

Pa

PRIME MINISTER

NHS REVIEW: 4 OCTOBER

The papers for Tuesday's meeting have only come in late this evening. I have not had the chance to go through them in detail, and neither the Cabinet Office nor Policy Unit have had the chance to consider them and prepare briefs. Briefing will be available on Monday evening. But I imagine you will want to have the chance to have a first go at the papers themselves over the weekend.

Following the conclusions at the last meeting, the papers are:

Flag A HC39 Self-governing hospitals
Flag B HC40 GP practice budgets
Flag C HC41 Merging FPCs and DHAs
Flag D HC42 NHS audit
Flag E HC43 Outstanding issues
Flag F HC44 Outline White Paper

These papers do not include material on management of capital, on which you commissioned the Department of Health and Treasury to reach an agreed conclusion. They have not yet done so - partly I am ^{bound} ~~glad~~ to say as a result of Treasury foot-dragging (though they would deny this). The Department of Health have now circulated their own proposals - Flag G - which you might also like to glance at. But this paper is not on the agenda for Tuesday, and the Treasury say they have major objections to the proposals in the paper.

Recd.

PG

30 September, 1988