



DEPARTMENT OF HEALTH & SOCIAL SECURITY

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Telephone 01-407 5522

From the Secretary of State for Social Services

The Rt Hon Viscount Whitelaw PC CH MC
 Lord President of the Council
 68 Whitehall
 LONDON
 SW1

21 March 1984

Dear Willie.
Minutes with AT.

HOME AND SOCIAL AFFAIRS COMMITTEE: FAMILY PRACTITIONER SERVICES

At the meeting on 1 February, I was invited to discuss with the Secretaries of State for Scotland and Wales and the Chief Secretary how we might move ahead in strengthening financial control of the Family Practitioner Services. I am writing to report our conclusions.

H Committee's main concern was that, if the Binder Hamlyn Report were published without any indication of the Government's views, it might provoke so much hostility that it would be even more difficult to make progress afterwards. That is a view which we all now accept. However, we also think it necessary to go wider than the simple question of the Binder Hamlyn Report and the Government's views on it. We have concluded that the best way to win the argument about the need to control costs within the Family Practitioner Service is to set it in the context of the Government's commitment to effective primary care and of a positive strategy for controlled development of Family Practitioner Services. The objective would be to undermine the assumption that control of cost is inconsistent with development of services to meet patients' needs; to bring out the financial implications of trends in expenditure in the light of the Government's financial policies; and to create a sensible climate in which discussions can proceed with the contractor professions and the drug industry about cost control.

We have concluded that this can best be done by means of a Green Paper on the development of the Family Practitioner Services as a whole. It would review briefly the growth in expenditure and developments in services over recent years - for which we can take full credit. It would bring out the financial implications of trends in expenditure and the important distinction between increases

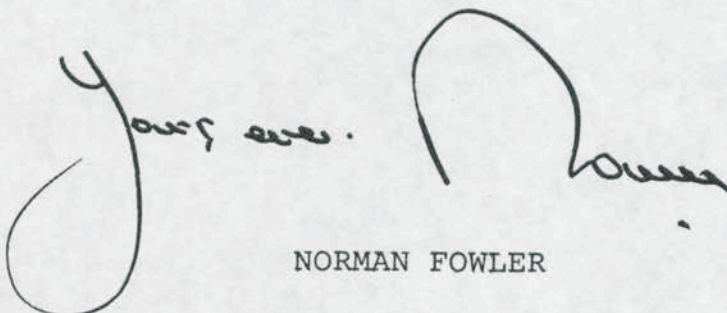
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in expenditure arising from the system itself and those which relate to specific policy developments. And it would seek to define the Government's objectives in terms of services to be provided and the needs of patients as much as the need to control costs.

The Binder Hamlyn Report would, on this presentation, be an input to the discussion rather than a prescription on which the Government had to make a specific set of decisions. I am sure that this approach will leave the Government in a stronger position to determine the nature of the debate which ensues.

As George Younger, Nick Edwards, Peter Rees and I are in agreement about the way to proceed, I doubt if further discussion in H Committee is necessary. We are agreed that the Green Paper should cover Great Britain and that I should arrange for a draft to be prepared in consultation with the other Departments. If you and other colleagues are content, I will set the work in hand on the lines of the enclosed note.

I am copying this letter to the other members of H Committee, to the Prime Minister and to Sir Robert Armstrong.

A handwritten signature in black ink, appearing to read 'Norman Fowler', with a large, stylized initial 'N'.

NORMAN FOWLER

GREEN PAPER ON FAMILY PRACTITIONER SERVICES

1. Purpose

The purpose of the Green Paper would be:-

- i. To present achievements in and progress of primary health care services. (The document would focus on family practitioner services, but would need to deal also with the community health services provided by District Health Authorities, and would outline the overall strategy for primary health care.)
- ii. To promote discussion of the prospects for these services over the next five years, opportunities and problems and broad options for the development and financing of the services. The broad theme would be controlled development of the family practitioner services.
- iii. To provide a context for the publication of the Binder Hamlyn report and possibly of the report of the Advisory Committee on Medical Manpower.
- iv. To prepare the ground for measures to control the development of the services and increase charges to help financing.
- v. To set the context for continuing negotiations with professions and pharmaceutical industry.

2. Audience

- i. Parliament, informed opinion among those who use and pay for the services, up-market media (with popular presentation of key messages), consumer bodies.
- ii. Service providers, health professions, health authorities, pharmaceutical industry.

3. Presentation

Short, aiming to bring out key issues in punchy way; good visual presentation of key data - format similar to 'Health Care and Its Costs'.

4. Contents

The paper would be in two main halves:-

- i. Backward looking: the objectives of the services as set out in legislation and policy statements; progress over the last five years in the context of longer term trends. Key figures on resources used (money, manpower), services delivered (intermediate outputs, evidence on quality and consumer satisfaction, impact on health).
- ii. The forward look (over the present PESC period and, more tentatively, beyond):

- trends on present policies - resources required and services delivered;
- opportunities (eg, contribution to more efficient and effective pattern of care) and problems (eg, money available and risks of mismatch between money and manpower);
- options for development and control of services including, for example, growth in and control of prescribing costs; growth in and controls on practitioner numbers, support staff and facilities;
- financing options.

iii. Each half would contain sections on:

- general medical and pharmaceutical services, including PPRS issues, economy in prescribing;
- community nursing services and other forms of support from the district health services;
- general dental services;
- ophthalmic services;
- overall perspective on primary health care.

The forward-looking section would also cover our objectives for the reorganised FPCs and for the future of FPS administration.

iv. We should be drawing mainly on work already done and information already available or shortly to be available. The Green Paper might point up key work in hand or needing to be undertaken. It would draw where relevant on current studies involving Treasury.

5. Timing

Factors to be considered are the extent to which publication of Binder Hamlyn can be delayed, the timing of charging increases, key negotiations with the professions and the drug industry and relationship to the next PESC round and the time necessary to do a proper job. June is tentatively suggested as a target which would be defensible for publication of Binder Hamlyn and, would give a feasible time-table for preparation. It would make it possible for the response to the document to feed into decisions on charging in 1985-86, the next PESC round and decisions on the legislative programme. Final decisions on timing would be taken when work was further advanced, having regard to likely reactions of the professions.



cc: LPO
 LCO
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 DES
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 LPSO
 CDLO
 J&P
 CSO
 D/Trans.
 CWO
 Lord Denham
 CO

bc John Redwood

10 DOWNING STREET

From the Private Secretary

26 March, 1984

Home and Social Affairs Committee:
Family Practitioner Services

The Prime Minister has seen your Secretary of State's letter to the Lord President of 21 March. She agrees with the suggestion that a Green Paper should be published alongside the Binder Hamlyn Report.

She hopes that the timetable for receiving comments and for responding to them will be brisk enough to feed into decisions in the next PES round.

I am copying this letter to Private Secretaries to members of H Committee and to Richard Hatfield (Cabinet Office).

ANDREW TURNBULL

S. Godber, Esq.,
 Department of Health and Social Security
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JK

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22 March 1984

~~MR TURNBULL~~

Prime Minister (2)


Agree issue of a Green Paper on
Binder Hamlyn.

AT 24/3

FAMILY PRACTITIONER SERVICES

I have read Norman Fowler's letter to Willie Whitelaw, and think it makes a great deal of sense.

Our two caveats are that the timetable should be brisk enough to ensure that financial control in the Family Practitioner Services is strengthened prior to the next PESC round, and that the publication of the Green Paper should not stop preparation of the necessary policy work to ensure delivery of more for less.



Yes no

JOHN REDWOOD

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NPM
AT
4/4
CC NO

PRIVY COUNCIL OFFICE
WHITEHALL, LONDON SW1A 2AT
4 April 1984



Dear Mr. ...

**HOME AND SOCIAL AFFAIRS COMMITTEE:
FAMILY PRACTITIONER SERVICES**

Thank you for your letter of 21 March suggesting that the Binder Hamlyn Report on Financial Control in the Family Practitioner Services would best be released in the context of a Green Paper setting out the Government's strategy for development of FPS generally.

I share your view which I note reflects agreement with George Younger, Nick Edwards and Peter Rees that the Binder Hamlyn proposals are best released publicly in the context of such a strategy document. In the absence of dissent from other members of H Committee you may take it that you have our agreement to that approach provided you let members have an opportunity to comment on the draft of the Green Paper before you publish. However, in my capacity as Chairman of QL Committee, I must draw attention to its possible consequences for the preparation and content of your Health and Social Security Bill for next Session. Paragraph 5 of the enclosure to your letter suggests publication of the Green Paper in June and argues that it would be possible for the response to the document to "feed into" decisions on the legislative programme. At the time of consideration by QL Committee I expressed my anxiety about the timetable for preparation of your Bill, and I can only say that it has now increased. If you publish a Green Paper on FPS in June, how long are you proposing to allow for comment and then for taking subsequent policy decisions about the content of that part of your Bill? Once time is also allowed for drafting of the necessary provisions, I do not see how you can keep to your target of introduction at or near the beginning of

The Rt Hon Norman Fowler MP

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the Session. I am very concerned about the Bill as a whole, and I should be grateful if you would let me know what timetable you now have in mind for preparation of this and other parts of the Bill.

I am sending copies of this letter to the Prime Minister, to other members of H and QL Committees, to First Parliamentary Counsel and to Sir Robert Armstrong.

*As the
letter*

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SECRETARY OF STATE
FOR
NORTHERN IRELAND

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LONDON SW1A 2AZ

NBP 07

AT 2/4

The Rt Hon Norman Fowler MP
Secretary of State for Social Services
Department of Health and Social Security
Alexander Fleming House
Elephant and Castle
LONDON
SE1 6BY

30 March 1984

Alan Moran

HOME AND SOCIAL AFFAIRS COMMITTEE: FAMILY PRACTITIONER SERVICES

Thank you for sending me a copy of your letter of 21 March to Willie Whitelaw about strengthening financial control of the Family Practitioner Services.

I agree that this matter can now best be taken forward as you suggest through the publication of a Green Paper on the development of the Family Practitioner Services as a whole. I am content that further discussion in H Committee is unnecessary and that you should proceed with the preparation of the Green Paper on the lines set out in the Annex to your letter. Whilst the proposed Green Paper will relate only to Great Britain I should of course wish to consider its implications for Northern Ireland so that we can as far as possible maintain parity with the rest of United Kingdom, and I look forward therefore to seeing a draft in due course.

I am copying this letter to other members of H Committee, the Prime Minister and Sir Robert Armstrong.

Alan Moran

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PHS

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