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PRIME MINISTER

IMPLEMENTATION OF NHS REFORMS

In the light of yesterday's rather disappointing Seminar on the NHS reforms, Mr. Clarke has apparently been giving thought to following up his presentation.

The response is set out in the attached (unsatisfactory) letter from his Private Secretary. Mr. Clarke is clearly seeking to stick with his original proposals - offering only to pick up specific points raised at the Seminar and copy (old) papers on the NHS reforms to you. There is no hint at reconsideration of the pace and extent of reform.

You may judge that, despite recent opportunities, Mr. Clarke has not been able to convince you and colleagues that the reforms - in particular the new contracting system - can be introduced nationwide without damaging political and financial consequences.

The next step might therefore be to ask him to consider a number of options for slowing down the pace of reforms or introducing them at differential speeds in different parts of the country.

Do you want to write to him proposing that a number of options should now be examined for slowing the proposed pace and extent of the reforms?

Or

Are you content to proceed as Mr. Clarke proposes in his letter?

BHP

B.H. POTTER

15 June 1990

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I think we can pick up several of the key points from Robin Hobbs, Derek Rogers & David, and ask how he answers them. Also what he proposes to do about the London hospitals knowing his present arrangements are likely to lead to a crisis position very quickly. May we have a word re

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