

STATES OF JERSEY



NURSES' PAY INCREASES: REQUEST TO STATES EMPLOYMENT BOARD (P.168/2011) – COMMENTS

**Presented to the States on 7th November 2011
by the States Employment Board**

STATES GREFFE

COMMENTS

The States Employment Board (SEB) request the States to reject both part (a) and part (b) of the Proposition (P.168/2011) on the following basis –

- (1) That it is not consistent with the States commitment to deliver £65 million savings through the Comprehensive Spending Review Programme by 31st December 2013.
- (2) The Report and Proposition relates to a point in time and does not take into account the current context and the proposed actions of the Employer, which have significantly reduced both the accuracy and relevance of its contents.
- (3) The more targeted approach adopted by the SEB and Health and Social Services Department has every chance of addressing the difficult and inter-related problems affecting the recruitment and retention of nurses and midwives, whilst avoiding the costly and potential untoward consequences of adopting large untargeted across-the-board pay increases advocated by the Proposition at this time.

Context

It is important to view this Report and Proposition in context within the overall States commitment to deliver savings of £65 million through the Comprehensive Spending Review Programme by 31st December 2013. Within this amount, the objective is to deliver £14 million-worth of savings from the pay, terms and conditions of service of all public sector pay groups.

It is within this context that individual claims from public sector pay groups or claims on their behalf for betterment in pay, terms and conditions of service up to the period ending 31st December 2013 must be addressed.

Notwithstanding this difficult environment –

- since January 2010, there has been investment in approximately 42 additional nursing recruits and additional infrastructure which has enabled the opening of the Emergency Admission Unit at the General Hospital with great success;
- the States have agreed as part of the States 2012 Business Plan to allocate £800,000 to aid the recruitment and retention of Nurses and Midwives. The proposed use of these funds is set out further on in these comments.

Substance of Report attached to the Proposition

The Report attached to the Proposition relates to a point in time nearly 2 years ago. Subsequent events and proposed actions by the Employer have significantly reduced the accuracy and relevance of its contents. A few examples are given below.

The income Data Services Report issued in January 2011 referred to in the Report and Proposition was based on 2010 data. There have been significant changes in the employment environment since then. For example, the UK equivalent of local Nurse and Midwifery Grades 5 to 8 have received a pay freeze for 2011, whereas local staff

have received a 2.0% pay increase. This undermines the basis of a further 5% award for these grades.

Contrary to the Report and Proposition, the States Employment Board, in conjunction with Health and Social Services, have on further reflection decided not to implement a rental subsidy on the basis that –

- there was no guarantee that it would resolve recruitment and retention issues;
- it would distort the housing market and in all probability have costly knock-on effects to other public sector pay groups; and
- it would discriminate against many locally established staff.

The purported 28% gap between supply and demand for local Nurses and Midwives mentioned in the briefing paper to the SEB in February 2011 over the next 20 years to 2031 is based on a “do nothing” scenario. Such a scenario and the deductions made from it in the Report and Proposition do not take into account –

- the actions that the Employer has already taken, and intends to take to aid the recruitment and retention of Nurses and Midwives in the near future, let alone what actions it may take over this 20 year period;
- the likely increased availability of UK Nurses and Midwives as a result of decreases in UK public expenditure currently underway and likely to continue for the foreseeable future; and
- the current local vacancy rate of qualified Nurses and Midwives of less than 5% in contrast to the 10% vacancy rate prevailing at February 2011.

Proposed way forward

Since February 2011, there have been several further meetings between Health and Social Services and the SEB to determine how best to address the recruitment and retention of Nurses and Midwives. Following several amicable meetings with the nursing unions, a formal proposal dated 18th October 2011 was agreed with nursing representatives to adopt a targeted approach within allocated funds towards the recruitment and retention of Nurses and Midwives. In summary, the agreed way forward is set out below –

- implement a more flexible application of the existing Relocation Policy which would allow a £3,000 taxable allowance to be paid to all Registered Nurses and Midwives externally recruited and relocating to Jersey;
- immediately recruit additional Nurses and Midwives to ease operational pressures;
- amend the current pay structure to add 2 starting increments for newly qualified Nurses and Midwives, open up Grade 3 to create new roles and opportunities for Health Care Assistants and revise the Grade 8 structure to allow a few specified senior Nurse Manager posts to be paid as Nurses and Midwives rather than Civil Servants;

- review the proposed annual retention bonus for specified staff in hard-to-recruit areas, and the proposed introduction of limited pay protection to encourage staff in receipt of unsocial hours payments to apply for promotion to Grades 5 and 6;
- in response to a claim by nursing representatives, initiate a more focussed comparability review of pay terms and conditions of service from an 'equal pay for work of equal value' point of view, in comparison with specified pay groups employed within Health and Social Services.

Statement under Standing Order 37A [Presentation of comment relating to a proposition]

The States Employment Board met on 28th October 2011 to discuss P.168/2011. It was therefore not possible to provide a comment until after this date.