

MR NORRGROVE

You asked me to consider the presentational aspects of any decision to allocate more money to the NHS at tomorrow's meeting.

The presentation cannot be divorced from the atmosphere in which we are operating. And that atmosphere is one of naked negotiation in public with the Government by employees of the NHS, using hard cases as a weapon.

In these circumstances we need to consider carefully whether to do what might seem to come naturally - namely, to take credit for any additional spending - might be counter productive.

It seems clear to me that:

- i. any concession is liable to be rejected as too little too late; it will certainly not produce satisfaction;
- ii. unless it is really substantial - ie over the £200m now being asked for - it is likely to be dismissed as Scrooge-like;
- iii. Any concession now will have the damaging effect of encouraging demands for more in the belief that the Government is on the run.

Consequently, in presentational terms I see no advantage - and a great deal of disadvantage - in topping up regional allocations to be announced this week. It would seem to me to be far better to delay any increases - and to withhold any decision in principle - and to link any increases which come to be seen as necessary to measures designed to secure increased efficiency and real value for money.



BERNARD INGHAM
14 December 1987

