PERSONAL AND CONFIDENTIAL



## 10 DOWNING STREET

LONDON SWIA 2AA

From the Private Secretary

13 April 1989

Dea Andr.

## COMMUNITY CARE

The Prime Minister had a brief talk this morning with your Secretary of State about the handling of community care. Richard Wilson (Cabinet Office) and Ian Whitehead (Policy Unit) were also present.

I should be grateful if you would ensure that this letter is shown only to those who need to see it.

The Prime Minister said that she had had a talk earlier in the week with Sir Roy Griffiths, and she felt it would be helpful to discuss the position further with your Secretary of State in advance of the wider Ministerial meeting planned for the following week.

Your Secretary of State said that it was important to reach early decisions on the handling of community care. The continuing uncertainty a year after the publication of the Griffiths report was presenting difficulties in the follow up to the NHS White Paper. The Government was being criticised for not yet having addressed the handling of the elderly, mentally ill and other community care groups; it would substantially help the reception for the NHS proposals if the Government was seen also to have a clear plan for community care. But although quick decisions and an early announcement were required it would be perfectly possible for the timescale for implemenation of any community care changes to develop gradually. The legislation already planned on the NHS for 1989/90 provided a convenient vehicle for implementing any necessary legislative changes.

As to the nature of the community care reforms your Secretary of State said that Sir Roy Griffiths had been right to specify the need for a more coordinated approach. But in recommending a greater role for local authorities he had picked the wrong body. The better approach would be to give a greater community care role to the District Health Authorities, who could assume these new responsibilities as their role in the management of the NHS scaled down.

Confidence in the ability of DHAs effectively to carry out this new role would be increased by the measures already planned to depoliticise their membership. He did not envisage, at any rate in the foreseeable future, handing over to the DHAs budgetary responsibility for residential care social security payments, but he would want to give to the authorities budgets covering their assessment role and the means to finance less costly means of assistance than residential care.

The Prime Minister agreed that Sir Roy Griffiths had greatly underestimated the difficulties in his proposed greater role for local authorities. This involved a political decision which was for Ministers to take. She thought it would be helpful if your Secretary of State could now work up the detail of his proposals, covering both the structure and timescale, and addressing the potential difficulties with them. She hoped that Sir Roy Griffiths could be closely associated with this work, with emphasis being given to those aspects of the Griffiths proposals that the Government could accept. A further paper should now be prepared for the meeting of the Ministerial group to be held on 19 April.

I am sending a copy of this letter to Richard Wilson (Cabinet Office) and Ian Whitehead (Policy Unit).

(PAUL GRAY)

Andy McKeon, Esq., Department of Health.