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DEPARTMENT OF HEALTH & SOCIAL SECURITY

Prime Minister

Alexander Fleming House, Elephant & Castle, London SE1 6BY

Telephone 01-407 5522

From the Secretary of State for Social Services

Agree?

Or would you like

'Consider' removed?

ML 18/7

15 JULY 1983

It must be shorter

See below

pb

The Rt Hon Nigel Lawson MP
Chancellor of the Exchequer
Treasury Chambers
Great George Street
LONDON SW1

Dear Chancellor

NURSES REVIEW BODY

I have now had an opportunity to consider the comments which have been received on the Government's proposals for the new pay review body for nursing and midwifery staff and the professions allied to medicine.

On the whole the principle of establishing a review body has been well received, and I think that the aim should be to proceed to an early announcement, if possible including the name of the Chairman, so that the review body can begin its task as quickly as possible. There are a few important issues where I should be glad to have colleagues' agreement to the way in which I propose they should be handled.

The RCN, with the support from the BMA and the Health Visitors Association, has pressed very strongly for the exclusion of nursing auxiliaries and other unqualified nursing staff from the scope of the review, and had a meeting with the Prime Minister on 29 June. The Prime Minister indicated that the Government were already committed to seeking improved pay determination arrangements for all nursing staff, unqualified as well as qualified, and could not go back on that. It was however agreed that the Review Body should deal separately with qualified and unqualified nursing staff. Discussion then centred on the principle that Review Bodies are available only for staff groups which do not engage in industrial action - an important consideration because all the unqualified staff (and a minority of qualified staff) belong to trade unions affiliated to the TUC which, unlike the RCN, do not have a ban on industrial action. As we have always made clear, our position is that we are prepared to offer a review body to the nurses and other related staff groups in recognition of the fact that, taken as a whole, they refrain from industrial action. I propose that we should make this even more explicit in any statement about the new Review Body by indicating that, if any groups of staff within its remit take industrial action, (we shall urgently and seriously consider) amending its terms of reference to exclude them from future reviews.

'Consider' ?

for heading substitute

'it is our intention to amend'

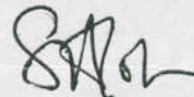
The RCN, with a measure of support from other staff bodies, have also argued that the scope of the review body is too broad in covering both nurses and the professions allied to medicine, and have suggested that there should be two review bodies. I do not think we can or should accept this proposition, but propose that we should ask the Review Body to submit separate reports on the two groups (which I would expect them to do anyway). Some requests have been received for the inclusion of other groups of staff, notably biochemists and hospital chaplains, within the scope of the Review Body arrangements, but I feel unable to recommend any changes of this sort. The speech therapists have asked to be left out, and I think we can agree to this.

There has also been comment on the proposal to replace the two Whitley Councils concerned by direct negotiations on terms and conditions of service between the Department and staff interests. Some management interests and most staff associations, apart from the RCN, have argued that the Whitley Council should continue, perhaps in a streamlined form. Some management interests have sought to circumvent the difficulty by suggesting inclusion of terms of service in the review body's remit; but I do not believe this is practicable. My own view is that the Department acting under the instructions of Ministers must take on the responsibility for these negotiations, which can have such a bearing on pay settlements. We can head off the objections by stressing - which appears not to have been sufficiently appreciated - that the Department will look to NHS management for advice and assistance in negotiating terms of service. Staff Sides can be assured that our proposals do not undermine their right to choose their own negotiators.

I should be grateful to know whether colleagues are content that I should proceed on these lines. If so, I will let the Prime Minister have the text of a draft statement.

I am sending copies of this letter to the Prime Minister, other members of E(PSP), the Secretaries of State for Scotland, Wales and Northern Ireland and to Sir Robert Armstrong.

Yours sincerely



N NORMAN FOWLER

(Approved by the Secretary of State but signed in his absence)

Nat. Health: Nurses Pt 2

18 JUL 1983





10 DOWNING STREET

From the Private Secretary

19 July 1983

DVA
ce DM
CDLO
CS HMT
DOE
LPO
HMT
CO
NLO
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SO
be Nick Owen

Dear Steve,

Nurses Review Body

The Prime Minister has seen a copy of your Secretary of State's letter to the Chancellor of the Exchequer of 15 July with his proposals for the setting up of the new pay review body for nursing and midwifery staff and the professions allied to medicine.

The Prime Minister agrees generally with your Secretary of State's proposals. But she would like the reference to the exclusion of industrial action, at the bottom of the first page of your letter, to be strengthened. The Prime Minister has suggested that instead of saying that the Government "will urgently and seriously consider" amending the review body's terms of reference to exclude those who take industrial action from future reviews, the Government should say that "it is the Government's intention to amend" these terms of reference in the event of industrial action.

I am sending copies of this letter to the Private Secretaries to the other members of E(PSP), Muir Russell (Scottish Office), Adam Peat (Welsh Office), John Lyon (Northern Ireland Office) and Richard Hatfield (Cabinet Office).

Yours sincerely,

Michael Scholar

Steve Godber, Esq.,
Department of Health and Social Security.

CONFIDENTIAL

Law



NORTHERN IRELAND OFFICE
GREAT GEORGE STREET,
LONDON SW1P 3AJ

SECRETARY OF STATE
FOR
NORTHERN IRELAND

NBPM

Mus 25/7

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

25 July 1983

Ken Mowat

NURSES REVIEW BODY

I have seen a copy of your letter of 15 July 1983 to Nigel Lawson with your proposals for the new pay review body for nursing and midwifery staff and professions supplementary to medicine.

I am glad to learn that the principle of establishing a review body has been well received and would agree that an early announcement of its establishment is desirable. Although the terms of reference of the review body (like those of the Review Body for Doctors and Dentists) would not extend to Northern Ireland, in practice I am, as you know, committed to a policy of parity with NHS pay for corresponding groups of staff in the health services there.

As far as the way forward is concerned I am content with your proposals subject to the Prime Minister's point on the strengthening of the Government's line in the event of industrial action. I also share your view that it would be impracticable to include terms of service in the review body's remit. This issue would be much better dealt with by direct negotiation between your Department (with advice and assistance of NHS management) and negotiators from the professions.

I am copying my letter to the recipients of yours.

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Nat Health
Nurses Pam 1
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25 JUL 1983



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GWYDYR HOUSE
WHITEHALL LONDON SW1A 2ER
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Oddi wrth yr Is-Ysgrifennydd Seneddol



WELSH OFFICE
GWYDYR HOUSE
WHITEHALL LONDON SW1A 2ER
Tel: 01-233 3000 (Switchboard)
01-233 7448 (Direct Line)
From The Parliamentary Under-Secretary

Our Ref: CT/5220/83

25 July 1983

Dear Norman,

NURSES REVIEW BODY

Thank you for copying to me your letter of 15 July to Nigel Lawson outlining your proposals for setting up the new pay review body for nursing and midwifery staff and the professions allied to medicine. I am broadly content with these and I imagine you will be consulting further about the name of the Chairman.

I agree that it makes sense for the Review Body to deal separately with the qualified and unqualified groups of staff and I endorse the need for the statement to be explicit about the implications of industrial action by any staff coming within its remit. The proposal that the Review Body should submit separate reports on nursing staff and the professions allied to medicine is sensible and I do not believe we should further widen its scope.

As regards the arrangements for negotiating on terms and conditions of service you will of course recognise that our responsibility for and to the Health Service in Wales requires a Welsh input. There have been discussions on this between our officials and I am sure we can leave it to them to work out the detail of how this is achieved.

I am copying this letter to the recipients of yours.

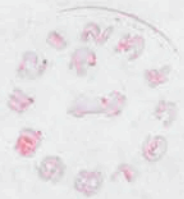
Yours sincerely
Wyn Roberts

WYN ROBERTS

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

Not Health,
Nurses Pam 1
Pt 2

258 JUL 1959





SCOTTISH OFFICE
WHITEHALL, LONDON SW1A 2AU

gno
Prime Minister (2)

CONFIDENTIAL

The Rt Hon Nigel Lawson MP
Chancellor of the Exchequer
Treasury Chambers
Great George Street
LONDON SW1

Mus 22/7

22 July 1983

Dear Nigel,

NURSES REVIEW BODY

I support the proposals made in Norman Fowler's letter of 15 July for setting up the new pay review body for nursing and midwifery staff and the professions allied to medicine. It seems important to have the review body launched as soon as possible so that it can embark upon the necessary ground work for a report on pay from next April.

I agree that the review body should be asked to distinguish in its reports between the factors which bear respectively on the pay of qualified and unqualified nursing staff. In some respects - notably the supply of suitable people - these are quite distinct one from another and different outcomes can be expected. I also think it sensible to ask the review body to prepare separate reports on the two main groups which it embraces. The current close links between nursing grades and some of the allied professions are largely based on convenience and custom rather than detailed analysis and it would be helpful to see these groups considered more clearly on their own merits.

My officials will be ready to play their part in direct negotiations with staff interests on terms and conditions of service, and to ensure that the necessary links are established with Scottish Health Service management.

Copies of this letter go to the Prime Minister, members of E(PSP), the Secretaries of State for Wales and Northern Ireland and to Sir Robert Armstrong.

*Yours sincerely,
George*

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22 JUL 1963

