

Prime Minister: Like the Policy Unit, I doubt  
 whether the game is worth the candle.  
 But I will report the H discussion.

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MR BARCLAY

1 February 1985

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ROAD TRAFFIC ACCIDENT CHARGES

Road traffic accidents currently cost the NHS about £100m,  
of which £7m is recouped from insurance companies. Norman  
 Fowler wants to consult with motoring interests about  
doubling our receipts to £15m.

This could lead us into a big row for small money. Instead,  
 we recommend Norman Fowler should

either: go for much bigger receipts, despite the legal  
difficulties;

or: simply index accident charges with inflation; we  
have got into this mess partly because charges  
haven't been increased since 1982.

He should anyway implement his proposals for simplifying the  
cumbersome administrative arrangements.

David Willetts

DAVID WILLETTS