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DEPARTMENT OF HEALTH & SOCIAL SECURITY

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

Telephone 01-407 5522 ext 6981

From the Permanent Secretary

Sir Kenneth Stowe KCB CVO

Prime Minister

DHSS were greatly concerned - understandably -

about X.

Y is an important point, which we must make sure is understood, in the material we get put round to Ministers.

23 September, 1982

MLs 27/9

The results aren't good on patients' views! MS

Michael Scholar, Esq.,  
No. 10 Downing Street,  
London SW1

Dear Michael

NHS - STAFF AND BEDS

x/ The Prime Minister mentioned to my Secretary of State that she had been approached by a journalist about NHS manpower who told her that he could not get the information that he wanted from DHSS. My Secretary of State undertook to look into this and I have pursued it myself.

... Your Press Office were not able to give us any clues as to whom the journalist might be but I deduce from the attached press cutting that it might be Woodrow Wyatt who has phoned our press office on several occasions. I cannot identify a particular occasion or a particular subject on which the Press Office can recall that they were unable to give Mr. Wyatt what he wanted but they are in any case well kitted up with our activity figures and should be in a position to be forthcoming.

y/ It is, of course, possible that the journalist was looking for figures which supported a thesis which is not tenable. The Prime Minister has been careful, I think, not to construct a simple correlation between NHS manpower and NHS beds. This is wise because the NHS does not treat beds, but treats patients. It is apparent from the figures I left with you that in terms of patients treated there has been an enormous increase in NHS activity especially in the category of day patients. Given that the thrust of medical development now is towards shorter periods of more intensive treatment where hospitalisation is necessary, it is absolutely to be predicted

attached at plug A

Contd.....

that the number of beds will be reduced in relation to manpower as the through-put increases. We evidently did not succeed in keeping Woodrow Wyatt out of the simple non-sequitur that occurs when these basic facts are not understood. It is most important that they should be, otherwise I can see a stinging rebuke coming from the Presidents of the Royal Colleges.

None of this means, of course, that my concern about waste of manpower in the NHS is disposed of. My Secretary of State will be making proposals on that as soon as ~~he~~ can.

Yours sincerely,

Ken

# Woodrow Wyatt



**HUMBUG.** That is the word for all that weeping for the nurses by TUC delegates last week.

It also describes James Callaghan's support for the illegal strikes planned by the TUC for September 22. That's ostensibly on behalf of the nurses and NHS workers.

Why is it all humbug? Because nurses were in a worse position when Mr Callaghan was Labour prime minister and head of the Labour movement.

Since 1979, the wage bill for nurses has gone up from under £1,500 million to over £2,600 million a year. That's an increase of 82 per cent.

## More nurses

As the present Government have recruited more nurses, each nurse has not had an 82 per cent rise. But look at some typical cases.

A state registered nurse on £3,600 a year in March, 1979, was getting £5,842 a year by April, 1981. A ward sister on £4,688 in March, 1979, rose in the same period to £7,640.

Between March, 1979, and the time of the current dispute, the average pay of individual nurses has risen by 81 per cent. In the same period, the Retail Price Index has risen by only 49 per cent.

The nurses have made a substantial gain in real spending power since Mr Callaghan was prime minister and approved by the TUC. Nurses have now been offered a still bigger gain of an increase of 7½ per cent.

## Cheap lodgings

Even before the 7½ per cent increase, an 18-year-old student nurse gets £69.72 a week in her first year. (For those who want to live in, average lodging charges are less than £7 a week). In her third year, she gets £78.15 a week. When she becomes a 21-year-old staff nurse, she is on a minimum of £99.85 a week.

Yet still the nurses are urged by the TUC and Mr Callaghan to reject the 7½ per cent increase. A very different tune from when Mr Callaghan's government were paying and

## NURSES HAVE

## NEVER HAD

## IT SO GOOD

offering them much less than today in real terms.

And what about the rest of the National Health Service workers? Between 1971 and 1981, the NHS staff in England rose from 629,700 to 820,700.

In the same period, the number of beds available sank from 516,097 to 363,000. Who can doubt that the NHS is overmanned and under productive?

Miners' leader Arthur Scargill gave the game away on Tuesday.

To uproarious applause, he said:

"If we take strike action on September 22, we shall not only be supporting the nurses and Health Service workers . . . we shall be saying to this Government that we are not prepared to accept the legislation, we are not prepared to see our movement destroyed."

The nurses' understandable popularity is being exploited by Mr. Scargill and his friends to justify breaking laws they don't like.

Activity	1961	1971	1976	1980
<b>Hospital Services</b>				
In-patient cases <sup>+</sup> (including day cases)	4,035	5,171	5,735	6,341
Increase during period (% change)	1,136(28%)	564(3%)	606(13%)	
Out-patient attendances (including accident emergency)	40,133	46,260	45,473	48,296
Increase during period (% change)	6,127(15%)	-787(-2%)	2,823(8%*)	
Regular day patient attendances	445	2,839	4,671	5,289
Increase during period (% change)	2,394(538%)	1,832(65%)	618(17%*)	
<b>Community Health Services</b>				
Health visiting - cases attended	N/A	4,201	3,887	3,817
Increase during period (% change)	N/A	-314(-7%)	-70(-2%*)	
Home nursing - persons nursed	1,341	1,670	2,780	3,421
Increase during period (% change)	329(25%)	1,110(66%)	641(30%*)	

Hospital and Community Health Services Activity $\phi$ - % change	28%	5%	12%*	15(1981)
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Manpower (whole-time equivalent**)	1961	1971	1976	1981 (provisional)
Medical and dental	19	27	33	37
Increase during period (% change)	8(42%)	6(22%)	4(12%)	
Nursing and midwifery	226	309	360	388
Increase during period (% change)	83(37%)	51(17%)	28(8%)	
Professional and technical	25	39	52	63
Increase during period (% change)	14(56%)	13(33%)	11(21%)	
Administrative and Clerical	47	69	95	105
Increase during period (% change)	22(47%)	26(38%)	10(11%)	
Ancillary	142	168	174	172
Increase during period (% change)	26(18%)	6(4%)	-2(-1%)	
Others	31	37	42	45
Increase during period (% change)	6(19%)	5(14%)	3(7%)	
Total NHS directly employed staff	490	649	755	811
Increase during period (% change)	159(32%)	106(16%)	56(7%)	

**Expenditure (£ million November 1980 prices)**

NHS gross current expenditure	N/A	7618.8	8811.9	9609.5
Increase during period (% change)	N/A	1193.1(16%)	797.6(9%)	

\*/+/\*\* see notes overleaf

Note

\* Statistics on day cases are not available prior to 1972. The same growth rates have been assumed for day cases and in-patients before this date.

\* The growth rates given here relate to the period 1976-81 to enable comparison with manpower and activity figures. Activity figures for 1981 are not yet available and the ~~w~~ks have been based on an extrapolation of trends in 1976 to 1980.

∅ This combined growth rate has been derived by weighting the rates of change in the various services by their expenditure share in the base year 1980.

\*\* Figures for 1981 (except Medical and Dental) are provisional. All figures exclude DEB and PPA staff, locum medical/dental staff, agency nursing staff and nursing cadets. The exclusion has been necessary to construct a consistent series covering the period 1961 to 1981. The figures used here cover over 97% of NHS staff in 1971 and 1981.

Figures prior to 1974 have been adjusted to reflect the changes in 1974 when local authority staff providing community health services were incorporated into the NHS. Adjustments have also been made to reflected changes in the basic working week between 1961 to 1981. Mr Howell's analysis of manpower/activity figures are misleading for a number of reasons.

i. Figures quoted by Mr Howell for the years 1960, 1970 and 1980 are a mixture of headcounts and whole-time equivalents. The proportion of part-time staff has increased significantly since 1960. (For example the headcount figure of 1,228,000 for the UK in 1980 is equivalent to 990,000 wte).

ii. Mr Howell has treated the transfer of staff from local authorities in 1974 as a true increase without adjusting the figures for earlier years and figures throughout have not been adjusted to take into account changes in working hours.

iii. In comparing these manpower figures to occupied beds over the period, Mr Howell is concentrating on one area of patient activity only - in-patient, and ignoring other areas (eg out-patients, day cases, day patients, community services) which have expanded over the period. More importantly beds are not a good measure of activity. As the activity figures show, more patients have been treated through a reducing number of beds resulting in a more intensive use of resources and lower average costs per case. The aim of the NHS is not ~~simply~~ to fill beds but to treat more patients and this is not reflected in the bed figures.