



DEPARTMENT OF HEALTH & SOCIAL SECURITY

Alexander Fleming House, Elephant & Castle, London SEI 6BY

Telephone 01-407 5522

From the Secretary of State for Social Services

Mike Pattison Esq Private Secretary 10 Downing Street London SW1

10 September 1980

Dear Mile

I am writing on Mr Jenkin's behalf to seek the Prime Minister's approval to set up a new non-departmental public body, an informal Working Group on Effective Prescribing.

The setting up of the Working Group is an important step in the Department's attempt to persuade doctors to pay more attention to the costs of prescribing. Prescribing is for doctors, a sensitive area and, if economies are to be made in this field, the Department needs the support and co-operation of the medical profession. The profession has indicated its preparedness to join in discussions about effective prescribing but it strongly upholds the principle of clinical freedom and would not in any way countenance Departmental interference in matters of how to treat individual patients. The value of the group is that it should take prescribing questions out of the arena of formal negotiations into an atmosphere where, it is hoped, a better understanding between the profession and the Department can be achieved. It will thus enable a number of important and delicate matters on effective prescribing to be explored and possibly resolved.

Over the years representations have been made by the profession that the way to achieve effective prescribing is for the medical profession to be, and to be seen to be, regularly involved in discussions in this area. Ad hoc meetings between officials and the profession would therefore not provide a satisfactory solution.

The Group would consist of four members from the DHSS (including the Chairman and secretary) and seven representatives from the medical profession. It is proposed that it should meet at least quarterly at first. Its estimated life is at least one year; thereafter the need for its continuance would be kept under review.

The estimated cost of the group is about £1,000 per year for payment of members' travelling and subsistence expenses. Payment of fees, approval to which is concurrently being sought from CSD officials, would amount to a maximum of a further £1,000. The savings that could be obtained from even a modest reduction in doctors' prescribing costs would of course be many times greater.

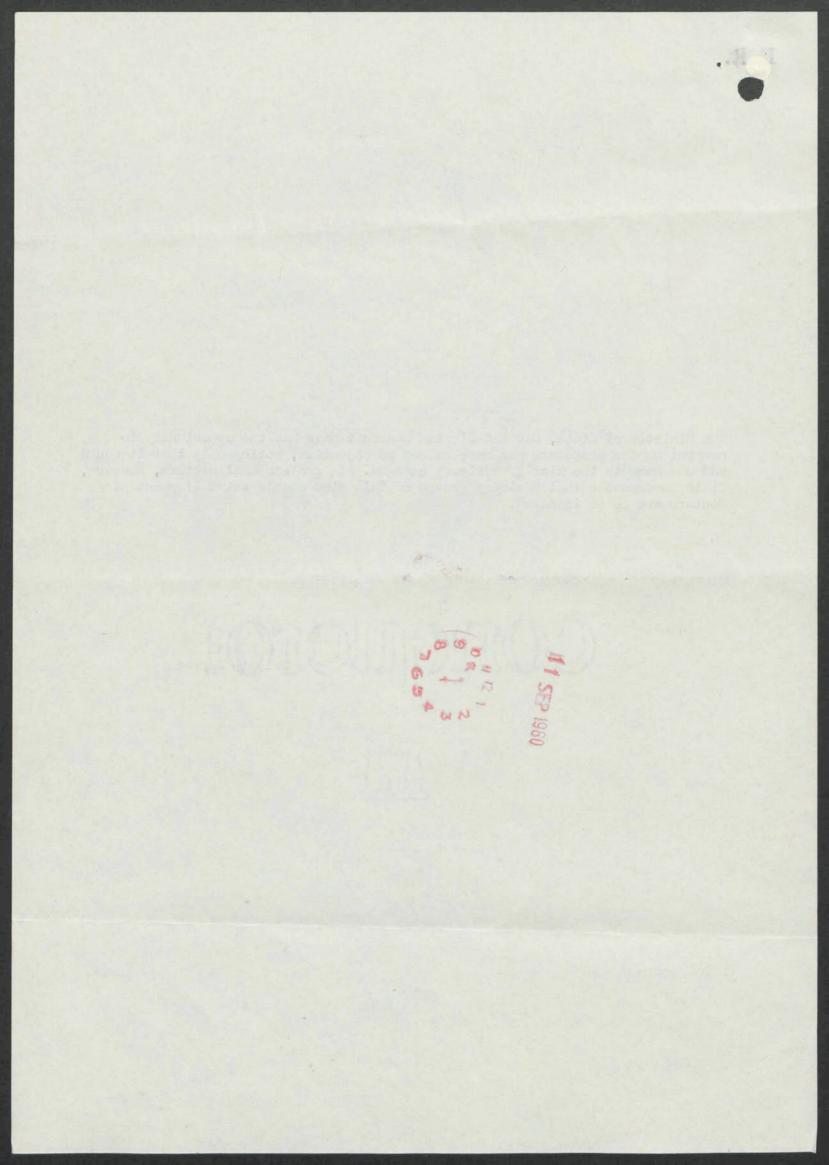
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The Minister of State, CSD and Sir Ian Bancroft have had the opportunity to comment on the proposals and have raised no objection, noting only that it would add one more to the list of advisory quangos. In professional matters, however, it is inescapable that advisory groups of this kind should exist if practising doctors are to be involved.

Yours ever Bernie MA

B C MERKEL

Private Secretary



29 September 1980 Thank you for your letter of 22 September setting out in greater detail the basis on which your Secretary of State hopes to set up an informal working group on effective prescribing. The Prime Minister has now agreed that Mr. Jenkin may go ahead as he proposes. I am sending a copy of this letter to Geoffrey Green (CSD). M. A. PATTISON Don Brereton, Esq., Department of Health and Social Security.



10 DOWNING STREET

PRIME MINISTER

Patrick Jenkin seeks your approval to set up a new advisory "quango".

It is expected to be required for at least one year being "kept under review" thereafter.

I see that the CSD have acquiesced in the decision. Would you like to agree reluctantly to set it up for a year but to insist that a further positive decision to continue it will be necessary then?

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12 September 1980

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Prime Minister You queried this Advisory aroun.

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From the Secretary of State for Social Services

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22 September 1980 _

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M Pattison Esq

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10 Downing Street

Thank you for your letter of 15 September about our intended informal working group on effective prescribing. I am grateful for your recognition of how important it is for us to have this matter resolved as quickly as possible.

We have been cutting down on advisory bodies, and there is no existing body from which we could sensibly derive a sub-committee for the particular purpose we have in mind. The fact is that the intended working group is unique. What is required, and what it is designed to provide, is a forum for completely informal, but regular, debate between the Department and the profession about policies which will secure more effective and economical prescribing. Any changes in policy which the group might suggest would be subject to the normal negotiation arrangements with the profession. We now have a time when the medical profession are very willing to debate prescribing. Such times are rare and it is important for us to take the fullest advantage of this one while we have it. The proposed machinery is in the form which the profession have indicated would be most acceptable to them, and we should certainly prejudice the success of a very important initiative if at the outset we declined to meet their wishes on what they would see as a simple, but to them important, procedural matter, raising no major issues of principle.

Our Ministers believe we must develop a better relationship with the profession on prescribing. There is no practical alternative to bringing a representative group of people round a table: hence the need for the kind of informal working group we envisage. The potential for working out policies to contain the growth in the drug bill is considerable - if we saved only half a per cent of the annual cost of providing general pharmaceutical services in England, this would amount to more than £32 million a year. If it proved impracticable to set up the proposed working group, my Ministers would be deprived of the chance of initiating a new and potentially productive approach to the profession on an area of major importance both for the health care of patients and for the conservation of scarce NHS resources.

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There are three points I should like to stress. The first is that this is not a quango in the normally accepted sense of the word. As I have mentioned above, what we have in mind essentially is to arrange for a representative group of people to get round a table; and we get into the quango area only because there will be more than one meeting and because the same people will continue to be involved. But it will not in any ordinary sense be a "body"; it certainly will have no executive functions, nor will it have any effective independent life of its own. This brings me to my second point, which is that we are not thinking in terms of an unlimited series of meetings - far from it. We propose to review proposals after 12 months, and at that point would decide whether continuation was justified. If it was then thought to be, we should continue to arrange review's at regular intervals thereafter, since it would be quite wrong for the meetings to be allowed to drift on if they were no longer serving a really useful purpose. Thirdly, perhaps I should repeat what Bernie Merkel said in his previous letter about cost - only somewhere in the region of £2,000 a year, which is negligible if compared with the savings which we believe the group's work might stimulate.

I hope that in the light of these considerations the Prime Minister may feel that the balance of advantage favours the establishment of the proposed working group.

I am copying this to Geoffrey Green in CSD.

D BRERETON

Private Secretary

15 September, 1980.

10 DOWNING STREET

From the Private Secretary

Thank you for your letter of 10 September, about an informal Working Group on Effective Prescribing.

The Prime Minister is uneasy about the creation of a new advisory quando. has asked if there is any way in which this need can be met through a sub-committee of an existing body.

I am sending a copy of this letter to Geoffrey Green (Civil Service Department).

M. A. PATTISON

B.C. Merkel, Esq., Department of Health and Social Security.