



CH/EXCHEQUER	
REC.	22SEP1988
ACTION	CST
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MP

PRIVY COUNCIL OFFICE
WHITEHALL, LONDON SW1A 2AT

21 September 1988

Dear Nicholas,

COMMUNITY CHARGE: STUDENT NURSES

I have seen your letter to Malcolm Rifkind dated 8 September and I agree that, in all the circumstances, your Options i or ii are to be preferred.

Although these options are consistent with the line we have always taken, there will be very real disappointment amongst those in the Lords who voted for the amendment at Report Stage - including some 16 of our own supporters. We can therefore expect a rather acrimonious debate on the Regulations when they come to be approved.

Indeed, if it is the case that the timescale for the implementation of Project 2000 will be as long as 10 years, in view of what was said in the Lords debates in June, I think Option ii is preferred over Option i. At least Option ii holds out the prospect of further review once a majority of student nurses are on Project 2000 and this will go some way towards mollifying our critics.

I am sending copies of this letter to the Prime Minister, Members of E(LF), the Chief Whips in both Houses and to Sir Robin Butler.

Yours sincerely

BELSTEAD

The Rt Hon Nicholas Ridley MP



CH/EXCHEQUER	
REC.	27 SEP 1988
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BF 30/19 MP
-27K
SCOTTISH OFFICE
WHITEHALL, LONDON SW1A 2AU

The Rt Hon Nicholas Ridley AMICE MP
Secretary of State for the Environment
2 Marsham Street
LONDON
SW1P 3EB

27 September 1988

Dear Secretary of State,

COMMUNITY CHARGE: STUDENT NURSES

You wrote to me on 8 September about the treatment of student nurses under the community charge system, in the light of earlier discussions and in particular of the debates on this issue during the passage of the Local Government Finance Bill. I have also seen John Major's letter of 16 September.

As you know, my view when this issue came into prominence in late June and early July was that, in the light of the clear opinion in the House of Lords, we should accept the principle that student nurses should receive, irrespective of differences between their training and courses undertaken by full-time students, the same relief conceded to these students - option iv of the paper by officials attached to your letter. In the absence of an agreed decision on this point, I have made regulations on community charge registration which make no mention of special treatment for student nurses: but in doing so I have made clear that that is without prejudice to our eventual decision.

I consider that the choice before us is between option iv and our previous policy of bringing student nurses into the field of eligibility for the concession only as and when they undertake the new-style training arrangements under the Project 2000 proposals - option i identified in the officials' paper. If we were to choose option i, we could not of course rule out some reconsideration later (as under option ii), but I see no advantage at this stage in emphasising our willingness to reconsider. Similarly, option iii would simply deny student nurses in Scotland the benefits of option iv in the first year of the community charge system in Scotland. I therefore rule out options ii and iii.

I find the choice between the remaining two options a difficult one. I accept that option iv carries with it the danger, which you point out, of comparisons being made between student nurses and other salaried trainees. If we were starting with a clean sheet it would, of course, be best to maintain the position that student nurses should not receive the same relief from the personal community charge as that given to full-time

students. But the difficulty now is that the impression has been given on a number of occasions that student nurses will receive special treatment, and the message that this is dependent on the implementation of Project 2000 has simply not got through. It would be difficult to defend ourselves against the criticism that we were being small-minded in obstinately postponing a concession which we are proposing to accept anyway in due course for student nurses and in deliberately not using powers given to us for the very purpose of removing this perceived anomaly. There seems to me to be no advantage in provoking a major row on this issue, and I therefore conclude that the sensible political course, in the circumstances in which we find ourselves, is to go for option iv emphasising that this was the view of their Lordships.

I should add that I do not think that your proposals on the coverage of the concession are right. You envisage that it will apply to nurses undertaking pre-registration courses including those doing such courses for a second time; and you accept that those doing post-registration courses in higher education will immediately qualify as students (ie before the introduction of Project 2000); but you propose to exclude midwifery trainees. It seems to me that this will produce serious criticism and run the risk of undermining the political and presentational value of the favourable treatment we will be giving to nurses in general - and for a very small saving, on the basis of the figures contained in the Officials' paper. It is an added advantage of option iv that midwives can readily be covered under it whereas this could pose considerable problems of timing and definition under option i.

If the question is raised of the position of other trainees in a similar financial position to nurses who enjoy the 80% relief, I think that a decision for option iv can be defended on the grounds that the House of Lords clearly envisaged separate treatment for trainees in nursing and related professions: and that there was no implication during the relevant debates that any argument in favour of special treatment for trainees as such was being put forward.

I am copying this letter to the Prime Minister, Kenneth Clarke, members of E(LF), the Chief Whip and Sir Robin Butler.

Lynn Shandland

MALCOLM RIFKIND

(approved by the
Secretary of State and
signed in his absence)



DEPARTMENT OF HEALTH AND SOCIAL SECURITY

Richmond House, 79 Whitehall, London SW1A 2NS

Telephone 01-210 3000

From the Secretary of State for ~~Social Services~~ Health M

Rt Hon Nicholas Ridley MP
 Secretary of State for the Environment
 2 Marsham Street
 LONDON
 SW1P 3EB

CH/EXCHEQUER	
REC.	29 SEP 1988
ACTION	CST
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29/9 29 September 1988

Dr. Ridley,

COMMUNITY CHARGE: STUDENT NURSES

I have seen your letter of 8 September to Malcolm Rifkind in which you advocate that the 80 per cent relief should be granted to pre-registration nurses only when their pattern of study brings them within legislation's normal definition of student - option (i) of paragraph 10 of the paper by officials. I agree that this is the best of the options available.

I am anxious to avoid a de facto narrowing of the pay differential between pre-Project 2000 student nurses and registered nurses, because we have opened up that differential in recent years as an important inducement to nurses to stay in the NHS when they qualify. I think this is an additional argument in support of yours against exemption of existing students from the community charge. As you say, we envisage that nursing students undergoing Project 2000-type training will receive non-means tested bursaries, based very largely on existing DES guidelines - the exception being students who enter nurse training, aged 26 and over, where we propose some "top-up" as a recruitment aid. These bursaries will be lower than student nurses' current pay, and the introduction of community charge relief for those students will help to smooth the transition to lower income levels.

I also agree with you about the position of midwifery students and the other proposals addressed in the note by officials.

I am sending copies of this letter to the Prime Minister, Members of E(LF), the Chief Whip and Sir Robin Butler.

KENNETH CLARKE



BF 4/10

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Oddi wrth Ysgrifennydd Gwladol Cymru

From The Secretary of State for Wales

Rt Hon Peter Walker MBE MP

CT/6156/88

30 September 1988

COMMUNITY CHARGE : STUDENT NURSES

PPS in

Thank you for copying to me your letter of 8 September to Malcolm Rifkind. As you say, the main question to which we have to find a solution is whether or not to extend the 80% relief to all nurses on pre-registration courses.

So far as the four options presented in the official paper are concerned, I am inclined to favour option iv, although I should be prepared to accept option iii if that makes matters administratively easier in Scotland. Either option would of course have the same effect in Wales, as also in England.

I appreciate that the choice of options - between i and ii on the one hand and iii and iv on the other - is very finely balanced. All the options converge over time: at some point in future all nurses will be undertaking Project 2000 courses and will be eligible for 80% relief. I note also that the effect on all community charge payers' bills of extending the 80% relief to all nurses is minimal.

Of course, as the paper points out, there are inconsistencies inherent in allowing relief to student nurses and not to other groups of trainees. But in my view, whatever we decide, some nurses will be seen by other groups to be receiving special treatment. To me the over-riding problem seems to be one of presentation: I feel that we should only leave ourselves open to be criticised if we were to treat all (and not just some) student nurses as a special case.

For reasons of presentation also, I would be inclined to extend the relief concession to midwifery trainees as well. So far as the treatment of nurses in higher education is concerned, I agree that they should qualify for the 80% relief. Similarly, I accept the paper's recommendation that second registration student nurses should be treated in the same way as student nurses on pre-registration courses.

/ I am copying this letter to the Prime Minister, members of E(LF), the Chief Whip and Sir Robin Butler.

Rt Hon Nicholas Ridley MP
Secretary of State for the Environment
2 Marsham Street
London
SW1P 3EB

CH/EXCHEQUE	
REC.	- 3 OCT 1988
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MP

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CH/EXCHEQUER	
REC.	6 OCT 1988
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COPIES TO	

6/10

The Rt Hon Nicholas Ridley AMICE MP
Secretary of State for the Environment
Department of the Environment
2 Marsham Street
LONDON
SW1P 3EB

Dear Nick.

October 3

COMMUNITY CHARGE: STUDENT NURSES

You copied to me your letter of 8 September to Malcolm Rifkind. I agree with your view that the 80 per cent relief from the full Community Charge should be confined to nurses following Project 2000 courses and therefore falling within the definition of a full-time student.

As the introduction of the Community Charge approaches, the Government is bound to receive numerous enquiries on behalf of other trainees and apprentices about their status, and it is important that we are in a position to give a consistent and convincing reply. If we can state that nobody will be given full student status unless they satisfy the specified criteria (ie at least 21 hours of supervised study a week for at least 24 weeks in the year), this should help to avoid controversy on this point. But we can only give this reply if we apply the criteria very strictly to trainees for nursing, midwifery and health visiting. I would therefore not be in favour of any bending of the rules.

I am copying this letter to the Prime Minister, members of E(LF) David Waddington and Sir Robin Butler.

Norman Fowler
NORMAN FOWLER

CH/EXCHEQUER	
REC.	4 OCT 1988
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M

10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

3 October 1988

Dear Roger,

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COMMUNITY CHARGE: STUDENT NURSES

The Prime Minister has now considered your Secretary of State's Letter of 8 September to the Secretary of State for Scotland and the subsequent comments by colleagues.

The Prime Minister agrees with your Secretary of State that option (i) should be adopted, namely that 80 per cent community charge relief should not be extended to pre-Project 2000 student nurses. She also agrees midwifery trainees should not be brought within the definition of full time students, and with the recommendations on the other groups of nursing trainees set out in the paper by officials.

I am copying this letter to the Private Secretaries to members of E(LF), the Chief Whip and Sir Robin Butler.

Yours
Paul

(PAUL GRAY)

Roger Bright, Esq.,
Department of the Environment.