

CONFIDENTIAL



Treasury Chambers, Parliament Street, SW1P 3AG

David Norgrove Esq  
Private Secretary  
10 Downing Street  
London  
SW1

5 November 1987

NEA.

Dear David,

**AUTUMN STATEMENT: HEALTH**

As I explained to you last night there is a difficulty with the 2.1 per cent figure quoted by the Chancellor and the Chief Secretary for the real increase in the health programme. This figure takes account of the sale of the General Practice Finance Corporation, which will not be announced until 19 November.

... The following description of the increased resources for the NHS has been agreed with DHSS. The Division recommends that in talking about the outcome focus should be made insofar as possible on the 1.7 per cent increase in net central government expenditure on health or the increase of just over 3 per cent in the real resources available to health authorities, rather than the 2.1 per cent figure.

Yours,

Jill

JILL RUTTER  
Private Secretary