

CONFIDENTIAL

14.4.80

24 March 1980

Advisory Group on London Health Service

The Prime Minister has seen Bernie Merkel's recent letter to Mike Pattison. She has commented that there is no alternative to going ahead with the proposals, including the appointment of Sir John Habakkuk as Chairman, but that she thinks it is a mistake. In her view, the public will feel that a third piece of advice is being prepared in addition to the two already received - one from Flowers and one from the London Consortium. She thinks it is likely to cause delay and to transfer decisions from those whose task it is to make them.

Finally, she has asked to know how many people currently work on the health side of the D.H.S.S., and I should be grateful if you could supply me with this information, together with any comments you may have to make on the number of those who will be involved in this sort of planning.

N. J. SANDERS

Don Brereton, Esq.,
Department of Health and Social Security.

SP

CONFIDENTIAL



B

1

PRIME MINISTER

You queried (flag A) the need for this new quango.

DEPARTMENT OF HEALTH & SOCIAL SECURITY
Alexander Fleming House, Elephant & Castle, London SE1 6BY

Telephone 01-407 5522

From the Secretary of State for Social Services

In the light of this further explanation, contact

Mike Pattison Esq
Private Secretary
10 Downing Street
London
SW1

I think this is a mistake

but if you have arranged for Mr Jenkin to appoint

it, then you have no other choice Sir J Habakkuk?

to go ahead. To the general public you have already received 2 lots of advice - from Flowers MJS and from the London Commission. What is the result? P 21/3

Dear Mike

What size of advice is required for the committee. What it does it delay + transfer decisions for those whose task is to make them.

Your letter of 17 March asked for clarification of the purpose of the proposed Advisory Group on London.

How many people do we have on the Health side of D.H.S.S.?

The problems facing London's health services have been there for many years. In essence, they are an excessive concentration of acute hospitals services in the centre and inadequate services in the suburbs and in the Counties on the periphery. This problem arises mainly because of the enormous, and continuing outflow of population from central London. At the same time, primary care services and services for the elderly, the mentally ill and the mentally handicapped in the centre need to be developed.

In other words, there is a need for a major shift of emphasis and provision from central London to other areas and from the acute to the non-acute sectors. A complicating factor is that London remains a major centre for medical education and research and the changes needed will pose major problems for the medical schools which rely heavily on clinical facilities in central London.

The problems are not new and successive Governments have attempted to solve them. But none has succeeded, largely because of the difficulty of securing commitment to change from the range of interests affected - including academic and local authorities as well as the health authorities for which my Ministers are responsible.

My Ministers are convinced that the time is ripe now. The financial pressure on the health service in London has brought a greater acceptance of the need for change. Much of the necessary ground work has been done in the Department, by the health authorities and through the planning mechanism of the London Health Planning Consortium. The University of London has looked at its own organisation, through the Flowers Report. While the Flowers proposals to the University are not essential to the general strategy (they are running into heavy opposition from many quarters and may well be acceptable only in modified form), it is essential that any decisions reached by the university should be taken fully into account in the impending restructuring of the health service.

E. R.

Changes in the pattern of services will not be easy to make and it will be even harder to make them stick. The Royal Commission on the NHS recommended that an independent enquiry should be set up to look at London and the Opposition have continued to press for it; but my Ministers made clear, in Patients First, that they did not accept that this would do more than delay action. They do, however, see the need for the views of the various interests concerned to be taken into account - and to be seen to be taken into account - in the decisions which are made. An abundance of expert knowledge and advice is available; but there is no forum in which the advice and proposals made by expert bodies and the conflicting views expressed on them by health, academic and local authorities can be reconciled. My Ministers believe that the Department should not alone take on the role of sifting the evidence; an advisory group, with a leavening of independent members will be able to give advice which would be more credible and acceptable at the local level where change will have its greatest impact.

There is also a need for the activities of the various authorities concerned to be coordinated in the run-up to health service restructuring. The Regional Health Authorities will be in the lead in preparing proposals for restructuring and it will be important for them to work within guidelines which are consistent throughout London and acceptable to the other authorities concerned. The Advisory Group will have an important role in ensuring this compatibility.

Because of the need to move quickly on restructuring and in handling the various reports which have recently been published on the health service in London, my Ministers decided to move ahead with setting up the Advisory Group, which had been proposed in Patients First, as soon as possible. The Minister for Health therefore announced the Government's intention during debate in Committee on the Health Services Bill; this was in response to an Opposition amendment demanding a full inquiry as envisaged by the Royal Commission. I attach a copy of the press notice issued on the day of the announcement and of a subsequent written answer to Mrs Renee Short which explained how the Group will work.

We have not set a time limit for the Group's work. It will certainly need to continue through the period of restructuring but it is unlikely that it would remain in being for more than three years.

You asked about the full costs of the Group. Our best estimate is that the direct costs of the Advisory Group will be about £14,000 a year. We have estimated that the Group, of 15 members, will need to meet up to 20 times a year - involving the payment of fees amounting to approximately £10,000. The balance of £4,000 would be to cover Members' expenses, including any weekend meetings which the Group might feel are necessary. The Group will be serviced by the DHSS and full allowance for the staff costs has been made in the Department's manpower programme. The Advisory Group will certainly be far less expensive than the kind of full-scale inquiry for which the Opposition are pressing and should ensure that decisions, long overdue, are taken speedily.

I am copying this to Geoffrey Green and Murdo Maclean.

Bernie Merkel

B C MERKEL
Private Secretary

PRESS RELEASE

Telephone 01-407 5522

80/48

26 FEBRUARY 1980

ADVISORY GROUP ON LONDON HEALTH SERVICE TO BE SET UP

Dr Gerard Vaughan, Minister for Health, to-day announced that the Government has decided to go ahead and set up a new Advisory Group to help it in reaching important decisions about the future of the health service in London.

Dr Vaughan was speaking, during the Committee Stage of the Health Services Bill, in reply to an amendment proposing that there should be an independent enquiry into London's problems before any changes in health service structure take place. Rejecting this idea, Dr Vaughan said an enquiry would be a receipt for delay. Many of the problems had been studied already. For example, two important reports had been issued to-day by the University of London and the London Health Planning Consortium. A number of difficult decisions had to be taken on these and other reports and would require co-ordination between many interests if the right answers were to be found. To secure this, the Government had, in 'Patients First', taken the line that a representative Group would be needed to advise Ministers and Authorities on the options available. Dr Vaughan said that this proposal had earlier received much support and since there was a need for action to be taken quickly, the Government had decided to move ahead and establish a Group as soon as possible.

The terms of reference and membership of the Advisory Group will be announced in due course.

Monday 3 March 1980
Written Answer
Tuesday 4 March 1980

PQ 3909/1979/80.
Han. Ref Vol
Col

FLOWERS COMMITTEE - REPORTS

WLO Mrs Renée Short (La. Wolverhampton North East)

To ask the Secretary of State for Social Services, which bodies and organisations he intends to appoint to the Advisory Committee to look at the reports of the Flowers Committee and the London Health Planning Consortium; what time scale he envisages for representations to be made to the committee and for decisions to be made; and if he will ensure that there is full public discussion before any decisions are reached.

DR GERARD VAUGHAN

The Advisory Group on London which my right hon Friend proposes to establish will include representatives of the Department of Health and Social Security, the University Grants Committee, the University of London, the four Thames Regional Health Authorities, the postgraduate Boards of Governors, the Greater London Council and the London Boroughs Association. It will also include a small number of independent members, including the Chairman. The membership and terms of reference of the Group will be announced in due course.

The purpose of the group will be to assist Ministers in reaching decisions on some of the major issues affecting the health service in London, including those which are of significance for the restructuring of health authorities and to advise on proposals developed by the health authorities for restructuring. A number of relevant reports, including the Flowers Report and the discussion document issued by the London Health Planning Consortium, will need to be considered by the Group. The Group cannot, however, advise on the decisions to be taken on the Flowers report; these are entirely a matter for the University of London but it will need to consider the implications of the University's decision.

PQ 3909/1979/80
Han Ref Vol
Col

The issues and reports which the Advisory Group will be called upon to consider are at present, or will be the subject of wide consultation. The views of interested parties (including community health councils, local authorities and staff interests) will be collected by the responsible authorities. The evidence which they provide will be put, together with the original reports and proposals, to the Advisory Group. There will, therefore, be the fullest opportunities for public debate and a variety of possible solutions will have been explored. It will be the Advisory Group's task to take this evidence, and any further information which it requires, and to advise Ministers which course of action is to be preferred. That advice will be made public but I would not expect to undertake further formal consultations on it.