

CONFIDENTIAL



cc/lu

Treasury Chambers, Parliament Street, SW1P 3AG

The Rt Hon Kenneth Clarke QC MP
Secretary of State for Health
Department of Health
Richmond House
79 Whitehall
London
SW1

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Stir

2 December 1988

Dear Secretary of State,

GPFC: PRIVATISATION AND THE NHS REVIEW *Key*

Thank you for your letter of 29 November.

I agree that, for the reasons you give, we should not delay the sale on account of the Review. But as a number of our likely recommendations will have a major impact on GPs and the FPS, I would prefer to delete the words "with special emphasis on the hospital service". Given the planned timing for the White Paper I doubt whether this need create any greater uncertainty in the minds of potential purchasers than the paragraph you proposed. But I do, in any event, suggest that your Department and its advisers should stand ready to assure them that they would not be expected to commit themselves finally to the purchase before they had had an opportunity to see the outcome of the review. As you say, this will present no problems given the timetable we have now agreed for the review.

I am copying this letter to the Prime Minister.

*Yours sincerely,
P. Warless*

P JOHN MAJOR
(Approved by the Chief Secretary
and signed in his absence)

NMS Exp pr 16

