Letter from Westminster

Labour fears on voluntary fund raising

WILLIAM RUSSELL

The Cabinet has now done most of the sums for the public spending plans. These will be set out in the White Paper that will be published a week or so before the Budget next month. So far as the additional £1000m spending cuts for 1980-1 are concerned—they will also be covered by the White Paper—it looks as if the NHS has got off remarkably lightly. One Cabinet minister described the Health Service to me rather ruefully as “sacrosanct.” It may not seem like that to the NHS, which is “skint,” according to a Scottish doctor I heard speaking the other day at a medical dinner; but it could have been much worse. At

least doctors will be spared the difficulties of having to administer new NHS charges—for the time being anyway. The Government is standing by its commitment to keep to Labour’s gross spending plans, which envisaged a $\frac{1}{2}\%$ increase in the coming financial year and an average of 1.6% in the two subsequent years. For the 1983-4 figure we must wait for the White Paper. Translated into money the percentages mean that estimated expenditure for 1979-80 has been £7930m, while planned expenditure for 1980-1 is £8170m.

The indications are that the plans for the subsequent years have not been affected by the Cabinet’s decisions and Mr Patrick Jenkin, Social Services Secretary, has secured an assurance from his colleagues that cash limits for the NHS will be realistic. Ministers fully recognise that it would be inconsistent with their pledge to sustain Labour’s growth targets if they tried to use the cash limit system to achieve a volume squeeze. It would, for instance, be wrong to set a 13% cash limit for next year if they took the view that there would be a 16% overall increase in costs, pay, and prices. That would be to impose a 3% cut.

Health Services Bill in committee

The message for NHS authorities, however, is quite clear. They must learn to live within the cash limits and a statutory duty to do so is imposed in the Health Services Bill, which has now started on its Commons committee stage. The Opposition’s tactics in committee vary considerably. It can, for instance, be seen as a good thing to slow down a Bill’s progress by means of procedural objections or a filibuster. The ability to “waste” Government time is one of the Opposition’s most useful Parliamentary powers. There is, however, a price to pay. Time spent on points of order is time not spent debating the issues. Mr Roland Moyle, the former Health Minister, who is leading for the Opposition on the Bill, is intent on seeing that the issues get ventilated. One of the Bill’s proposals that Labour will be bitterly contesting is the powers it would give local health authorities to hold all sorts of fund-raising events.

Some doctors may be enthusiastic at the prospect of being able to indulge a hankering to play an entrepreneurial part but Labour MPs are appalled at the possibilities the Bill seems to open up. They are, in particular, totally against the idea that NHS employees could be sent out on the streets with begging bowls. Charitable help is one thing but these plans, they argue, must be seen against the present economic difficulties with rising costs, an expanding private sector, and the restrictions on Government money.

Given that there is going to be such a shortage, local health authorities are clearly going to be tempted to use their new fund-raising powers—indeed, forced to use them. The Bill allows them to hold public appeals, collections, competitions, entertainments, bazaars, and sales of produce or other goods. Labour will try to delete each in turn but, given the Government majority on the committee, it is likely to fail. Where they could stand a chance is in writing in some of the things they regard as undesirable. Mr Moyle has, for instance, tabled an amendment to ban cigarettes from being offered as prizes, though pipe tobacco and cigars escape. This is because, he points out, there is no evidence that they cause bronchitis, cancer, emphysema, or heart disease. He also wants lavish promises of alcohol banned—a couple of bottles of sherry might be reasonable as a prize, but a year’s supply of your favourite beer would not.

He is going to try to write in provisions to prevent the exploitation of women in the name of raising funds—by which he means beauty contests, a degrading if popular activity, and “girlie” shows. The exploitation of minors also concern him, and he wants a ban on sponsorship arrangements that would result in an agreement to identify “any person, product, company, trade mark, or family title.” Sponsoring a good cause is a favourite way for a dubious commodity to try to get some spurious respectability by association—and some hospitals would be attractive prospects. In an attempt to frustrate the Treasury from using fund-raising success as an excuse for reducing the cash grant to an authority, Labour is tabling an amendment that would make the sum raised confidential. Not only would it not be disclosed to the Secretary of State but other health authorities would not be told either.

Another proposal in the Bill which Labour will challenge is the Government’s decision to ignore the Royal Commission and retain family practitioner committees. Mr Moyle thinks that the Government could have waited until the consultations on the new administrative structure set out in the Bill had been completed and Labour will try to have the Commission’s proposal substituted. This was that the duties of a family practitioner committee should be carried out by a subcommittee of the health authority. If that fails they will try at least to ensure that the community health council for the area has an observer on the authority. The Opposition is also unhappy about the Bill’s proposals for the General Practice Finance Corporation, which has its borrowing powers raised from £25m to £100m and is to be enabled to lease premises to general practitioners. The corporation was set up under the 1966 Act to make loans to NHS general practitioners to acquire and improve practice premises. The Opposition believes premises ought to remain under the health authority’s control.