining the 2016-2017 award. We agree with the Minister’s assertion that it is in the interests not just of nursing and other health service staff but importantly, of the patients, clients and wider public that we return to the independent NHSPRB in respect of the 2016-2017 award.

The RCN understands the many challenges and competing demands faced by the Minister, the DHSSPS and the Northern Ireland Executive. In light of these factors, we believe that the Minister’s stated commitment to seeking and implementing the recommendations of the NHSPRB is the fairest and most sustainable way to determine pay for all nursing staff.

1. **Pay and conditions**

The impact of pay restraint over the past five years has resulted in a real terms decrease in pay for RCN members.

The RCN has been making representations to the DHSSPS since 2013 about the failure to complete the implementation of Agenda for Change terms and conditions in Northern Ireland. More than 11 years since commencement of implementation, a post-implementation pay audit has yet to commence. The Minister confirmed in response to an Assembly question (AQW 47886/11-15) that 466 HSC staff have yet to receive arrears in respect of Agenda for Change job evaluations.

There is evidence that higher numbers of registered nurses are in pay band 5 than is the cases in the other countries of the UK.

Table 1: Agenda for Change distribution across England, Scotland and Northern Ireland

|  |  |  |  |
| --- | --- | --- | --- |
|  | **England** | **Scotland** | **Northern Ireland** |
| Band 5 | 47.1% | 56.4% | 58.6% |
| Band 6 | 31.9% | 27.6% | 25.8% |
| Band 7 | 16.5% | 13.3% | 13.4% |
| Bands 8-9 | 4.5% | 2.7% | 2.2% |

The RCN is also opposed to continuing pay restraint in the NHS and has grave concerns about the impact consistent below-inflation pay awards is having on the workforce and on the service.

The Institute for Fiscal Studies has provided the following warning: “The government’s spending plans imply that public sector pay will fall to its lowest level relative to the private sector since at least the mid-1990s, when comparable data are available. This could result in difficulties for public sector employers trying to recruit and retain high-quality, motivated workers and raises the possibility of (further) industrial relations issues.”[[1]](#footnote-1)

1. **Pay settlements and average earnings**

All the available data show that growth in both pay settlements and earnings are returning to the private sector. For instance, the Labour Research Department reports that pay settlements across the UK economy ran at between 2% and 2.5% during 2015, with a median increase of 2.5% in the three months to December.

The graph below shows three month trends in average earnings growth over the last two years. Since April 2013, private sector earnings growth has been running ahead of the public sector every month except two. Over recent months, the private sector rate has accelerated sharply while the public sector rate has flattened out. In November 2015, the provisional rate across the whole economy was 2%, private sector growth was 2.2% and average public sector earnings rose by just 1.5%.

The Office for Budget Responsibility’s latest forecast is for prices, as measured by the CPI, to increase by 7.2% over the next four years, while it expects average earnings to grow (in nominal terms) by 15.4% over the same period. The IFS has stated that “The government’s announced 1% limit on annual pay increases for a further four years from 2016-2017 is therefore expected to reduce wages in the public sector to their lowest level relative to private sector wages since at least the 1990s”.

The IFS goes on to state that the “restraint on public sector pay in 2016-2017 is likely to be felt particularly strongly. From 2016-2017 it will no longer be possible for those with [public sector] pensions to contract out of part of the state pension by paying lower National Insurance contributions [NICs]. This means that employees will have to pay 1.4% more National Insurance on all earnings.”

*Source: Office of National Statistics, Labour Market Statistics, January 2016*

The RCN evidence to the 2016-2017 pay round highlighted the real terms loss in earnings experienced by nursing staff since 2010, due to the failure of pay awards to keep up with the cost of living. The charts below show the added impact of Northern Ireland NHS salaries falling behind the rest of the UK. The two charts show the differences in salary at the bottom and top points of each Agency for Change pay band, firstly in in cash terms, then in percentage terms, looking at the differences between salaries in England and Scotland. The charts show that a health care assistant at the bottom of band 2 working in Northern Ireland is earning £806 less than a similar colleague in England, which is 5.6 % less. The difference rises to £1,064 or 7.4% in comparison with Scotland.

The chart below shows that earnings represent the majority of household income for 59% of Northern Ireland HSC nursing respondents to the RCN 2015 Employment Survey, meaning they are the main breadwinner in their household. In addition, over two-thirds (68%) of respondents stated that they felt worse off financially than five years ago, while just 23% said they felt the same.

The chart below indicates the extent of financial difficulties among nursing staff, with over two-fifths (43%) stating they have struggled with household fuel bills (compared with 32% across the UK), a quarter (27%) have struggled with childcare costs, 17% have missed meals due to costs and a further 13% have missed or been late with rent or mortgage payments.

Other responses show that half of all respondents in Northern Ireland have worked extra hours in their main job over the previous 12 months in order to help with bills and everyday living expenses while 37% have worked nights or weekend shifts. The same proportion (37%) have borrowed money and a fifth (22%) have taken another job to cope with expenses.

1. **Recruitment and retention**

The chart below showing vacancy rate data between 2011 and 2015 shows a worrying trend, increasing from 2.3% in March 2014 to 3.8% in March 2015. The long-term rate increased from 0.6% to 1.5% over the same period, pointing to increased recruitment and retention difficulties in Northern Ireland.

According to the RCN Employment Survey 2015, almost six in ten (57%) respondents working for HSC trusts reported that there had been a reduction in registered nurse staffing levels in the previous 12 months, and a third (30%) reported a reduction in HCA staffing levels.

The chart below sets out how staffing changes have been managed, with 60% of Northern Ireland respondents reporting recruitment freezes with vacancies unfilled (compared to the UK figure of 45%). In Northern Ireland 40% reported there have been skill mix changes (compared to 45% across the UK) and 19% reported that posts had been cut.

*Source: RCN Employment Survey 2015, NHS respondents*

Furthermore, the soon to be published HSC staff survey has identified that 19% of staff will probably look for a job elsewhere in the next 12 months, with 16 % claiming that they will leave as soon as they find another job.

The combination of high vacancy rates and pay restraint is clearly having an immediate impact on the level of agency nursing within the HSC, with the total spend on agency nursing having increased by 22% between 2012-2013 and 2014-2015.

**Table 2: HSC expenditure on agency nursing 2012-2015 (£m)**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | **Belfast Trust** | **Northern Trust** | **Southern Trust** | **South Eastern Trust** | **Western Trust** | **Total** |
| 2012-2013 | 3.7 | 1.1 | 0.67 | 2.8 | 1.6 | **9.87** |
| 2013-2014 | 5.3 | 1.2 | 0.23 | 2.2 | 2.2 | **11.13** |
| 2014-2015 | 5.6 | 1.6 | 0.18 | 1.9 | 2.8 | **12.08** |
| **Total** | **14.6** | **3.9** | **1.08** | **6.9** | **6.6** | **33.08** |

*Source: Northern Ireland Assembly written questions and answers AQW 46996/11-15, AQW 46999/11-15, AQW 46998/11-15, AQW 46997/11-15, AQW 47000/11-15*

HSC Trusts are turning increasingly to agency staff because demand for nursing staff employed and deployed via nurse banks is outstripping supply. This is neither safe nor is it value for money. As a result, many nursing teams are depleted. This creates additional pressures and compounds existing problems, particularly in relation to continuity of care.

The RCN believes that there is compelling evidence to support the introduction of a retention and recruitment premia for band 5 nurses in Northern Ireland. Section 5 and Annexe J of the NHS terms and conditions of service handbook outlines the Agenda for Change criteria for the application of a retention and recruitment premia. HSC trusts have advertised and re-advertised Band 5 vacancies in relevant local, regional and national press, with little success. The independent private nursing home sector has repeatedly tried to recruit at national and international level with negligible impact.

The handbook states that “retention and recruitment premia may also be awarded on a national basis to particular groups of staff on the recommendation of the NHS Pay Review Body (NHSPRB) where there are national recruitment and retention problems”; national in this context is Northern Ireland.

The level of vacancies in the independent sector must also be considered as another significant factor when analysing the supply and demand in the nursing labour market within HSC Trusts. A recent RCN survey report (Care in Crisis, December 2015) on the independent nursing home sector in Northern Ireland, indicated that there were 374 WTE registered nurse vacancies as of June 2015 and there are reports that this number continues to grow.

1. **Morale, motivation and well-being**

The tables below show sickness absence rates across HSC trusts in 2014-2015. By comparison, the average sickness absence rate for all England NHS trusts stood at 3.92% as at August 2015.

**Table 3: Sickness absence rates**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Band 2 | SEHSCT | NHSCT | WHSCT | SHSCT | BHSCT |
| Lowest month | 8.48% | 11.25% | 9.4% | 5.17% | Not provided |
| Highest month | 13.72% | 15.25% | 13.73% | 12.81% | Not provided |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Band 3 | SEHSCT | NHSCT | WHSCT | SHSCT | BHSCT |
| Lowest month | 6.13% | 8.45% | 8.54% | 6.71% | 10.29% |
| Highest month | 10.43% | 13.11% | 13.3% | 9.32% | 13.55% |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Band 5 | SEHSCT | NHSCT | WHSCT | SHSCT | BHSCT |
| Lowest month | 5.72% | 8.29% | 6.5% | 5.93% | 6.42% |
| Highest month | 8.08% | 10.59% | 10.02% | 7.4% | 8.58% |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Band 6 | SEHSCT | NHSCT | WHSCT | SHSCT | BHSCT |
| Lowest month | 4.76% | 7.62% | 6.11% | 5.06% | 6.09% |
| Highest month | 8.80% | 10.31% | 9.15% | 7.36% | 8.15% |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Band 7 | SEHSCT | NHSCT | WHSCT | SHSCT | BHSCT |
| Lowest month | 3.28% | 5.07% | 4.55% | 4.73% | 4.2% |
| Highest month | 6.88% | 9.88% | 7.1% | 7.02% | 6.51% |

On 17 January 2016, the Belfast Telegraph reported that staff sickness across the health service in Northern Ireland cost £107 million during 2014-2015. The information was published in response to a series of Assembly questions.

From FOI information, the RCN is aware that stress and related mental ill-health is the single biggest cause of sickness absence in the HSC and its prevalence is particularly high among nursing staff. Pressure at work can be motivating and stimulating but, when it exceeds an individual’s ability to cope, this can lead to ill-health.

Cost-saving measures that result in vacancy freezes and slowing recruitment processes alongside increasing demand have taken their toll on the nursing profession. Indeed, the RCN 2015 Employment Survey showed that 88% of respondents in Northern Ireland have worked at least once in the previous 12 months despite not feeling well enough to do so, with 18% having done so on five or more occasions. Half of all respondents stated they had worked between two and five times, despite feeling unwell. The overwhelming reason for feeling was work-related stress, with 49% of those having worked when unwell citing stress as the main factor.

The level of pressure and heavy workloads is highlighted in the chart below, with 80% of respondents in Northern Ireland stating they feel under too much pressure at work (compared with 69% across the UK). The same proportion states they are too busy to provide the level of care they would like to and a slightly lower number (76%) states that too much of their time is spent on non-nursing duties.

1. **Conclusion**

Cost saving measures that have resulted in freezing vacant posts, slowing recruitment processes and employing and deploying nurses via nurse banks have resulted in increasing nurse vacancies and increasing pressure on nursing staff. This is reflected in high sickness absence levels.

The policy on pay pursued by the DHSSPS in recent years has in the judgement of the RCN intensified hardship felt by nursing staff.

A combination of cost-saving measures and pay restraint are having a significant adverse impact on the nursing workforce in Northern Ireland.

The growing pay differentials between Northern Ireland, England and Scotland must be addressed if the health and social care system in Northern Ireland is to recruit and retain adequate numbers of nurses and nursing support staff required for the delivery of safe and effective nursing care to the people of Northern Ireland.

1. Institute for Fiscal Studies. *The IFS Green Budget: February 2016*

www.ifs.org.uk/publications/8129 [↑](#footnote-ref-1)