6 (A-B) a

PRIME MINISTER

NHS REVIEW MEETING

As I mentioned this evening there are, I am afraid, a number of new papers you have not previously seen that you will want to look at before tomorrow's meeting. For ease of identification I have put green flags on all the new papers.

By starting at 8.30 a.m. we will have a full two hours for the meeting before the Chief Secretary needs to leave for a speaking engagement.

Your key paper for handling the discussion is Richard Wilson's steering brief immediately below. You saw this at the weekend. I have alerted other Departments (my letter attached) that you are likely to handle a discussion in the order suggested in the steering brief.

This means working through the detailed papers in the order of the <u>folders A to E</u> below. <u>Folder F</u> includes other papers that we may not have time to get to. <u>Folder G</u> contains two notes just received from Peter Walker. You probably don't need to read these before the meeting, but should be aware that he is likely to refer to them in comments he makes.

Finally, in <u>folder H</u> there is a note just received from Kenneth Clarke about the NHS Management Board and its Chief Executive. You will recall that, in relation to correspondence from Robin Butler, you agreed that this point should be discussed at the Review meeting. You might want to handle this point at the end with just DoH and Treasury Ministers.

Key papers in the main folders A - E are:

Folder A - You have already seen the Cabinet Office paper.

You will now want to look at the Policy Unit
commentary raising a number of detailed points.

Folder B - You have not seen any of the Fund papers before. The main paper for discussion is the joint Treasury/DoH paper HC58, under which you will find the Cabinet Office and Policy Unit briefs.

After that I have included in the same Folder B the Chancellor's letter of 18 November that you saw over the weekend, together with comments on that policy from the Cabinet Office and Policy Unit; the main issue raised in these three notes is the Treasury's doubts about GP practice budgets, and I think it would be best to tackle this point before you move on to the papers in folder C.

Folders C-E You have seen all these papers before.

PAUL GRAY

22 November 1988

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