



Department
of Health

POC5 896552

From Dr Dan Poulter MP
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Professor Paul Curran
Chair
Review Body on Doctors' and Dentists' Remuneration
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Dear Professor Curran,

Further to the letter you received from the Chief Secretary to the Treasury, Danny Alexander on 31st July 2014 and my letter of 26th August 2014 confirming the remit for independent contractor doctors and dentists, I am writing now to confirm the remit for employed doctors and dentists.

As I set out in my letter of 26th August, following the Government's announcement of a two year pay settlement for employed doctors and dentists in England the DDRB is not required to report or to make recommendations or observations for the 2015/2016 year on:

- the remuneration of employed doctors and dentists;
- the recruitment, retention and motivation of suitably able and qualified staff; and
- regional/local variations in labour markets and their effects on recruitment and retention of staff.

National employment contracts are a critical element of how we put patients right at the heart of everything the NHS does, providing a seamless pathway of care no matter what day of the week. In recent reports, the DDRB has identified the need for contract reform for consultants and for doctors and dentists in training. During 18 months of discussions and negotiations, NHS Employers and the BMA have done a significant amount of work to design reward packages for consultants and juniors to facilitate services and training across the seven day week. The Government is disappointed that these negotiations have not resulted in agreements acceptable to all parties. The Chief Secretary, in his letter of 31 July, noted the DDRB's offer to consider contractual arrangements at an appropriate stage of the negotiations. I am therefore now asking the DDRB to make observations and recommendations that take into account the work undertaken during negotiations.

There is a strong clinical case for seven day services. For example, recommendations of the *NHS Services, Seven Days a Week Forum*¹ accepted by NHS England, explore the consequences of the non-availability of clinical services across the seven day week and state that availability needs to be achieved in a clinically and financially sustainable way.

For 2015/16, **for consultants**, DDRB is asked to make observations, based on information and data presented on pay-related proposals for reforming the consultant contract to better facilitate the delivery of health care services seven days a week in a financially sustainable way i.e. without increasing the existing spend. In the context of the policy aim to deliver financially sustainable seven day services, the DDRB is asked to consider and critique proposals from the Department and the NHS Employers, taking account of views from all parties.

The DDRB should also consider the following, including work already completed by the DDRB and work undertaken by the parties to the negotiations:

- the work by the DDRB on the payment of clinical excellence awards (CEAs), and the Government's response to that;
- proposals for pay progression to be linked to responsibility and performance; and
- arrangements in other sectors which provide seven day services.

For **doctors and dentists in training**, DDRB is asked to make recommendations on new contractual arrangements including a new system of pay progression with, as DDRB has proposed, "*a strengthened link between pay and better quality patient care and outcomes*". In doing so, DDRB should consider information submitted including:

- proposals for pay structures that include the ending of time-served incremental progression;
- information on the working patterns of doctors in training; and
- how the current pay envelope could be used differently to increase basic pensionable salaries, providing appropriate reward of additional work, while supporting services and training across the seven day week.

In undertaking both strands of this work, the DDRB should have regard to the Heads of Terms agreed by the parties prior to the contract negotiations. It should also have regard to the read-across to the work that the Government has asked the NHS Pay Review Body to undertake to make observations on the barriers and enablers within the Agenda for Change pay system for delivering health care services every day of the week in a financially sustainable way.

¹ Summary of Initial Findings – First Published December 2013 - <http://www.england.nhs.uk/wp-content/uploads/2013/12/forum-summary-report.pdf>

In considering your observations on seven day services, the Government would also wish to consider the extent to which they would read-across to other medical staff groups such as specialty doctors and associate specialists.

Although the DDRB's remit covers the whole of the United Kingdom, for this particular remit, we ask that you make observations for England only. It is for each of the devolved administrations to make decisions about the nature of the remit appropriate for their workforces for 2015/2016 and to communicate their intention to you directly.

In view of the work to which the DDRB is committed to support the pay review round in Scotland and the work on independent contractors, a realistic timetable for you to report on your work on contract reform would be July 2015.

Patients should be placed right at the heart of everything we do, and the way that the NHS organises and manages the workforce should be built around patients and their needs. I'd like to conclude by reemphasising the clinical case for seven day service provision, which has the potential to reduce mortality rates in the evenings and at the weekends, speed up diagnosis and discharge times and reduce the amount of time that patients need to spend in hospitals overall.

As always, my officials will be happy to work closely with your secretariat to ensure you have all the information you need to assist your task of providing independent observations and recommendations on reforms that are crucial to this vital area of service provision.

With Best Wishes,



DR DAN POULTER