Letter from Westminster

Half-term report

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The Government is now virtually at the half-way mark, with two years down and two to go, if we accept the received wisdom at Westminster that Mrs Thatcher is unlikely to hang on to the bitter end and will go to the country in the latter part of 1983. That means that there are two legislative years left. So now seems as good a time as any to take stock of how Mr Patrick Jenkin, Social Services Secretary, and his deputy, Dr Gerard Vaughan, the Health Minister, have fared since they arrived at the Elephant and Castle, as harmonious a partnership as Tweedledum and Tweedledee, to set the NHS to rights. It is probably fair to say that it has been a case of so far, so good, though that is obviously not how Mrs Gwyneth Dunwoody, Labour's health spokesman, views their record.

As for the dynamic duo, neither can be resting altogether comfortably on their laurels with a major Government reshuffle later this year considered a real possibility. Mr Jenkin could be left where he is, which would be a blow, since he has aspirations, one of which is said to be the Treasury. He is a former Financial Secretary and Chief Secretary. There is one probably insurmountable obstacle to that happening, even if Mrs Thatcher decides to give Sir Geoffrey Howe fresh pastures to conquer. A Chancellor has to work closely with the Prime Minister, and according to one of Mr Jenkin's wetter colleagues he bores the Lady, which is probably the biggest sin of all.

Dr Vaughan has been somewhat accident prone, which tempts some at Westminster to suggest that he will be moved, and as nobody can think of a suitable home for him, given his talent to be indiscreet, people tend to see him returning to the backbenches. That, however, is taking a possibly too harsh view of his little accidents, many of which do not actually turn out in the event to be as disastrous as all that. They could be more a case of calculated "indiscretions" aimed at counteracting the inbuilt inertia of the DHSS. A good example was the way he promised a Green Paper on health insurance schemes earlier this year that was not in preparation but that will now—in order to save the minister's face—appear, probably early next year. Without his public pronouncement the chances are that nothing would ever have been done.

For both ministers there is the problem that neither has a great base in the party that makes their presence in a Government essential. They are there on their merits, and there are now a lot of people both on the backbenches and in junior ministerial jobs who reckon it is the turn of their merits to receive recognition. To return to the record of the present ministers, however, they arrived determined to do something about what the 1979 manifesto called "the crisis of morale" in the NHS and to reorganise its structure so that the mistakes made by Sir Keith Joseph were corrected and a decentralised and far less bureaucratic machine established instead. They can reasonably claim to have achieved both aims. Certainly the past two years have been relatively free of industrial strife in the NHS and the legislation to reorganise the NHS was put on to the Statute Book with comparative ease. Whether what will eventually take shape

will prove less centralised and less encumbered with bureaucracy must depend on how the health authorities go about the task of setting up the new structures, but ministers are keenly aware of the danger that the old committee bureaucracy might appear under other names.

Financial discipline

The ministers have also managed to impose financial discipline on the NHS, authorities having been told to reduce the March 1980 administration costs by 10%, and to slow down the number of hospital closures. Prescription charges have gone up from 25p to £1, without any great public outcry, and that other emotive issue—pay beds—has also failed to rouse much anger. Labour's machinery for phasing them out, the Health Services Board, was abolished quite quietly to ritual noises of anger from Opposition spokesmen and public apathy. It is possible that the increased charges were accepted because they were just one more price increase among so many and by comparison with some a fairly modest one. In addition the exemptions are large and protect the really badly off. Ministers, of course, prefer to think that it is just that their message about health care having to be paid for has got across.

They can claim as another success—the Prime Minister did so only the other day—the reduction in waiting lists by 111 000, down from a peak figure of 752 000 when they took office. The figures, however, are just a little suspect, since the peak figure was due to the calamitous effects of the winter of discontent and the reduction might be no more than a mopping up of those effects. Ministers also make much of the fact that spending on the NHS is now running at £13 300m compared with £9400m when they took over from Labour. Dr Vaughan is pleased particularly with his success in persuading the DHSS of the merits of smaller hospitals and to abandon monster 1000-bed establishments in favour of places with 600 beds or less. He is also delighted that his talks with the medical profession on ways of extending the role of GPs have been going well.

Inevitably, there are hostages to fortune. The lack of industrial unrest could cease any day and the NHS unions will be taking careful note of how the Government handles the proposals by the Doctors' and Dentists' Review Body: the findings are due very soon. Doctors' pay over the past three years has gone up by amounts ranging from 10% in 1978-9 to around 30% last year, so a 6% settlement this year is going to seem small beer indeed. More, however, could have disastrous side effects, even beyond the NHS. The promises on health insurance schemes and encouraging sales of NHS hospitals surplus to need to private medical interests could also prove political dynamite.

That is certainly Mrs Dunwoody's view. Asked for her mid-term report, she says that after two years of the Jenkin-Vaughan partnership health care in Britain is showing positive signs of deterioration. "Not only have charges to patients been increased outrageously for various services, but they have made positive attempts to undermine the general standard of the NHS by cutting back the amount of money available," she adds. "Their rigid application of cash limits has meant something like a cut overall of £10m."