LETTER FROM WESTMINSTER

The think tanks roll

JOHN WARDEN

Sounds of protest from demonstrating nurses and health workers on their "day of action" penetrated the Commons committee room where the social services select committee was grappling sedately with the same issue. Each in its fashion is part of the democratic process, though it is arguable which has more impact on the government.

But in a week that also saw lesbians abseiling into the House of Lords in the cause of homosexual rights, any voice that does not have to shout to make itself heard is the more to be valued. In this respect the select committee, meeting in the seclusion of an upstairs room, is rendering better service than the twice weekly uproar on the floor of the House. Last week's session was in timely contrast to the hullabaloo all around, as well as providing a sedative for much of the overexcitement that has been generated. In its quest for answers to the funding problems of the NHS the select committee has the singular advantage of hearing witnesses who know their subject.

In last week's *BMJ* I reported on the evidence of one knowledgeable body, the National Association of Health Authorities (p 440). In the committee's session on 2 February Ken Judge, director of the King's Fund Institute, set the mood of restraint with a paper that began: "The underfunding of the hospital and community health services in recent years may have been exaggerated."

If that takes the breath away Mr Judge had more to come. He found it ironic that despite the hysteria and hyperbole this year may be the first since 1981-2 when resources put into the NHS will actually exceed the increased demands associated with demographic change and medical advance. He expected total resources for hospital and community health services in England to reach £11 991m, which is 2.4% more than last year, against an additional demand of 2%—a calculation sure to delight the hearts of both Mr Micawber and Mrs Thatcher.

So if it is true that, after all, resources match demand why the unhappiness? Mr Judge put it down to the pressures that have built up from health authorities having to cope with the consequences of underfunding in previous years. The King's Fund estimated that £400m extra was needed to make up the shortfall of the past six years, starting from a new base. The cumulative underfunding over the period amounted to £1910m. That was what Mr Judge said authorities had been "cheated out of." It represented the real volume of resources—doctors, nurses, and equipment—not purchased in the past six years.

The outlook for 1988-9 was less sanguine unless more money was found to finance pay awards, especially for nurses. Mr Judge suggested that nurses this year should expect to match last year's 9.5% increase. To finance that, as well as the 2% extra demand, but ignore the 1980s shortfall would cost a modest £250m. For £1000m the government could restore the shortfall, give a generous 12% to the nurses, finance increased demand, and "transform morale."

The King's Fund Institute was ahead of the field last year in setting up a working group on NHS funding. Its report is due out next month and should be an important contribution on the side of sanity.

As a rest from statistics, however, the select committee was treated to a tonic by the testimony of Joe Leigh, a former health service manager recently in Fife and previously in Waltham Forest. Mr Leigh dispensed some home truths as he gave the MPs the benefit of his 13 years in the NHS.

Echoing the King's Fund Institute, he believed the word "crisis" was being overworked. There were funding problems that could be eased if the government so wished, but in Mr Leigh's view the NHS had a resource problem which money could not resolve. This was the scarcity of young people completing tertiary education—of whom the NHS had always taken a large proportion. So the problem of maintaining a pool of people suitable for employment in the NHS professions was educational, not financial.

Mr Leigh questioned whether today's health professionals and pressure groups did put the good of the health service above their own sectional interests. The nursing profession's aim to raise entry standards, remove trainees from the wards, and increase numbers provided an example of unattainable aspirations. Another was that in many cases the levels of junior medical staffing and the distribution of posts were designed to meet the professional requirements of the royal colleges not the NHS's medical needs.

He suggested that the present predicament had come about because some health authorities had gambled from about 1985 on the result of the last general election. Hoping it would produce a more sympathetic climate, they had put off building repairs and underinvested in equipment. The result: "The NHS has been eating its seed corn for a number of years. The extent of the problem can be best seen by walking around an inner city teaching hospital which has attempted to protect its service delivery by neglecting its assets."

Catching up on the backlog now will require significant sums. Nevertheless, Mr Leigh asserted that the funding problem could be met in the short run without injecting impossible amounts of money, especially by an economy which was now one of the strongest in the world.

He advocated a limited infusion of new money to hold the line while a comprehensive review to reshape the pattern of health care was carried out, preferably by a royal commission.

"The NHS and the Private Sector"

Finally, a curious contribution to the great debate has emerged in a confidential paper by the Carlton Club political committee and the Conservative Medical Society entitled *The NHS and the Private Sector*. It came blinking into the daylight after being leaked, presumably to cause the government to be embarrassed.

It might not have been taken too seriously had Mrs Thatcher not suddenly put the Secretary of State, Mr John Moore, on a loose rein. Now the paper, based on a seminar, assumes importance by chiming in with Mr Moore's own desire to mesh the NHS and the private sector.

It suggests devolving health care away from central government, basing it on insurance, with tax relief on private premiums, and allowing individuals—or whole hospitals—to opt out. The health unions—the Confederation of Health Service Employees, the National Union of Public Employees, and the Association of Scientific, Managerial, and Technical Staffs—would be disbanded in favour of one specialist body, while new hospitals would be designed and constructed by the private sector and either leased back or managed by contract. These are all ideas which find favour among the Conservative MPs who form Mr Moore's constituency within the party.

Nor is Mrs Thatcher likely to paraphrase Harold Wilson and tell them: "Get your think tanks off my lawn."