1. MR SANDERS 2. PRIME MINISTER

Patrick Jenkin has now received the Report of his London Advisory Group on the future level and distribution of acute services in London.

It recommends a 15 per cent reduction of acute beds over the next 10 years, to be achieved by concentration in the major hospitals. The implications are that some smaller hospitals will simply be used for non-acute services, whilst others will have to close.

Mr. Jenkin intends to accept the advice and proposes to publish the Report with a statement endorsing its conclusions. The range of opinion represented in the London Advisory Group helps to give weight to the recommendations, but will not prevent some critical attacks on the recommendations. Implementation, as it affects each hospital, will take a number of years, with local planning procedures involved.

Mr. Jenkin intends to make his announcement by Written PQ the week after next (draft at Flag A). Content?

MAR 1 assume that Painer- Lospitats are not mobiled 1 of Press offai



## **DEPARTMENT OF HEALTH & SOCIAL SECURITY**

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

Telephone 01-407 5522

From the Secretary of State for Social Services

M Pattison Esq Private Secretary 10 Downing Street London SW1

23 January 1981

Deur Mohe

## ACUTE HOSPITAL SERVICES IN LONDON

You will recall that my Secretary of State set up a London Advisory Group in April last year to assist him in reaching decisions on some of the major strategic issues facing the health service in London. The Group, which is under the Chairmanship of Sir John Habakkuk, has been considering, inter alia, the future level and distribution of acute services in London and its report (copy attached) has now been submitted to my Secretary of State.

The report concludes that the number of acute hospital beds needs to be reduced by some 15 per cent over the next 10 years and that the best strategy for bringing this about in Central London is to concentrate the remaining acute services in the major hospitals, which are best equipped to provide them. Inevitably this will mean substantial change for the smaller hospitals - some will be used for non-acute services (for the elderly, the mentally ill or mentally handicapped) but others will have to close.

My Secretary of State accepts the Group's advice both as to the scale and nature of change. It is only by making such changes in the acute sector that it will be possible for the health service in London to remedy some of the serious shortcomings of its other, non-acute services without interfering with the programme of balancing resources between London and other parts of the country. He therefore proposes to publish the report under cover of a statement of his own (copy attached) endorsing its conclusions.

Although the report reflects a remarkable consensus in a body which included representatives of the local authorities, the TUC, the EMA and the Labour Party, it is likely to be badly received in some quarters.

E.R. Although the Secretary of State's foreword emphasises the opportunities which the strategy offers to improve other services it is inevitable that some local commentators will seize on the possible impact on particular local small hospitals in central London. The future of these hospitals is however a matter on which local planning will be needed and individual decisions will fall to be taken over a period of years. Having discussed the question of timing with Richard Brew of the GLC (who is a member of the Group), my Secretary of State has concluded that publication at an early date is the best course. He therefore proposes to publish the report in the week beginning 9 February by means of a written PQ and press notice both of which will stick closely to the text of the foreword. I would be grateful for your agreement to this procedure. I am copying this letter to Robin Birch (Privy Council Office) Murdo Maclean (Chief Whips Office) David Edmonds (Environment) and Geoffrey Green (Education). D BRERETON ENC 2