

PRIME MINISTER
 REVIEW BODY FOR NURSES AND RELATED GROUPS

Yes Mr
 Prime Minister (1)
 Agree these conclusions?
 Or would you like a discussion?
 No. MS 11/2

Your Private Secretary's letter of 4 February indicated your reactions to the Chancellor's minute of 27 January conveying the conclusions reached by the Ministerial Sub-Committee on Public Service Pay (E(PSP)) about the detailed arrangements for the new review body for nurses and related professions.

As regards coverage, there are strong arguments for including unqualified as well as qualified staff. Perhaps the most compelling is that we have always presented our commitment to seek improved pay determination arrangements as applying to all nursing staff, not just to qualified nurses; and you will recall that this was the basis of your meeting with the Staff Side of the Nurses and Midwives Whitley Council in December 1981. I do not think we could go back on this without exposing ourselves to a charge of bad faith. But there are other reasons too. First, I accept that there would be merit in winding up the Whitley Councils (see below); but this would not be possible if there was still a large group of staff whose pay had to be negotiated. Secondly, by putting the unqualified staff within the remit of the review body, we associate them with a very large body of (qualified) staff who do not take industrial action, and thereby reduce the likelihood of militancy. Finally, it is significant that, when I met the Chairmen of Regional Health Authorities last week, they were strongly of the opinion that it would be advantageous for the review body to handle the pay of all nursing staff. I hope, therefore, that you may feel able to endorse the conclusion of E(PSP) on this point.

As regards the terms of reference, I strongly share your view that they should be in line with those of the other review bodies. Whether the terms of reference of all of them should be amended is a separate question, which I hope we can handle separately. It would need careful thought, and in any event I doubt whether any action could be taken until after completion of the reviews which are now in progress. In the meantime, I am anxious not to incur any delay in issuing the consultative document about the nurses' review body. The pay settlement was concluded a couple of months ago, and I am not



surprisingly coming under increasing pressure to put forward the Government's proposals. This is now a matter of considerable urgency, and I should like to issue the document within the next ten days at the latest. I hope therefore that, at least for our immediate purpose, the suggested terms of reference can be on the same lines as those of the of the other review bodies in their present form.

This will not mean that we cannot deal effectively with the important point you make about market factors and affordability. These are crucial considerations, which we look to the members of the review body to keep in the forefront of their minds. I believe that the best method of underlining this, and of bringing the matter to general attention, will be to stress it in the statement which will be made when the Review Body is set up. I suggest that this will also be the most effective way of handling the equally important point made in your Private Secretary's letter that it is the nurses' unwillingness to strike which justified our decision to make special arrangements for handling their pay. This would make a greater impact than the inclusion of appropriate words in the terms of reference.

I discussed with Sir Robert Clark whether the Review Body should deal with terms of service as well as pay. He strongly advised against it, mainly on the ground that the additional burden of work, much of it very detailed, would be unacceptable, and that we should not be able to find people of the calibre we need who would be prepared to undertake it. I think this is right. Moreover, some of the issues which would arise - for example, the development of grading structures and agreeing definitions of the functions of each grade - raise very complex managerial questions, and would inevitably turn the review body into a negotiating forum, which would negate our intentions in setting it up. There would also be a loss of control which I should be reluctant to see. It will however be essential that, as with the Doctors' and Dentists' Review Body (DDRB), there should be close contact between those who negotiate terms of service and the review body about changes which have been agreed or are in prospect. Arrangements of this sort with the DDRB function satisfactorily, and can be developed for the new review body.



This is a matter to which they will have to give attention at the outset.

The need for these arrangements to work well has a bearing on your question about the future of the Whitley Councils. It would be preferable for the arrangements to be operated solely by my Department; and this suggests that they should be responsible for negotiating terms of service, with advice from NHS management as necessary. I therefore have in mind that the draft consultative document which has been circulated should be amended so as to propose the discontinuance of the Whitley Councils. We can if necessary consider the point further if there is a very strong hostile reaction.

If you are content with these proposals, I will amend the draft consultative document with a view to issuing it by the beginning of the week after next.

I am sending copies of this minute to the members of E(PSP), the Secretaries of State for Scotland, Northern Ireland and Wales, and to John Sparrow and Sir Robert Armstrong.

A handwritten signature in blue ink, appearing to be 'N.F.' with a flourish above it.

N.F.

11 February 1983

nat Health

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10 DOWNING STREET

c. HWT CSK
LPO D/emp
D/Ew. CO
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From the Private Secretary

14 February 1983

MIO WO
CPRS CO

Review Body for Nurses and Related Groups

The Prime Minister was grateful for your Secretary of State's minute of 11 February about the detailed arrangements for the new Review Body for Nurses and Related Professions.

The Prime Minister agrees with your Secretary of State's proposals, and would be grateful for a sight of the draft consultative document which he is intending to issue.

I am sending copies of this letter to the Private Secretaries to the other members of E(PSP), the Secretaries of State for Scotland, Northern Ireland and Wales, to Gerry Spence (Mr. Sparrow's Office) and Richard Hatfield (Cabinet Office).

M. C. SCHOLAR

David Clark, Esq.,
Department of Health and Social Security.

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DEPARTMENT OF HEALTH & SOCIAL SECURITY
Alexander Fleming House, Elephant & Castle, London SE1 6BY

Telephone 01-407 5522

From the Secretary of State for Social Services

cc J.V.
Prime Minister (1)
Agree to this
written PQ and
the consultative

Michael Scholar Esq
10 Downing Street

16 February 1983 *document*

Yes not
(please note X)?
MES 16/2

Dear Michael

NURSES' REVIEW BODY

Thank you for your letter of 14 February.

I enclose a copy of the draft consultation document. Paragraph 7 has been amended as proposed in my Secretary of State's minute of 11 February, to take account of the Prime Minister's views on the handling of conditions of service and the future of the Whitley Councils. In other respects the draft is as circulated with my letter of 28 January, on which there were no comments.

| X

I enclose a copy of the draft of the associated announcement, which is also as circulated previously. My Secretary of State's assumption remains that the Prime Minister will wish to make the announcement herself - I should be grateful if you would confirm this, and perhaps we could then discuss timing.

I am copying this letter to the private secretaries to members of E(PSP) and to Richard Hatfield (Cabinet Office).

Yours ever,

David

D J Clark
Private Secretary

Q To ask the Prime Minister, what progress is being made with the establishment of a review body for nurses and midwives and health visitors and for the professions allied to medicine.

A The Government announced on 9 November 1982 that, provided that pay settlements for 1982/83 and 1983/84 were concluded, they proposed to establish a review body for nurses, midwives and health visitors and the professions allied to medicine. Pay agreements have now been reached and my rt hon Friend, the Secretary of State for Social Services, has today sent to interested organisations a consultative document about the detailed arrangements proposed for the new review body. Copies have been placed in the library. Comments are sought by [] and the review body will be set up and start work as soon as possible thereafter.

DRAFT

REVIEW BODY FOR NURSING AND MIDWIFERY STAFF AND PROFESSIONS ALLIED TO MEDICINE

1. In a statement in the House of Commons on 9 November 1982, the Secretary of State for Social Services announced that the Government proposed the establishment of a review body which would have the task of making recommendations about the pay of nurses, midwives and health visitors and the professions allied to medicine, and that consultations with interested bodies would shortly be undertaken on the detailed arrangements.

2. The Government proposes that the new review body should follow the same general pattern as the Doctors and Dentists Review Body. It may therefore be helpful to recall that the Royal Commission on Doctors and Dentists Remuneration which reported in 1960 identified three broad objectives: to avoid disputes over the remuneration of doctors and dentists; to provide an assurance to the staff concerned that their pay would be determined on a fair basis; and to provide fair treatment for the taxpayer. In order to achieve them, it recommended the establishment of a Doctors and Dentists Review Body. This is an independent body, with a secretariat provided by the Office of Manpower Economics, which report to the Prime Minister. It is free to determine its own method of working, obtain any information it requires and take evidence from interested parties. The Government has given an assurance that its recommendations will be accepted unless there are clear and compelling reasons for not doing so.

3. There are three important aspects of the Government's proposals relating to the establishment of the new review body on which interested organisations may wish to express views. These are: its composition and membership; the staff to be covered by its remit; and the terms of reference. Further details are given below. The Government is anxious that the review body should be established as quickly as possible so that it may have sufficient time to carry out the necessary groundwork prior to the submission of its first

report in April 1984. Comments are therefore requested by [] (DN we propose to allow six weeks from date of issue), and should be sent to []. A list of the bodies to whom the consultative document has been sent is in the appendix to this paper.

Composition and Membership

4. It is proposed that the review body should have a chairman and a maximum of seven other members, who would be appointed by the Prime Minister. The intention is that the review body should have some common membership with the Doctors and Dentists Review Body and the Armed Forces Pay Review Body.

5. Members of the review body would be appointed for their individual qualities. They should be completely independent, and none should be members of, or closely connected with, the professions whose pay is being reviewed. It is proposed that members should generally serve for a period of four years but may be reappointed for further terms.

Coverage

6. It is proposed that the review body should make recommendations about the pay of all qualified and unqualified staff whose pay and conditions of service are currently negotiated by the Nurses and Midwives Whitley Council and the full Professional and Technical 'A' Council. This approach would maintain the longstanding association between these groups in respect of their pay determination arrangements, ~~which was reflected in the Nalsbury and Clogg Reports.~~ The pay of groups currently negotiated in the wholly autonomous Sub-Committees 'A' and 'E' of the PTA Council would continue to be negotiated in the existing or an amended Whitley framework.

7. The review body would deal only with the remuneration of the groups concerned, leaving their terms and conditions of service to be negotiated elsewhere. Because of the important links between pay and terms of service, however, it would be necessary to make arrangements, similar to those which apply in relation to the Doctors and Dentists Review Body, for the review body to be kept fully informed of agreed or prospective changes in the terms of service, so

that it could have an opportunity, if appropriate, to express a view to the negotiators about the changes proposed in respect of their implications for pay. The Government proposes that the Department should be responsible for negotiating changes in the terms of service with staff interests and, jointly with those interests, for keeping the review body informed. In exercising these functions the Department would look for advice to NHS management.

Terms of Reference

8. The following terms of reference are proposed:

"To advise the Prime Minister on the remuneration, with effect from 1 April 1984, and subsequently, of:

- (i) Nursing staff, Midwives and Health Visitors employed in the National Health Service;
- (ii) Physiotherapists, Radiographers, Remedial Gymnasts, Occupational Therapists, Orthoptists, Chiropodists, Dieticians, Speech Therapists, and related grades employed in the National Health Service."

9. The Government will look to the review body to give due weight to economic and financial considerations, as well as to the recruitment, retention and motivation of the staff concerned, and will submit evidence to them on these matters.

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CDL Hunt
CS-Hunt

10 DOWNING STREET

From the Private Secretary

17 February 1983

NURSES' REVIEW BODY

Thank you for your letter of 16 February.

The Prime Minister agrees to answering a Written Question on the lines attached to your letter and to your Secretary of State circulating the draft consultation document attached thereto.

She has suggested one amendment to the consultation document: in paragraph 6 she would like to see "which was reflected in the Halsbury and Clegg Reports" deleted from line 7.

I am sending copies of this letter to the Private Secretaries to Members of E(PSP) and to Richard Hatfield (Cabinet Office).

M C. SCHOLAR

D.J. Clark, Esq.,
Department of Health and Social Security.

CONFIDENTIAL

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*Not Health
copy*

DEPARTMENT OF HEALTH & SOCIAL SECURITY
Alexander Fleming House, Elephant & Castle, London SE1 6BY

Telephone 01-407 5522

From the Secretary of State for Social Services

A M Russell Esq
Private Secretary to
The Rt Hon George Younger TD MP
Secretary of State for Scotland
Scottish Office
Dover House
Whitehall
LONDON
SW1A 2AU

21 February 1983

Dear Miss

NURSES' REVIEW BODY

No 10 are planning for the Prime Minister to announce tomorrow the publication of the consultation document. I enclose a copy of the final version of that document, as agreed with No 10 following my Secretary of State's minute of 11 February to the Prime Minister.

Copies go to Michael Scholar (No 10), the private secretaries to members of E(PSP), John Lyon (Northern Ireland Office), Adam Peat (Welsh Office) and Richard Hatfield (Cabinet Office).

Yours ever,

D J Clark

D J Clark
Private Secretary

CONSULTATION DOCUMENT: REVIEW BODY FOR NURSING AND MIDWIFERY STAFF AND PROFESSIONS ALLIED TO MEDICINE

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2. The Government proposes that the new review body should follow the same general pattern as the Doctors and Dentists Review Body. It may therefore be helpful to recall that the Royal Commission on Doctors and Dentists Remuneration which reported in 1960 identified three broad objectives: to avoid disputes over the remuneration of doctors and dentists; to provide an assurance to the staff concerned that their pay would be determined on a fair basis; and to provide fair treatment for the taxpayer. In order to achieve them, it recommended the establishment of a Doctors and Dentists Review Body. This is an independent body, which reports to the Prime Minister. Its secretariat is provided by the Office of Manpower Economics. The Review Body is free to determine its own method of working, obtain any information it requires and take evidence from interested parties. The Government has given an assurance that its recommendations will be accepted unless there are clear and compelling reasons for not doing so.

3. There are three important aspects of the Government's proposals relating to the establishment of the new review body on which interested organisations may wish to express views. These are: its composition and membership; the staff to be covered by its remit; and the terms of reference. Further details are given below. The Government is anxious that the review body should be established as quickly as possible so that it may have sufficient time to carry out the necessary groundwork prior to the submission of its first report in April 1984. Comments are therefore requested within 6 weeks of the date of the covering letter and should be sent to John H James, Room 77 Hannibal House, Elephant and Castle, London SE1 6TE. A list of the bodies to whom the consultative document has been sent is in the appendix to this paper.

Composition and Membership

4. It is proposed that the review body should have a chairman and a maximum of seven other members, who would be appointed by the Prime Minister. The intention is that the review body should have some common membership with the Doctors and Dentists Review Body and the Armed Forces Pay Review Body.

5. Members of the review body would be appointed for their individual qualities. They should be completely independent, and none should be members of, or closely connected with, the professions whose pay is being reviewed. It is proposed that members should generally serve for a period of four years but may be reappointed for further terms.

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7. The review body would deal only with the remuneration of the groups concerned, leaving their terms and conditions of service to be negotiated elsewhere. Because of the important links between pay and terms of service, however, it would be necessary to make arrangements, similar to those which apply in relation to the Doctors and Dentists Review Body, for the review body to be kept fully informed of agreed or prospective changes in the terms of service, so that it could have an opportunity, if appropriate, to express a view to the negotiators about the changes proposed in respect of their implications for pay. The Government proposes that the Department should be responsible for negotiating changes in the terms of service with staff interests and jointly with those interests, for keeping the review body informed. In exercising these functions the Department would look for advice to NHS management.

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9. The Government will look to the review body to give due weight to economic and financial considerations, as well as to the recruitment, retention and motivation of the staff concerned, and will submit evidence to them on these matters.

APPENDIX

LIST OF BODIES TO WHOM THE CONSULTATION DOCUMENT HAS BEEN SENT

Association of Hospital and Residential Care Officers
Association of Nurse Administrators
Association of Supervisory Midwives
Confederation of Health and Service Employees
General and Municipal Workers Union (MATSA)
Health Visitors Association
National and Local Government Officers Association
National Union of Public Employees
Royal College of Midwives
Royal College of Nursing
Scottish Association of Nurse Administrators
Scottish Health Visitors Association

Association of Clinical Biochemists
Association of Scientific, Technical and Managerial Staff
British Association of Occupational Therapists
British Dietetic Association
British Orthoptic Society
Chartered Society of Physiotherapy
College of Speech Therapists
Federation of Professional Organisations
Hospital Physicists' Association
Society of Chiropodists
Society of Radiographers
Society of Remedial Gymnasts

Regional Health Authority Chairmen and Regional Administrators, Medical Officers,
Nursing Officers and Treasurers,
Chairmen of Boards and Authorities in Scotland and Wales
Nurses and Midwives Whitley Council Management and Staff Side Chairmen & Secretary
Professional and Technical (A) Council Management and Staff Side Chairman &
Secretary
National Association of Health Authorities in England and Wales
Confederation of British Industry
TUC Health Services Committee
Scottish TUC

For Information

Association of County Councils
Association of Municipal Authorities
British Dental Association
British Medical Association
General Whitley Council
Convention of Scottish Local Authorities

~~Willy / Charlotte~~

~~PL get a que~~

PL get a question put down)

as in the
attachment
to D Clark's
letter home of
16 Feb

written - not priority - on Monday

- we shall probably answer on Tuesday. *

Already approved by PM; but let us
show her the answer in the usual way
so she is aware of the timing?

MCS 18/2

* depending on water workers' posⁿ.