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**DEPARTMENT OF HEALTH AND SOCIAL SECURITY**  
Alexander Fleming House, Elephant & Castle, London SE1 6BY  
Telephone 01-407 5522

*From the Secretary of State for Social Services*

The Rt Hon George Younger MP  
Secretary of State for Scotland  
Scottish Office  
Dover House  
Whitehall  
London SW1

4 January 1984

Dear George

**PAY OF HEALTH AUTHORITY CHAIRMEN**

As you know, in recent years the level of honorarium payable to health authority chairmen has been treated as a consequential of Top Salaries Review Body recommendations and, until last year, the practice was to implement in full the increases approved by Treasury for part-time Board chairmen. Following TSRB Report No 18, however, we decided to implement only a 6 per cent increase with effect from 1 April 1982, in line with the increase we were offering to NHS workers.

We now have TSRB report No 19, the new rates arising from which have been approved by Treasury, allowing an increase of 7 per cent from 1 August 1983 and a further 3.7 per cent from 1 January 1984. Overall these amount to an increase of about 11 per cent in a full year and grossed over the 2 years from 1 April 1982 they represent an increase in the order of approximately 17 per cent although the actual increase in 1983/84 amounts to about 5.6 per cent. While the grossed up increase is higher than that payable to nurses and other workers, as we held back chairmen's pay last year in circumstances which do not apply in the current year, it seems to me that, subject to colleagues agreement, these increases should be implemented in full. It also occurs to me that to allow the remuneration of health authority chairmen to slip further out of line with the pay of part-time board chairmen across the public sector might create or increase difficulties in getting the right kind of people for these important posts. In line with previous practice, I would not propose to make an announcement.

When I wrote to you on 26 November 1982 about the 1982 award, I also mentioned that I would want to consider later the future level of remuneration for chairmen. I suggest that this might best be done, in the light of the Management Inquiry's report. But in the meantime I do not think we should hold up the overdue 1983 award until we have completed our consideration of the Inquiry's advice.

I am copying this letter to the Prime Minister, Nicholas Edwards, Jim Prior and Peter Rees.

Yours  
Norman Fowler

NORMAN FOWLER

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NBPM

AT 20/1

SCOTTISH OFFICE  
WHITEHALL, LONDON SW1A 2AU

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

18 January 1984

Dear Norman,

PAY OF HEALTH AUTHORITY CHAIRMEN

Thank you for your letter of 4 January 1984 suggesting that, in line with the recommendations of TSRB Report No 19, the pay of health authority Chairmen should be increased by 7% from 1 August 1983, with a further increase of 3.7% from 1 January 1984.

I agree that we should increase the remuneration of Chairmen in line with the TSRB recommendations.

With regard to your point about the future level of remuneration for Chairmen, I would agree also that this should be reviewed in the light of the Management Inquiry's report. John Mackay was in correspondence with Barney Hayhoe about this matter in the early part of last year, and we agreed then that it was sensible to await the outcome of that Inquiry. One of our particular concerns here has been that generally speaking Scottish Chairmen are paid less than their English counterparts, and I would hope to rectify this anomaly in due course. Inevitably, however, despite some concern on this point, initial attention here to the implications of the Griffiths Report for Scotland has been directed primarily to the general management arrangements rather than the role of Chairmen.

I agree therefore that we should not hold up implementation of the 1983 award, and subject to the agreement of colleagues, I would propose to implement it with as little delay as possible.

I have copied this to the Prime Minister and the other recipients of your letter.

Yours ever,  
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18 JAN 1984



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From The Secretary of State for Wales

Rt Hon Nicholas Edwards MP

6 March 1984

*De Nam*

PAY OF HEALTH AUTHORITY CHAIRMEN

I have seen your letter of 4 January to George Younger, and his reply together with those of Jim Prior and Barney Hayhoe.

I agree with George and with Jim that on this occasion we really must increase Chairmen's honorarium in line with the TSRB recommendations. An increase of only 5.6% from 1 April 1983 would place Chairmen at a disadvantage in the next financial year and would exacerbate the problems of persuading the right people to take on these very important jobs. In this context I also agree with your suggestion that the future level of remuneration should be reviewed in the light of the Management Inquiry's report.

I am copying this to the Prime Minister and the other recipients of your letter.

*John*  
*Nev*

The Rt Hon Norman Fowler  
Secretary of State for Social Services  
Department of Health and Social Security  
Alexander Fleming House  
Elephant and Castle  
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Nat Health: Reappointment & remuneration of  
Health Authority Chairman May 81.



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SECRETARY OF STATE  
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The Rt Hon Norman Fowler MP  
Secretary of State for Social  
Services  
Department of Health and Social Security  
Alexander Fleming House  
Elephant and Castle  
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13 February 1984

*Dea Maman*

PAY OF HEALTH AUTHORITY CHAIRMAN

I have seen your letter of 4 January about the proposed increase in the honorarium paid to health authority Chairmen, and George Younger's reply of 18 January. I note that your proposal was subject to the agreement of colleagues.

I agree that, in line with TSRB recommendations, the level of honorarium should be increased by 7% from 1 August 1983 with a further increase of 3.7% from 1 January 1984.

On the question of what the future level of remuneration of Chairmen might be, I agree entirely with your suggestion that such a review should be carried out in the light of the Management Inquiry's Report. However, this need not, as you say, delay the implementation of the 1983 award and I would propose to apply the increases to the Chairman of equivalent bodies in Northern Ireland.

In his letter of 18 January, George Younger referred to his desire to correct the anomaly whereby generally speaking Scottish Chairmen are paid less than their English counterparts. As you will know, the honoraria paid to the Chairmen of Health and Social Services Boards are linked to those paid to Scottish Chairmen. Should the Scottish basis of calculating honoraria change, then I should want to consider the need for a similar adjustment in Northern Ireland.

I am copying this letter to the Prime Minister and the other recipients of yours.

*George Younger*

National Health: Charman

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