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PRIME MINISTER

NHS REVIEW

This note covers three issues - an initial reading list, state of play on papers for the Ministerial Group, and arrangements for the Chequers seminars.

Reading List

DHSS have now supplied a reading list as you requested at the last meeting. I have not had a chance during the day to go through it all, but there looks to be an interesting range of material which you might like to glance at this weekend. At this stage Sir Roy Griffiths has - sensibly I think - focused mainly on analytical rather than prescriptive material. Each of the nine sections in the folder is summarised in the opening contents page.

If you want an early sight of material with a stronger focus on solutions I will get DHSS to put it together.

Further Papers

I gather from Richard Wilson that good progress is being made with the first batch of papers commissioned at the last meeting. These will be finalised next week and I will put them to you next weekend prior to a meeting of the group on 29 February.

Chequers Seminars

You endorsed the idea of two separate Chequers seminars on 27 March and 24 April. We now need to consider just what form they should take and who should come.

I attach a list of possible names that John O'Sullivan has put

together following discussion with Tony Newton. You will want to consider the mix of people for the two occasions. The prior question is what should be the topics for discussion.

For 27 March I suggest:

- i) the measurement of costs and performance in the NHS, introduced an NHS manager
- ii) budgeting systems, financial incentives and the implications for terms of employment for NHS professionals introduced by a doctor

For 24 April I suggest:

- i) development of competition and freedom of choice for patients, introduced by a 'thinker'
- ii) development of the role of the private sector and its links with the public sector. Various different models e.g. HMOs. Introduced by a private health person.

Although the suggested topics for the meetings are different I think there is a good case for having a similar mix of people on the two occasions. You might like to consider an external guest list of twelve people each time comprising:

- i) 1 GP
- ii) 2 consultants
- iii) 1 nurse
- iv) 2 NHS managers
- v) 2 NHS chairmen
- vi) 2 private health
- vii) 1 think tank
- viii) 1 expert

In addition I suggest three Ministers - yourself plus the Chancellor/Mr Newton at one meeting and Mr Moore/Chief Secretary at the other. Officials at each meeting might be Richard Wilson, John O'Sullivan and myself. That would make eighteen in all.

If you are content with that broad approach I should be grateful if you could look at the names in John O'Sullivan's note. If there are people you definitely would not want to attend either seminar I suggest you put a cross against their names. If there are others you would definitely want to come please put a tick.

You will also want to consider the timing of the meetings. I assume you would want to offer lunch. The two main options would then be:

- i) convene at lunch-time and talk for 1½ hours after
- ii) convene at 11 or 11.30, have the opening presentations and initial and discussion before lunch and wind up after lunch.

The latter option might be preferable.

Content for me to:

- i) proceed to set up the 27 March and 24 April seminars?
- ii) invite twelve guests for each meeting on the pattern described above and reflecting your preferences on individual names?
- iii) tell participants the proposed main items for discussion and invite two individuals at each meeting to make introductory talks?
- iv) invite the Ministers and officials as suggested

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above? Do you want any others?

v) convene the sessions at 11 a.m.?

Paul Gray

19 February 1988

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PRIME MINISTER

ROY GRIFFITHS' REPORT ON COMMUNITY CARE

Mr. Moore has now forwarded to you Roy Griffiths' report on community care with his minute of 17 February. The Policy Unit have commented in their note of 18 February.

As predicted, Sir Roy has proposed an enhanced role for local authorities in the coordination of community care. As Mr. Moore points out, this presents a major dilemma; there is much internal logic in Sir Roy's package but it gives rise to clear political difficulties.

As a piece of analysis I think Sir Roy's report is a good one. He has made a compelling case for the need for more effective coordination of community care at local level. Chapter 4 of the report (pages 30-34) highlights just how many different bodies and institutions are involved in this area.

While Sir Roy stresses the need for more local coordination he is also at pains to stress the need for substantial central government control. He proposes a system of specific grants (which will not please the Treasury) and an enhanced Ministerial role in DHSS. The way through this may be along the lines Mr. Moore suggests of emphasising the purely enabling role of local authorities and tightening up the central framework within which they would operate. In parallel with that there seems a lot to be said for building on the part that family doctors could play in coordinating and directing community care provision (see paragraph 4.16 and the Policy Unit note).

The main issues are:

- should the report be published?
- how do you want to take Government consideration of the subject forward?

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Although community care is an important issue that needs to be tackled, and a growing one given the demographic trends, I would have thought the key priority at present is pressing ahead with the NHS review, concentrating on the hospital service. Given the slow start that exercise has made, we do not now want significant DHSS resources to be diverted on to community care.

Would you therefore be content:

- (i) To agree to early publication of the Griffiths Report on the basis proposed by Mr. Moore and the Policy Unit?
- (ii) To meet Sir Roy Griffiths and a small Ministerial group in about six weeks' time to discuss the handling of community care (by which time Sir Roy should be back in action and a good deal of the initial work on the NHS review should have been done)?

*Recd.*

PAUL GRAY

19 February 1988

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*We need to know precisely what we are going to say about it - before publication. Vague generalities could arouse the wrong expectations*