



Prime Minister <sup>①</sup> CCF  
Content for Mr Howe to announce the  
proposed change, in the terms set out at Fig A?  
RTA is urgent (Fig B). MEN 11/6

MINISTER OF STATE, PRIVY COUNCIL OFFICE

PRIME MINISTER

Yes not

4 June 1986

SCRUTINY OF OCCUPATIONAL HEALTH AND HYGIENE  
PROVISION THROUGHOUT THE CIVIL SERVICE

In 1985 my predecessor agreed with the Secretary of State for Defence that under the aegis of your Efficiency Unit a Scrutiny should be carried out of the provision of occupational health services in the Civil Service. Dr K P Duncan, CB FRCP FFOM, Assistant Director of the National Radiological Protection Board, and Mrs D Radwanski, RCN OHNC FRCN, Consultant Occupational Health Nursing Adviser, were appointed as the Scrutiny Team. They reported in October 1985.

Their Report paid tribute to the skill and dedication of staffs in the existing medical services, but concluded that generally the Civil Service had not taken advantage of national developments in occupational health during the last 40 years and of the potential benefits of recent advances in techniques for better control of environmental hazards. Their main recommendations are that to do so a radical restructuring and integration of the present fragmented occupational health services would be required, and that there should be a fundamental change in our approach to occupational health and hygiene provision, moving from a service where the predominant consideration is the sick patient to one where the focus is on a safe environment.

The fundamental nature of this and other recommendations by the Scrutiny Team, and the limit on the time available to them for working through the detailed consequences of their proposals, made it important to carry out a considerable amount of preliminary work to pave the way for the successful implementation of the main recommendations. This interim phase, during which some essential planning work has been accomplished, is now complete.

George Younger and I accept that an integrated service centred on the work place and essentially preventive in character, with a change of emphasis away from therapeutic medical and nursing provision, would be well placed to take advantage of developments in recent years of scientific techniques for the identification and measurement of environmental hazards, and would facilitate a more substantial contribution by scientists and nurses training in occupational health. It would in the longer term also produce savings for management by reducing duplication of facilities provided elsewhere and by promoting greater efficiency. We propose with your approval to set up a new Occupational Health Service as part of the Cabinet Office (Management and Personnel Office) to carry the primary responsibility for the occupational health care of all civil servants. It would be created by

merging the Civil Service Medical Advisory Service and MOD's Civilian Medical Services Directorate. Co-operation with the Medical Services of the Armed Forces would ensure that civilians employed by the three Services would also be covered.

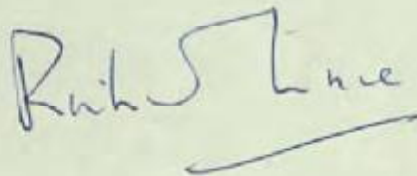
Estimates of financial savings are difficult in this field, where the aggregate cost benefits of occupational health services have never been amenable to accurate identification, but the Scrutiny Team estimated that by merging two existing organisations, and by streamlining some tasks which are no longer regarded as useful, a more effective service would be supplemented by potential savings of about £2.5M per annum. We would seek to increase these economies of scale as the new Service established itself.

This proposal to set up an Occupational Health Service has received general approval from all Departments. Their views on detailed aspects of the arrangements have been taken into account. Establishing a fully operational regional structure, and implementing the other organisational recommendations of the Scrutiny Report, would take up to 18 months. To keep up the momentum, and in particular to ensure that financial arrangements can be in place by the beginning of 1988/89, a vesting day as early as 16 June would be desirable. By the same date we would propose to consult the Trades Unions and to publish the outcome of the Scrutiny by means of a statement in answer to a Parliamentary Question and a press release. Informal consultations with the Trades Unions have indicated that they will welcome the proposals in principle, and be content to negotiate with management on any detailed implementation proposals.

Your approval is required for an administrative decision to transfer functions from George Younger to you, as Minister for the Civil Service, covering the medical and support staffs at present in MOD. Initially, the MPO would take over responsibility for some 100 staff from the MOD most of whom would remain at the outset in their present physical locations.

George Younger and I would be grateful for your authority to go ahead. Although you would normally wish to announce a transfer of functions yourself, in this case the proposal to create a new Occupational Health Service is more important than the transfer, and should be given greater prominence. If you are content it might be more appropriate for me to make a written statement in the House on the lines of the attached draft.

I am copying this submission to George Younger, Ministers in charge of Departments, Sir Robert Armstrong and Sir Robin Ibbs.



RICHARD LUCE

A

DRAFT

QUESTION

To ask the Minister of State, Privy Council Office, what arrangements it is proposed should be made to improve the occupational health care of civil servants, and to make a statement.

ANSWER

An efficiency scrutiny was carried out in 1985 on the occupational health and hygiene provision throughout the Civil Service. The Report recommended the merging of existing services to create an integrated and more efficient and effective organisation. This recommendation has been accepted, and an Occupational Health Service will be formed with effect from 16 June 1986 by the amalgamation of the Civil Service Medical Advisory Service of the Cabinet Office (Management and Personnel Office) and the Civilian Medical Services Directorate of the Ministry of Defence. It will be located within the Cabinet Office (MPO). My Rt Hon Friend the Prime Minister has approved this transfer of responsibilities from the Ministry of Defence to the Management and Personnel Office.

The creation of the Occupational Health Service will facilitate a fundamental change from a therapeutic medical and nursing service to one centred on the work place and essentially preventive in character. It will be well placed to take advantage of developments in recent years of scientific techniques for the identification and measurement of environmental hazards, and of the substantial contribution which scientists and nurses trained in occupational health are able to make. There will be <sup>substantial</sup> economies of scale

*Agreed not*  
'X' might best be omitted in such explicit  
terms. It ~~with~~ risks the change be hailed  
simply as a cut, rather than a real step  
forward.

through the integration of the present fragmented services, [and estimated initial savings of about £2.5M a year] with longer-term benefits for management from reductions in the duplication of facilities provided elsewhere and by promoting greater efficiency. 'x'

Copies of the Scrutiny Report and of the proposed Charter for the Occupational Health Service have been placed in the Library of the House.



CONQUIEIOR

III



146/6 ~~file~~ ~~JA~~  
① ~~PC~~  
② ~~DW~~ ③ M Addison  
~~CCB~~

10 DOWNING STREET

12 June 1986

From the Private Secretary

Dear Paul

SCRUTINY OF OCCUPATIONAL HEALTH AND HYGIENE  
PROVISION THROUGHOUT THE CIVIL SERVICE

The Prime Minister has seen your Minister's minute of 4 June. She is content with the proposed response to the Scrutiny's recommendations, and in particular that the Civil Service Medical Advisory Service and MOD's Civilian Medical Services Directorate should be merged. She is also content with the terms of the draft written Statement attached to your Secretary of State's minute, although she believes the final sentence of the second paragraph would better read as follows:-

"There will be substantial economies of scale through the integration of the present fragmented services, with longer-term benefits for management from reductions in the duplication of facilities provided elsewhere and by promoting greater efficiency."

I am copying this letter to Private Secretaries to Ministers in charge of Departments, Michael Stark (Cabinet Office) and Sir Robin Ibbs.

Zer  
Mark Addison

(MARK ADDISON)

Paul Thomas, Esq.,  
Privy Council Office.

Ref. A086/1658

MR ADDISON

Scrutiny of Occupational Health and Hygiene in the Civil Service

Your minute of 4 June<sup>with MEA</sup> requested advice on Mr Luce's submission to the Prime Minister of the same date.

2. As Mr Luce says, the proposed combination of the Civil Service Medical Authority Service and the Civilian Medical Services Directorate is the outcome of an efficiency scrutiny, and should produce a better and more effective service as well as economies of scale and savings. I recommend the Prime Minister to agree; and there is no machinery of government reason why she should not approve the transfer, which is acceptable to the Secretary of State for Defence. As Minister for the Civil Service, the Prime Minister herself will be the ultimate Ministerial head of the new Occupational Health Service created by the proposed transfer, but as with other MPO functions she would no doubt wish day-to-day responsibility to be exercised by Mr Luce.

3. Page 2 of the submission mentions financial arrangements being in place by 1988-89. This is a reference to the introduction of a repayment scheme covering the new Service as a whole (the existing Medical Advisory Service is in the process of moving to repayment scheme during 1987-88).

RA

ROBERT ARMSTRONG

11 June 1986

Sgt. MACH-  
RAYNER. PL 21

