

PRIME MINISTER

PRESENTATION - CABINET

You agreed to discuss the paper opposite, but I think it might be useful in advance of any political discussion at Cabinet tomorrow if I were to give you some concrete presentational ideas.

Background

In the wake of the by-election and local elections it is clear that there are a number of strands of uneasiness in the Government and party - eg:

- your style of leadership; your need to appear more "caring"
- tax cuts v. public spending
- presentation not policies at fault.

In fact you do care; in practice we are likely to have both tax cuts and higher public spending in the next 12 months; in truth the main concerns about public spending, policies and presentation are focused upon health and education (as Geoffrey Smith largely confirms in his Times article today).

Way Forward

There are no prizes for changing policies, and certainly not at this stage of the Parliament. But there is much to be said for your being seen to be responding to party concerns while at the same time maintaining the resolute approach.

Consequently, I suggest the following approach:

- assert the general thrust of policy; prudent finance with tax cuts firmly in your sights

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- take credit for the success of prudent financial policies in permitting for example a 20% increase in real resources for the NHS
- emphasise your determination to maintain and improve the Welfare State (to which the electorate is deeply attached) and to do so in part by getting the resources already applied used more efficiently.

Aim

Your aim should be to change the public's perception of this Government's stewardship of the NHS by the party conference; and of its approach to education by the end of the year.

The Method

There is a well tried and successful means of achieving these objectives: the inter-departmental campaign against CND inroads in 1982-83.

Building on this model, but adapting to different circumstances and personalities, I suggest you should require as a matter of urgency:

1. Require me to produce a plan of campaign involving all media and resources - ie Government and party national, regional and local.
2. Secure the backing of the Lord President, Chancellor of the Duchy and the Chief Whip for that approach.
3. Ask the Secretary of State, DHSS, to implement the plan, as approved, with the aim of achieving discernible results by the Recess and reporting to you through the Lord President, Chancellor of the Duchy and Chief Whip.

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4. Suggest Secretary of State, DHSS, forms a special information/administration unit in DHSS to implement this crash programme, directly involving me in it.

We should aim to mount a similar exercise in education in the autumn when the new Secretary of State has settled in.

Outline

A draft outline NHS campaign is attached (Annex I). You will see I have already launched it - in the columns of the Daily Express today (Annex II).

B Ingham

BERNARD INGHAM

14 May 1986

OUTLINE PLAN OF ACTION

Objective

To convince the public that the Government:

- believes in the NHS;
- is spending more nationally, regionally and locally on it;
- that the service has improved; and
- that responsibility for the ever more efficient use of increased resources rests with local management.

Machinery

DHSS Ministerially-led task force involving Parliamentary Private Secretaries (representing party interest), also No 10 Press Secretary, COI and territorial departments, reporting to Prime Minister through the Lord President, Chancellor of the Duchy and Chief Whip.

Ideas

Using available research, devise campaign which involves:

- standard national brief, including speaking note
- Ministerial speaking, radio, television campaign, drawing on wider resources of Government and Party
- regional speaking briefs relating national increase in resources to regional and local interests
- regionally based Backbench team (on lines of Tom King's which fought 1984 dock strike) with responsibility for replying promptly to local criticisms

- regional monitoring of media by DHSS regional information team (which already exists in COI offices) to ensure fast reaction to local criticisms and positive response to local pressure groups
- exposure of vested interests - eg single issue pressure groups and politically motivated campaigns - with aim of denigrating local achievements in order to secure more resources for their pet scheme
- talking up of morale in NHS; local management's identification with need to present NHS positively, urging them to shout their successes from the roof tops to the local media
- marshalling of local party resources to challenge local criticisms either factually or by calling on local management to justify its use of substantial real increase in resources
- organisation of eminent persons to put over general case of Government of increased resources, to expose the political game going on nationally, regionally and locally - to denigrate the Government's policies; and to fix responsibility for efficient use of increased resources on NHS management.

By PETER HITCHENS
Political Correspondent

Last of the big spenders!

BEING a Tory in Scotland must sometimes feel like taking part in Custer's Last Stand... on the wrong side.

Ringer by the bodies of councillors slain in last Thursday's election massacre, the nervous band of 21 Scottish Tory MPs wait in Perth today for Mrs Thatcher to ride to their rescue with bugles blowing and purse wide open.

But when she speaks to them and the rest of the nation on Friday night she will not bring the high-spending message they want to hear.

There is to be no U-turn, no sudden switch, no postponement of promised tax cuts. Far from it. The Scottish Tories and their brethren south of the border will have to rescue themselves by fighting harder.

There is plenty of ammunition for this fight if the Tories know what to do with it. Some choice bullets were provided by Shadow Chancellor Roy Hattersley, who confessed that Labour will have to have tough spending limits if they come to power.

BAFFLING

More ammunition is spread across the country in a huge display of new hospitals, bypasses and other gleaming memorials to this Government's record-breaking public spending.

What is baffling Mrs Thatcher and her Ministers is that everyone seems to think there are huge spending cuts when, in fact, no Prime Minister has ever spent so much.

The first real cuts have come not in schools or social services — as you might expect if you listen to Labour propaganda—but in defence. But even they follow years of generous expansion.

In Scotland itself, former Scottish Secretary George Younger quietly kept up a policy of high spending and once threatened resignation to save the Ravenscraig steelworks from closure.

Far from being mean with the voters' cash, the Tories in Scotland have spent generously. Their reward—Wets, please note—has been a thrashing at the polls.

Of course, there have been other problems in Scotland, especially the huge rises in



Maggie: Lacks conviction

rates. But though these were made possible by the Tory Government, they were made necessary by the extravagance of Left-wing Labour councils.

Scotland aside, Mrs Thatcher has begun to realise that she simply has not been unscrupulous enough in telling people about her generosity.

COYNESS

Because she came to power pledged to squeeze the public sector, she is still embarrassed about how much she has spent. She still cannot brag about it with conviction.

Some of her close advisers think the time has come to put an end to this coyness. They are telling her the Government could take a leaf

But believe it or not, Maggie is too coy to let you know

authority is battling to allocate its money, it is always the children's wards, the kidney machines and heart units that have to go—almost never inflated office staff, car perks or phone bills.

The military can be just as shameless. Serious defence cuts always seem to mean the abolition of an historic and much loved regiment, or the scrapping of half the Navy's surface fleet.

People are inclined to take this sort of thing at face value and it will need true professionals to fight it.

VALUE

It will also need true professionals in the health service, the education system, and the Transport Ministry to make sure the money gets to the place it is meant for—the hospital ward, the classroom, the railway station, and the road. Instead of the bureaucracy.

Of course, that is one of the main reasons why Mrs Thatcher does not much like taking money from the people and pouring it into public services. You pour cash in and, eventually, some of it trickles through to the right end.

But first, at Perth, she is planning to let the nation know of the mighty resources now being thrust into the things that people value most.

There is no need for it to be her last stand.

out of ex-GLC leader, Ken Livingstone's book and publicise its achievements.

For instance, the building sites of new hospitals could carry bill boards declaring: "Another major hospital in the Government's programme for rebuilding Britain's health service."

She and Party chairman Norman Tebbit, also have to fight the astute professional pressure group campaigns which keep up an endless clamour for more spending on every corner of the State empire.

Their tactic is brilliant, simple and totally effective. If ever there is a row about cash—and there always is—they find the most heart-rending item on the budget and announce it will be axed.

Whenever a health-