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PRIME MINISTER

3 October 1989

IMPLEMENTATION OF NHS WHITE PAPER IN SCOTLAND

(Minute from Malcolm Rifkind)

GP BUDGETS

The most encouraging piece of news is that nine GP practices in Grampian and Tayside have publicly agreed to co-operate in developing GP budgets. This will give a real boost to the implementation of GP budgets in Scotland.

And there are encouraging signs that the Scottish BMA is now less hostile to the concept of GP budgets in Scotland in the face of this public support among some doctors.

SELF-GOVERNING HOSPITALS

Progress on self-governing hospitals, however, is disappointing. Specific candidates are not mentioned in the paper. Yet I understand from Michael Forsyth there are signs of support among clinicians at two hospitals: the Aberdeen Royal Infirmary and the Royal Scottish National Hospital (mental hospital) near Stirling.

There is a clear need for a more specific update report on progress with self-governing hospitals in three months time.

MANAGEMENT EXECUTIVE GROUP

In June, you asked to see the proposed membership of the new Management Executive Group. This list has not been forthcoming as yet for a good reason.

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Malcolm Rifkind and Michael Forsyth have been eager to appoint a strong Chief Executive prior to the appointment of an Executive Group. And since Mr Don Cruickshank has only just taken up his appointment as Chief Executive this week, no further appointments have been made.

Yet I am still concerned that the Scottish Home and Health Department will try and dominate the new Management Executive Group. If so, there is a danger that innovation and drive could be dampened significantly.

Malcolm Rifkind should be minuted again, requesting the following information:

1. The proposed membership of the Management Group, when it is available, and
2. An update on the progress of identifying specific candidates for self-governing hospital status.

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