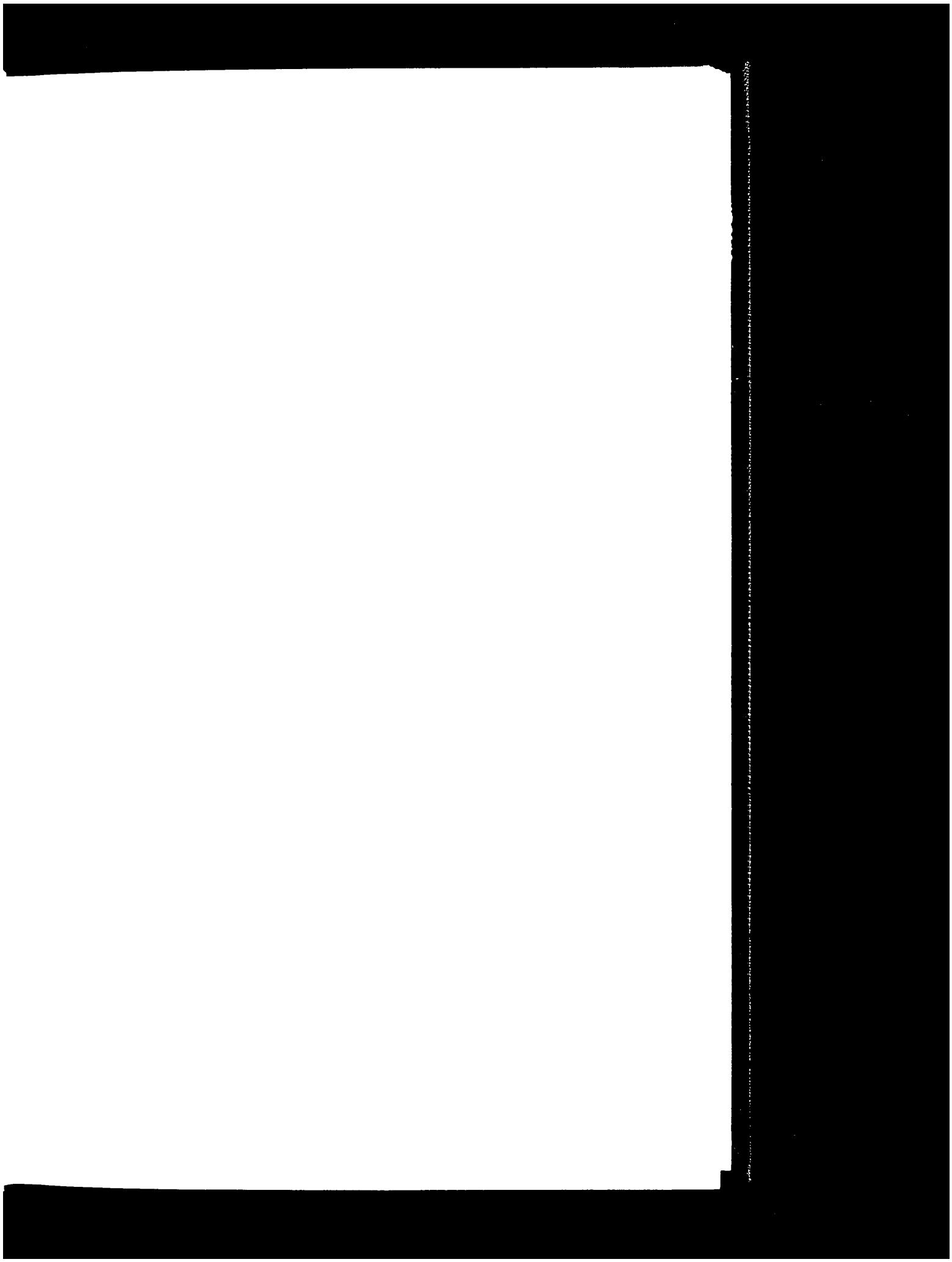


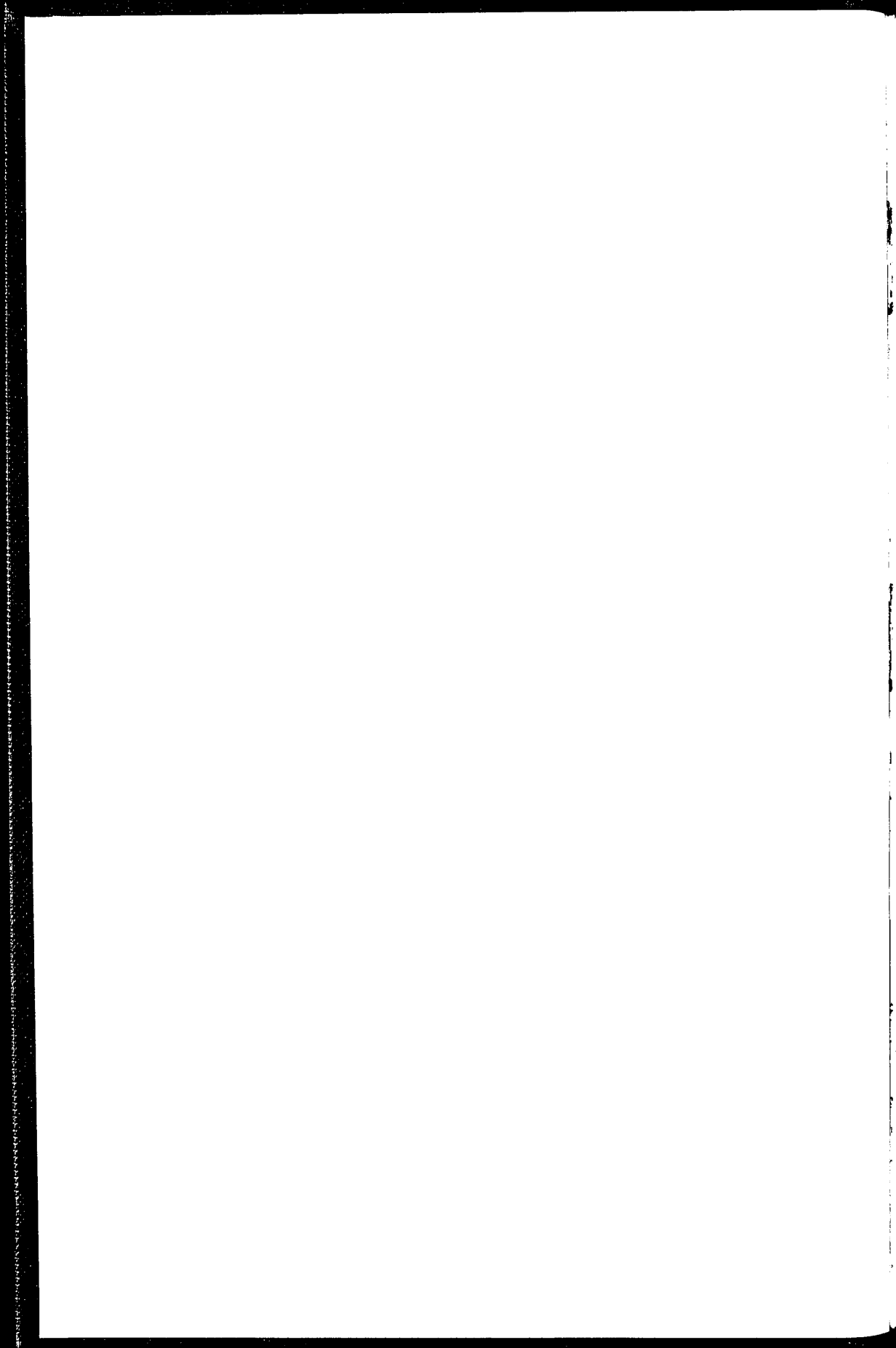
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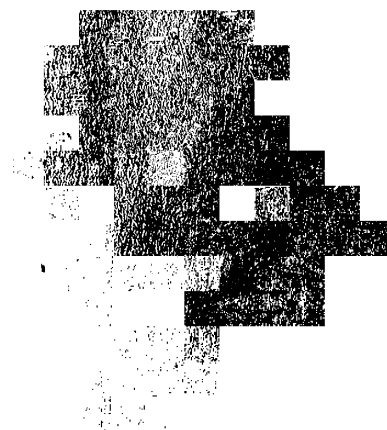
KING EDWARD'S HOSPITAL FUND  
FOR LONDON

THE  
STORY OF ITS FOUNDATION  
AND ACHIEVEMENTS

1897 — 1942

BY  
FRANK D. LONG

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## CHAPTER ONE

### MARLBOROUGH HOUSE

**I**T nearly always happens that there is a fascinating story to be told about the birth of an idea which eventually develops into historical achievement. King Edward's Hospital Fund for London undoubtedly ranks as an historic achievement in the annals of British hospital service. No fewer than four kings have taken an active part in it, and the developments in hospital service directly attributable to the Fund afford an absorbing theme for students of social progress.

Yet it must be confessed at the outset that very little is known of the embryonic stage of the idea. Fragmentary documents point to the late Sir Henry Burdett as having spoken to King Edward VII (who was at that time the Prince of Wales) about the possibility of collecting a sum of money to help London voluntary hospitals in celebration of Queen Victoria's Diamond Jubilee. But it would appear that it was the Prince himself who originated the idea of the permanent Fund which to-day carries his name. It is known that His Royal Highness was anxious to establish a lasting memorial to the Queen's sixty years' reign and that he was actually considering various proposals when an unusual combination of circumstances led him to decide upon a hospital fund as a most appropriate memorial.

Both the Queen and the Prince were keenly interested in hospitals and had much more than a passing acquaintance with their special problems. Here and there, in the case of the old established voluntary hospitals, fabrics were beginning to need repair, and structural improvements were becoming necessary to enable patients to get full benefit of advances in medical and surgical science. This was the state of affairs at Guy's in the year before the Queen's Diamond Jubilee, and as a result the Governors decided upon a special effort to raise £500,000 to re-endow the hospital.

It is at this point that two figures emerge, each destined to prominence in the hospital world. One, Mr. (later Sir) Alfred Fripp, a brilliant young surgeon on Guy's staff; the other, Mr. (later Sir) Henry Burdett. Both impressed their contemporaries with their organising abilities, and both were invited to assist in planning Guy's Re-endowment Appeal. A Festival Dinner was agreed upon as the best medium for raising the needed money and apparently the plans



were well advanced when difficulties began to develop. Precisely what they were does not appear to have been recorded, but they evidently impressed Mr. Burdett as insurmountable. At all events, he proposed the abandonment of the Festival Dinner in aid of Guy's alone and suggested instead a central fund for all London voluntary hospitals.

That Mr. Fripp was greatly upset is beyond doubt. Not unnaturally, perhaps, he was primarily interested in Guy's welfare. Determined to save the situation for his own hospital, he went to the length of making a personal appeal to the Prince. Some time previously he had had the honour of attending one of the younger Princes after an accident in Yorkshire, and his success in the emergency won for him the lasting friendship of the Prince. It was this circumstance which made it possible for him to venture a special appeal to His Royal Highness when troubled by the possible fate of the projected Festival Dinner.

As a result both he and Mr. Burdett were called to Marlborough House, the London home of the Prince, where they had an interview with Sir Francis Knollys, the Prince's private secretary. There is no record of what transpired at the interview, but subsequent events lead to the assumption that it was from this time His Royal Highness began thinking about the possibility of a central fund for London voluntary hospitals providing a suitable memorial of the Diamond Jubilee. He not only agreed to preside over Guy's Festival Dinner but later permitted Mr. Burdett to discuss his ideas at greater length.

From all that transpired subsequently it is abundantly clear that His Royal Highness realised from the first that a central fund, to be at all worth while, had to be something more dynamic and purposeful than merely a collecting and distributing agency. To be effective and permanent it had to be a large-scale enterprise. Given these qualities it could be a boon to hospitals and a worthy memorial to the Queen's long and glorious reign.

It was one thing to give his Royal support to a limited appeal in the name of charity ; it was another to give his name to an enterprise which was at once an appeal, a challenge and an undertaking. Charitably minded as he undoubtedly was, he was also essentially a realist.

As heir to the Throne he could not identify himself with movements capable of even the minutest deviation from the impersonal path trod by Royalty. There was, too, the dignity of his exalted office, which could not possibly be submitted to risks inherent in directorial contact with many and diverse hospital boards of manage-

ment. They were days when hospitals were run as independent and competitive units. Happily, no question of political or religious bias was involved, then, any more than there is to-day. Anything of the sort would finally have ruled out any possibility of his personal association with the Fund.

After considering the matter for six months His Royal Highness gave instructions, in January, 1897, for the calling of a meeting at Marlborough House for discussion of the many problems presenting themselves to him as he had enlarged the scope of the original suggestion.

The number of invitations to the meeting, it has been said, was limited to the seating capacity of the long table in the lofty, red damasked dining-room at Marlborough House. Twenty-two in all, among them leaders in religion, medicine, surgery, commerce, administration and industry, some of them his close personal friends, gathered round his dining-table on Thursday morning, January 21st, to talk about a central fund for London voluntary hospitals. His Royal Highness presided, and in view of its historic character it is well worth while recording here the names of those who comprised the assembly. They were : the Lord Mayor of London, Sir George Faudel Phillips ; the Lord Lieutenant of Middlesex, the Earl of Strafford ; the Duke of Norfolk ; the Bishop of London, Dr. Mandell Creighton ; Cardinal Vaughan ; the Bishop of Stepney, Dr. G. Forrest Brown ; the Rev. Guinness Rogers ; the Chief Rabbi, the Rev. Dr. Adler ; Lord Rothschild ; Lord Rowton ; Lord Iveagh ; Sir Arthur Arnold, Chairman of the London County Council ; Mr. Albert G. Sandeman, Governor of the Bank of England ; Sir Joseph Lister, President of the Royal Society (later Lord Lister) ; Dr. Samuel Wilks, President of the Royal College of Physicians ; Sir William MacCormac, President of the Royal College of Surgeons ; Sir Horace Farquhar ; Mr. John Aird, M.P. ; Mr. Sidney Buxton, M.P. ; Mr. Henry C. Burdett ; Mr. E. A. Hambro and Mr. (later Sir) Julius Wernher. Both the Duke of Westminster and Lord Londonderry had been invited, but their absence from London made it impossible for them to be present.

The question before the meeting was whether it was desirable to create a central hospital fund for London in commemoration of the sixtieth year of Her Majesty's reign. His Royal Highness was able to tell the gathering that he had discussed such a project with Her Majesty, and that she warmly approved, although she was concerned that nothing should be done which would react unfavourably on the

Lord Mayor's Indian Famine Fund. The Prince, on his part, made it clear that it was also eminently desirable to bear in mind that such a Fund should not encroach upon the interests of the Hospital Sunday and Saturday Funds, in their long established spheres of hospital collections in churches and chapels and in workshops respectively.

With these two provisos, the ground was cleared for action and in the ensuing discussion the whole field of hospital services and needs in London was reviewed. It was unanimously agreed that the forthcoming Diamond Jubilee afforded an unique opportunity for launching an enterprise capable of providing a bulwark equally for the voluntary system and for London's hard-pressed hospitals, while at the same time doing worthy honour to a great occasion.

All those present, with the addition of Lord Londonderry, were constituted a General Committee—the forerunner of the General Council—and His Royal Highness nominated ten to act as a Special Committee to go into details. This all-important Committee, upon which so much initial responsibility depended, comprised the Earl of Strafford (Chairman), Lord Rothschild, Lord Rowton, Lord Lister, Sir Savile Crossley (later Lord Somerleyton), Mr. C. Stuart-Wortley, K.C., M.P. (later Lord Stuart of Wortley), Sir Arthur Arnold, Mr. Sydney Buxton, M.P., Mr. E. A. Hambro and Mr. Henry C. Burdett.

The first meeting was held on January 28th at 5, St. James's Square, the house of its Chairman, and it was decided to recommend that the fund should be called "The Prince of Wales's Hospital Fund for London to Commemorate the Sixtieth Year of the Queen's Reign." The choice of a title, curiously enough, presented unexpected difficulties. The innocent stumbling block appears to have been the London Hospital. The Committee were surprised to find how easy it was to confuse the name of the famous hospital with a London hospital fund. Several alternatives were considered before the final choice was made.

A week later, February 3rd, when the General Committee assembled again under the chairmanship of the Prince, at Marlborough House, the recommendation of the Special Committee was accepted. "The Prince of Wales's Hospital Fund for London to Commemorate the Sixtieth Year of the Queen's Reign" formally came into being. At the same time the term "General Council" was adopted in place of "General Committee" and "Special Committee" was dropped in favour of "Executive Committee."

Lord Rothschild had already accepted the position of Honorary Treasurer, and Sir Savile Crossley and Mr. C. Stuart-Wortley,

that of joint Honorary Secretaries. Mr. (later Sir) Ian Malcolm and Mr. (later Sir) J. G. Craggs had been appointed Honorary Assistant Secretaries.

This first meeting of the General Council accepted the offer of accommodation at the Bank of England and Mr. Craggs' offer to provide the services of "a gentleman as chief of the office," together with an adequate staff. Mr. Craggs agreed to take charge of this staff, which was to be paid by the Fund.

The Fund thus started life at the Bank of England, with a small staff (seconded from Messrs. Craggs, Turketine and Company, Chartered Accountants) and with the sturdy ambition of "obtaining at least £100,000 additional revenue for the Metropolitan hospitals and convalescent institutions in annual subscriptions of one shilling and upwards from persons who have not hitherto acquired the habit of giving regularly to these institutions."

\* \* \* \* \*

It was not until after the meeting of the General Council on February 3rd that the public was informed of the project and the first appeal launched. This took the form of a letter addressed by the Prince of Wales to the inhabitants of London. In view of the subsequent events and modern developments in hospital policy it will be read to-day with special interest. It throws a revealing light on general hospital conditions in 1897 and emphasises the financial aspect as a whole rather than intentions of the proposed Fund to concern itself with details of problems troubling individual hospitals.

Here is the letter:—

Marlborough House,  
Pall Mall, S.W.

February 3rd, 1897.

"Having ascertained from the Queen that she has no wish to express a preference for any one of the many proposals loyally suggested for commemorating, nationally or locally, the sixtieth year of her reign, I feel at liberty to bring to the notice of the inhabitants of the Metropolis a project lying very near my heart, its object being to attach the sentiment of gratitude for the blessings which the country has enjoyed during the last sixty years to a scheme of permanent beneficence.

"The finances of the hospitals of London have long been a source of anxiety and solicitude. An analysis furnished me of the audited statements of account for the year 1895 of 122 Metropolitan hospitals and convalescent homes shows a deficiency of

£70,000 in the ordinary receipts as compared with the ordinary expenditure, while, if we limit the figures to institutions which failed to meet their outgoings, the deficiency is increased to £102,500.

“ In considering how this may be remedied, I have been struck by the statement, the truth of which is placed beyond doubt, that the contributors to the funds of our hospitals number less than one in a hundred of the population. It appears to me that in this fact we may find at once an explanation of present indigence and the best hope of its relief. It is necessary to enlarge the area from which annual subscriptions are gathered. If we divide the population of the Metropolitan district into two portions, and agree that one moiety is unable to contribute anything, there still remain three millions of persons representing, say, 500,000 households. Of these, 450,000 households, at least, so far as can be ascertained, do not contribute anything towards the support of hospitals. If we again assume that one-half are unwilling or unable to acknowledge either privilege or duty in this matter, an average annual subscription of no more than ten shillings each from the remainder will suffice.

“ The efforts of individual institutions, competing with one another, have not availed to enlist a large body of subscribers. I do not believe that this arises from any real indifference, but partly from the difficulty of choosing an object of interest among so many, partly from the lack of any definite opportunity for giving annual subscriptions to the cause as a whole, and partly from the feeling that small sums are not worth contributing. I am, however, confident that a combined appeal on behalf of the hospitals of London, setting forth their work in its magnitude and importance, will prove irresistible.

“ In that belief I have asked the co-operation of the representative committee whose names are appended, and I propose, with their assistance, to invite subscribers of one shilling per annum and upwards from all classes for ‘ The Prince of Wales’s Hospital Fund for London to Commemorate the Sixtieth Anniversary of the Queen’s Reign.’ It will be noticed that the members of the committee are not identified as active managers with any particular hospital, neither shall we trench upon the ground occupied by the Hospital Sunday and Saturday Funds. Our attention will be concentrated upon an endeavour to secure from £100,000 to £150,000 in annual subscriptions from those

who have not hitherto regularly contributed.

“To this end we propose to approach, among others, the ground landlords, the railway and other companies, all large employers of labour, the private and joint stock banks and companies, various trade associations, and, above all, the householders in the town and suburbs whose names are not found in the hospitals' lists.

“I am glad to say the promises of assistance received so far are most encouraging. Lord Rothschild has consented to be the Treasurer of the Fund, and the Governor and Directors of the Bank of England have placed office accommodation at our service, both in the City and at their West-end Branch. The Lord Mayor has promised his cordial support.

“I am aware that the task of distributing the funds when collected will not be without its difficulties. It may be desirable in the future to seek the assistance of representatives chosen by the hospitals, but for the first year we shall rely upon the co-operation of the Distribution Committee of the Hospital Sunday Fund.

“Finally, I venture to offer a word in general commendation of the scheme. Public opinion has shown itself upon more than one occasion, and I think wisely, in favour of the maintenance of the voluntary system for support of our hospitals, combined with an adequate system of representation of the body of subscribers in their control and management. It is obvious, however, that if these institutions are to be saved from State or parochial aid, their financial condition must be secured. We must recall the fact that, apart from the purely philanthropic work carried on in relief of our sick poor, we look to the voluntary hospitals for the means of medical education and the advancement of medical science. Our hope is that, by the aid of this Commemoration Fund, we may be enabled to secure for these necessary institutions sufficient and permanent support.

“Subscriptions of one shilling and upwards may be sent to the Treasurer, Lord Rothschild, New Court, E.C., or to the Honorary Secretaries, the Prince of Wales's Hospital Fund for London, the Bank of England, E.C. It is hoped that arrangements may be possible in the near future by which the greatest facilities will be given to every Londoner to pay his subscriptions with the minimum of trouble to himself and the maximum of security for the Fund.”

## CHAPTER TWO

### ERA OF HOSPITAL ISOLATION

THE Founder's letter was published in all the London morning and evening newspapers on February 5th, only four months before the celebrations of Her Majesty's Diamond Jubilee were due to begin. London was already agog with anticipatory excitement. Never had the Queen through her long and glorious reign stood higher in the respectful devotion of her people. The Prince of Wales, too, had won the affection and admiration of all classes by the inspiring ardour with which he applied himself to the increasing duties his high office and the failing health of the Queen imposed. To add still further to the propitiousness of the moment for launching such an enterprise, Londoners were enjoying a prosperity which gave them real cause for jubilation.

There were, it is true, dark clouds patching the blue skies ; portents which, had the happily employed Londoners realised, provided yet another reason for rallying en masse to the support of the newly created Fund. Industries of many kinds, particularly the iron and steel, with their kindred and dependent branches, were developing apace. Commerce was expanding and new money-making ventures springing up everywhere. Rural workers, encouraged by fantastic tales trickling through to the countryside, began to abandon their fruitful fields for the hard granite of the towns. Too many believed the legend that London streets were paved with gold. They flocked to the Metropolis, only to be disillusioned and to swell the numbers of potential inhabitants of the hospitals. That they added extensively to the sick poor, and thus increased the problems of voluntary hospitals, succeeding years consistently proved.

But the London of 1897 was in no mood for grim forebodings ; she had time and thought only for the splendours and happiness of the great event of the year. The Prince appealing, with the approval of the Queen, for help in the name of all voluntary hospitals in the Metropolis found an audience willingly eager to respond. London rallied magnificently to the Prince's call, and those he had selected as the first General Council of the Fund gave of their services—and money—ungrudgingly. They were months of crowded activities, concerned not only with ways and means of collecting subscriptions

and donations. A solid foundation on which to build a lasting structure had to be laid. That meant a thorough and searching examination of the hospital service and its needs. It was, moreover, a new departure in hospital finance, and while all hospitals were pleased with the prospect of additional revenue, not all were entirely satisfied that ancient liberties would not suffer. Some were frank in their fears that the Fund might wield undue influence over their private affairs.

It should be remembered that in those days the idea of combined effort in a great public service had not been explored. Hospitals worked in an atmosphere of splendid isolation. Each and all were independent units; each and all had a special pride in individual achievement in rivalry with the next. There was a complete absence of co-ordination. That was a fault in voluntary hospitals which the Prince deplored. For years he had been an earnest student of the hospital. Despite the multiplicity of his duties and interests he found time to acquire a surprisingly extensive knowledge of hospital practice. It was the convictions he formed from first hand knowledge of the state of affairs which led to his decision to identify himself with the Fund.

Through his own personal contact with hospitals he had discovered the weaknesses in a hospital system made up of units which isolated themselves, deliberately conducting their affairs in a spirit of competitive rivalry. He believed in democratic independence for all the units in their exclusively private affairs, but where interests merged into a common service there should be, he argued, an intelligently co-ordinated effort based on broad and understanding humanity. Of all the members of the original Council none worked more energetically than His Royal Highness to get the Fund firmly established and moving consistently towards the ideal of unity in purpose and service.

His attitude towards the Fund and the hospitals it was intended to serve is clearly revealed in the records of the meetings of the Council on May 28th and December 20th. At the May meeting, when it was reported that the amount actually received at that date totalled £130,576, he addressed the Council at great length and concluded with these words:—

“Naturally, everybody will ask when we have got a sufficient sum, ‘What are you going to do with it? How are you going to spend it?’ That is a very grave question, and it will be one for our further careful consideration. Possibly it will be necessary to appoint a small committee to consider the matter



and report to us—the General Council—what had best be done. It will never do for us to give money right and left to hospitals which are in need. It will be necessary for us to investigate the state in which these hospitals are, to find out those which are in most pressing need of assistance, and also to form some opinion as to the state of efficiency in which they at present exist and how the management is carried on. I merely mention this now because it must be a subject which will become one of paramount importance in a very short time. I think, however, that it is too soon yet to form any opinion on the subject, which is one that will require the most mature consideration.”

By the time the Council met in December the total receipts for the eleven months since the inauguration of the Fund had risen to £227,562. This sum included £34,776 realised from the sale of Hospital Stamps specially issued in commemoration of the Diamond Jubilee. The plates from which they were printed had been ceremoniously destroyed at the Bank of England on July 9th (1897) in the presence of the Duke and Duchess of York, later King George V and Queen Mary. Their destruction assured the holders of the stamps of irreplaceable souvenirs of the unique occasion, and at the same time made further revenue from this source impossible.

The question then arose, could this £34,776 be treated as money which should be placed to the capital account for investment, or distributed in the form of Jubilee celebration grants. The Prince was all in favour of building up as large an investment account as possible and advocated the first course. The Council agreed with the Executive Committee, whose chairman, Lord Lister, explained that the Committee recommended distributing the whole of this sum in celebration of the Diamond Jubilee. This was what His Royal Highness had to say about it when the Council met at his house in the first December before the first annual distribution :—

“ I would call your attention to what has fallen from Lord Lister. Most of you are aware that my object has been to be very careful of the moneys entrusted to our charge. I mean by this that I should deplore, if for the sake of making a great effect before the public by giving a large sum of money away, we should encroach upon our capital. I am ready to spend every sixpence of our income, but I confess it was with great reluctance that I gave way on the point of spending any of our capital.

“ At the same time, the question of the Hospital Stamps, which will realise about £40,000, is a special thing, and I think

we may put this amount aside from the sums we have received from other institutions and from other people. I agreed with Lord Lister that, in order to have done something towards carrying out the object we had in view, we should this year give a sufficient sum of money to open wards and beds now closed. That is the great point. We must, I think, leave ourselves in the hands of the Committee, who have taken such great trouble in this matter of distribution.

“ If the General Council agrees to the Committee’s recommendation I could hardly do otherwise than coincide with their views. Of course, what we may get next year is problematical and will depend, to a great extent, upon how we distribute the moneys entrusted to our charge, but we hope that the Fund may remain open in perpetuity. My own view on distribution is that such an inquiry should be made into all matters concerning each hospital so that all amounts spent may be wisely administered. Unfortunately, as you must be well aware, in many cases wings and wards are now built when the hospitals can only hope that future charity, by means of dinners and bazaars, may give them the assistance necessary to defray expenses ; and if they do not receive as much money as they hope from these bazaars and dinners they are ultimately obliged to close the very wards which they recently opened. It is this extravagance in the maintenance of hospitals which this Fund should endeavour to discourage.”

Further evidence of the Prince’s determination to see that the Fund should be used for expanding the efficiency of voluntary hospitals and not merely to pay debts was forthcoming only two months later ; that is, at the next meeting of the General Council, February 3rd, 1898. So much spade work had to be done in the inaugural year that the distribution of grants and donations had to be arranged on the basis of the grants by the Hospital Sunday Fund. No independent inquiry into merits could then be undertaken by representatives of the Fund. Before this meeting was a proposal by the Distribution Committee that a Visiting Committee should be appointed to visit the various hospitals with a view to making recommendations on merit for the allocation of funds received in 1898. The Prince, enthusiastically supporting the proposal, said :—

“ This is, perhaps, the most important matter we have before us to-day. I feel that it would be far better that this Committee—this Committee of Inquiry if I may so call it, into the state of all hospitals—should be confined to the members of the Council. I

do not think that we need to go outside the Council to find members for that Committee, as we are competent ourselves to make our own inquiries. It will take time, of course, and it will have to be done delicately, because possibly many of these institutions may not wish, for reasons of their own, that we should inquire into their circumstances."

"I do not, however, think it possible for us to keep to our original ideas, *i.e.*, to assist the most deserving hospitals, unless it is quite clear to us which hospitals are really deserving and which are arranged in a proper way. I certainly am of opinion that all these inquiries should be kept as private as possible. It would not be fair to hospitals, nor would it be fair to ourselves, to use confidential reports in order to represent hospitals to the public as being in an unsatisfactory condition. We might, however, offer advice, in cases where it was necessary, and if the hospitals agreed to accept our advice, we might then consider the question of a grant."

It need only be added at this point that the Council fully concurred with the Prince's views, and that considerable care was taken in the selection of Visitors. A large Committee was built up of physicians and surgeons of wide experience, and an equal number of laymen specially interested in hospital management. Sir Trevor Lawrence was elected Chairman, and by the summer the Committee was ready for action.

One other side-light on the Prince's personal concern for the success of the Fund should be shown before continuing the narrative of its remarkable achievements. This takes us back to the inaugural meeting. Both the Hospital Sunday Fund and the Hospital Saturday Fund were more than a little perturbed by the proposal to start yet another Fund for hospitals. They thought it was bound to encroach on their preserves and, perhaps, by dividing allegiance, reduce the sum total of support for hospitals. Each conducted an annual collection, and it was a simple matter to arrange that nothing comparable should be organised by the Prince of Wales's Fund.

So far so good, but the Sunday Fund was still concerned about its established right to appeal through the pulpit. Leaders in the Church of England and Nonconformity had linked themselves with the Prince's Commemoration Fund. Their followers were anxious to avoid anything which might be translated as disrespectful to Her Majesty, in honour of whose Diamond Jubilee the Fund was being created. At the same time, they rather feared that their privilege was

in danger. They were in a dilemma ; so were members of the Fund. Hence a suggestion was made that the only way out of the difficulty was to secularise the movement and exclude clergy and ministers from any control.

The suggestion was no sooner made than it was vetoed by the Prince. He disposed of it in one sentence. "The proposed scheme," he said, "must rest on a thoroughly comprehensive basis, and the support of the leaders of every denomination, as well as every industrial interest, is essential to its launching." After that there was nothing more heard of secularising the movement.

Fertile in thought as well as tactful in emergency, it was on His Royal Highness's suggestion that it was agreed to ask the Bishop of London to call a conference of clergy and ministers of all denominations to consider how they could help the Fund. They met at the Bishop's residence and as a result the Fund was recommended to draw the attention of the clergy and ministers of London to the Subscription Books, with a request that they should consider the possibility of finding someone connected with each congregation who would bring before the people this method of making small subscriptions. The Fund had by this time devised a plan by which small annual subscriptions could be easily collected without any trouble by the issue of a Subscription Book which enabled everybody, by simply buying a Hospital Stamp and fixing it in the book, to make an annual subscription of from 1s. to 10s. per annum.

There can be no doubt that the support of religious denominations obtained in this way was largely responsible for the grand total of £34,776 being raised by the sale of the Jubilee Hospital Stamps.

\* \* \* \* \*

It has already been stated that the whole of the voluntary hospital field was carefully reviewed in the early days of the Fund. Municipal hospitals, as such, did not exist, although there were rate aided institutions for the care of the destitute sick, for certain incurable diseases and for the feeble-minded. These were controlled by boards of guardians. As yet no voice had been raised to question either the propriety or the efficacy of the voluntary system. It was certainly not due to any fear of attack on the system that the movement was begun to wipe out any black spots that might be found and bring the hospital service up to a maximum of possible efficiency.

Sincerity in service was the keynote of the investigations, and in that spirit the pioneers of the Fund were unafraid of carrying on their self-imposed task to logical issues. It is to the credit of the voluntary

hospitals of 1897 that no condition which could deservedly be described as a "black spot" was found, but there was abundant room for improvement. Such defects as there were could all be traced to the habit of splendid isolation—which was anything but "splendid" for the smaller hospitals, either special or general. Each living in a world apart, they were learning only by their own mistakes instead of profiting by a common experience. Maintenance costs were higher than they need have been, organisation of personnel was often of an indifferent character, architectural arrangements and planning suffered because no hospital would learn by another's errors. There was overlapping in service and under-provision in other places, with the result that some hospitals were rarely used to capacity while others suffered from chronic over-crowding.

These were some of the defects made startlingly clear when the Fund's Visitors began operations. But it was impossible to attempt wholesale reforms at the outset. All that could be done to begin with was to shape a policy with these always in mind. The most pressing and urgent need was the reopening of closed beds. In the 95 hospitals (omitting the two "institutions") assisted by the Fund with the first year's income and Jubilee gifts there were no fewer than 687 beds closed. Many of these were actually in hospitals where the open wards were pitifully crowded. But, as was emphasised by the Prince of Wales, it would have been mockery to have made grants for the reopening of beds without provision for keeping them open. The service of the Fund, like its appeal to the benevolently minded, had to be perpetual.

Thus, it is rather understating the significance of the fact, mentioned as a bare record in arithmetic, to say that 169 beds in general hospitals and 16 in children's hospitals, making a total of 185, were reopened as the result of the first year's working of the fund. They have been kept open; that is the point. More, by the end of the second year the number had risen to 242, next, to 287, the following year to 332. And so it went on until there were no more closed beds even though, with passing years, other needs claimed priority. The annual report for 1898, noting that the awards for the two years would enable the reopening of 242 beds, modestly comments, "This in itself is equivalent to building and maintaining another large hospital."

Looking back, it is possible to appraise this service at its true value, but the "isolationists" of 1897 appear to have been too close to current events to get an unobstructed view of the future. Some who benefited to a less degree than others frankly avowed pessimism

about the usefulness of the Fund. Several, whose annual reports were published about the time of the inception of the Fund, feared that the sum total of support for Metropolitan voluntary hospitals would actually show a decline. One, published after the Fund had been in existence a year, and drawing attention to a previous report, read :—

“ While alluding gratefully to the kind and generous impulse which prompted this movement, the report expressed some fears that an erroneous impression might prevail that the hospitals of London were now amply provided for, and indicated some of the possible results which the inception of this Fund—whether it should be wholly or partly successful—might have upon the medical charities of the Metropolis.”

After referring to the method of distribution, this statement continues :—

“ As regards most hospitals, therefore, the result is merely a repetition of the Hospital Sunday grant, being, in the case of this hospital, the sum of £57 10s.—a very welcome addition to the income of the year, but scarcely commemorative of the great occasion which inspired His Royal Highness’s benevolent movement.”

The sole purpose in presenting these quotations is to enable readers the better to understand the Metropolitan hospital atmosphere of 1897. They reflect, in part, the isolationist temper, as well as an apparent unwillingness to recognise the distribution difficulties peculiar to the special occasion. The Distribution Committee of that time was faced with the unenviable task of finding the most satisfactory solution of an entirely new and many-sided problem ; how best to dispose of the £227,551 12s. 5d. actually received up to December 31st, 1897. They had to keep faith with the public who had subscribed the money ; they had to bear in mind that a substantial portion had to be set aside for investment, since it was a fundamental policy of the movement to make grants out of income—the only possible way of establishing the memorial in perpetuity ; they had no independent machinery for testing the true merits of applicants for assistance.

## CHAPTER THREE

### EARLY DISTRIBUTION PROBLEMS

**L**ORD LISTER, then at the height of his fame as the founder of antiseptic surgery, was the Chairman of the all-important Distribution Committee, and with him sat Sir William Church, Sir Trevor Lawrence, Mr. (later Sir) Frederick M. Fry and Mr. Burdett. It may be mentioned in parenthesis that the only survivor of this original Distribution Committee is Sir Frederick Fry, and that at the time of writing these words news has just been received of his resignation after serving on the Committee for forty-four years. It was at Lord Lister's house in Park Crescent that the Committee used to meet, and it was in his library that they solved the first great distribution problem.

It was agreed to submit to His Royal Highness, the President, and the General Council, a proposal that the whole of the £34,776 5s. od. received from the sale of Jubilee Hospital Stamps should be reserved for distribution as special donations. A percentage of the balance, fixed as the minimum which could be set aside for investment, accounted for £167,020 19s. 8d., leaving a sum of £22,050 for general distribution. Thus the problem resolved itself into devising the most satisfactory distribution of these two sums, £34,776 5s. and £22,050, as the completed solution to offer the Prince and the General Council.

Clearly it was inadvisable to divide the money between the whole of the voluntary hospitals in the Metropolitan area. To do so would have resulted in each receiving a uselessly infinitesimal sum. An area limit had to be fixed. A seven miles radius of Charing Cross was proposed, and within this area were 97 hospitals and convalescent homes eligible for consideration. There had been no time for a detailed examination of the merits of the 97, but haphazard grants were out of the question.

An ingenious solution of the problem was found, namely, that the £34,776 5s. should be divided among the whole of the hospitals and convalescent homes, and the £22,050 used to provide the first annual grants to thirteen of the seventeen hospitals in which there had been a permanent occupancy of 100 or more beds on an average of three years. Each of those chosen to receive the annual grant also received

special help towards the cost of opening closed wards or for other pressing needs.

Here are the thirteen, showing the first annual grants to them :—

	£
Charing Cross Hospital ....	1,000
Guy's .....	6,000
Hospital for Sick Children, Great Ormond Street, W.C.	500
King's College Hospital .....	1,000
London Hospital .....	5,000
Middlesex Hospital .....	1,000
National Hospital for the Paralysed and Epileptic .....	750
Royal Free Hospital .....	750
St. Mary's Hospital .....	1,000
St. Thomas's Hospital .....	1,800
Seamen's Hospital .....	500
University College Hospital .....	1,400
Westminster Hospital .....	750

Of the remaining four hospitals which could show a permanent bed occupancy of 100 or more on the three years' average, St. Bartholomew's was the only one not to receive either grant or donation. That was because it was adequately endowed and most happily placed financially. The Hospital for Consumption, Brompton, was awarded £1,391 5s. od., the City of London Hospital for Diseases of the Chest £927 10s. od. and St. George's Hospital £1,356 5s. od., special donations.

Of the thirteen awarded the first annual grants, all but St. Thomas's also received a special Jubilee donation, which absorbed £20,440. The balance, £14,336 5s. od., was divided among the remaining eighty hospitals and convalescent homes on the basis of the grants they had received from the Hospital Sunday Fund.

These proposals were in due course accepted by His Royal Highness and the General Council, although, as recorded earlier, the Prince was a little dubious about distributing the whole of the money obtained from the sale of Hospital Stamps. In January, 1898, cheques totalling £56,826 were posted to 97 voluntary hospitals and convalescent homes. The Commemoration Fund had been quite definitely established, and the Prince was happily assured that he had not cast about in vain for a really permanent memorial to the sixty years his well-loved mother had been on the throne.

None more than the Prince appreciated the difficulties of the Distribution Committee in drawing up a plan of distribution with the



minimum information to guide them in estimating the merits of claimants to grants. When the Council met shortly after the first distribution there were many matters on the agenda for discussion, but by far the most important, he declared, was the appointment of a Visiting Committee. The need for such a committee had already been agreed to, also the method by which it should operate as the eyes and ears of the Distribution Committee. A book entitled *Suggestions to Hospitals Visitors* had been written by Drs. Billing and Hurd and a detailed memorandum prepared. This proposed that :—

“ On the occasion of any visit a note should be made of everything which strikes the Visitors, and that they should prepare their report, giving the results of each inspection and the impressions conveyed by it, as soon after its completion as possible. It may further be pointed out that on the occasion of the first year’s visit the Visitors may be well advised to take a general survey of each institution inspected, and to pay special attention to the condition of the fabric inside and out, the adequacy or otherwise of the lighting, the ventilation, the sanitary appliances, the floor, wall, and cubic space allotted to each bed in every ward, and the general aspects of each ward and department, as well as of the whole institution, so far as orderliness, cleanliness and discipline are concerned.”

There followed detailed suggestions relating to specified departments in hospitals calling for attention, methods of returns, costing systems, purchasing practices, furnishings, nurses’ quarters, holidays, conditions of employment, etc. Most of the ground-work had been done when the first General Council meeting of 1898 appointed the Visiting Committee, electing Sir Trevor Lawrence as its first Chairman. Care was taken to select an equal number of medical and lay men, and it was arranged that they should visit in pairs. To begin with, the area covered by the Fund was divided into five sub-areas and a group of doctors and laymen were allocated to each of these sub-areas. These groups in turn divided the hospitals between themselves, so that each pair of Visitors (one a doctor, the other a layman) was made responsible for visiting a group of from eight to ten hospitals during the year.

Other details of operation, insignificant at first glance but far from being of minor importance, were made rules for the conduct of the Committee. For example, periodical changing in the pairing of Visitors. This was a simple precaution against any pair developing undue attachment to the interests of their own group of hospitals. It

served also to maintain keenness in independent observation. Again, when it happened that Visitors were also members of the Distribution Committee they vacated their seats on the latter when the reports of their visits were under discussion by the Distribution Committee. Thus it could not be said that when the question of grants was being considered they exercised partiality for or bias against the hospitals they had visited. It might be added that the same rule applies to any member of the Distribution Committee who is connected with a hospital; this enables the Committee to have experienced hospital members without risk of partiality.

It is as well that these details should be recalled to-day since it needs to be borne in mind that the Fund has, from its foundation, made efficiency in hospital service the justification for its continuance. It began this work more than thirty years before municipalities had any responsibility for general hospitals, and at a time when great numbers of voluntary hospitals were already established in the Metropolis as exclusively independent institutions.

They carried on, as has been said, in "splendid isolation." That had been the tradition of centuries, and it will be recognised that the pioneers of the Fund needed an amplitude of tact and good will to break through such a barrier and create that desire for co-ordination so essential to a hundred per cent. efficiency. Advertisements were issued explaining that any grant applied for would be carefully examined in the light of the needs and services of the hospital. Upon receipt of an application, the two Visitors met representatives of the hospital by appointment, and a relationship of friendly co-operation was established in spite of possible initial fears of unwarranted interference. Defects which had passed unnoticed or had been tolerated for years began to assume a prominence which demanded the attention of governors and hospital committees. Action on their part was always voluntary. It had to be, as far as the Fund was concerned.

Not only did the visits produce such a salutary effect within individual hospitals, but inevitably the Visitors provided a common link between hospitals. There was no question of disclosures to hospitals by the Visitors, naturally. All the hospitals on the Visitors' list began to take an interest in what each other was doing and how they were tackling problems common to most. Almost insensibly they became aware of the advantageous possibilities of learning from each other and of finding points of common interest. Gradually the old competitive barriers began to break down; the seed of co-ordination had been sown.

When the Fund had completed its third year all the London morning and evening newspapers published eulogistic leaders on the work accomplished. Typical of these are the following extracts from *The Times* :—

“ The report for the passing year of the Prince of Wales’s Hospital Fund seems not only to afford a justification for the existence of the Fund as a permanent institution, but also to display the care and sagacity with which its operations have been controlled. . . .

“ Many grants have been specially for the purpose of re-opening beds which had been closed under the stress of financial difficulties. Forty-five beds have been thus reopened during the current year, and 242 in the two preceding years, making a total of increased accommodation to the extent of 287 beds ; which in themselves form no inconsiderable hospital. . . . It follows, as a natural result of the examinations made by the sub-committees above referred to, that a grant from the Fund, and especially a large grant, is justly prized by hospital managers as a certificate of character.

“ Persons desiring either to support a hospital, or leave a legacy to it, could hardly do better than first to ascertain in what light its operations present themselves to the perfectly impartial judgment of experts—experts not only in medicine and surgery, but also in finance and domestic management.”

It is not to be supposed from the foregoing that every kind of problem had been solved, nor, indeed, that anything more than an approach had been made. In a sense, the whole of the first four years of the Fund, during which King Edward was the President, were formative years. They were vital years in which the Fund had to establish its character, both with the people from whom monetary support had to be enlisted and with the hospital committees and officials. They were foundational years in the truest sense of the term, and the minute books covering the activities of this period show conclusively the intense personal concern of the President to ensure such a foundation as would guarantee the Fund’s perpetuity.

The steadily increasing financial support each year becomes still more a tribute to the personal influence of King Edward when it is recalled that for eighteen months of this period no appeal was made to the public. The war in South Africa had led to the inauguration of various war funds and it was felt that there should be no competition with these for public charity. Nevertheless, gifts of all kinds rose

from £33,938 in 1898 to £42,145 in 1899 and to £45,462 in 1900. No comparison can fairly be made with the inaugural year because of the special gifts made exclusively in commemoration of the Queen's Diamond Jubilee. In that year the subscriptions, donations, and income from investments yielded the magnificent initial income of £227,551, and provided during the succeeding three years no less than £17,812 as income from investments. This, added to the gifts of all kinds, shows that the grand total received in the three years following the Jubilee amounted to no less than £139,357. During these same years annual grants and awards rose from £32,500 in 1898 to £42,000 in 1899 and to £50,000 in 1900, making a total of £124,500, and a grand total of £181,326 distributed in the four years King Edward, as Prince of Wales, was President of the Fund.

Before leaving the financial aspect of these formative years reference should be made to the League of Mercy, which also owes its inauguration to King Edward VII. After the King's Fund had been in existence two years it became apparent that the machinery of the Fund was not adapted to the service of the countless sympathisers with hospital charities unable to afford the substantial sums the King's Fund attracted. Hence the decision of His Royal Highness to set up the requisite machinery to secure additional funds for the King's Fund, since he sincerely believed there were many thousands of poor people who would be glad of the opportunity of contributing to the maintenance of voluntary hospitals.

Again he chose his London home as the venue for the inaugural meeting, and on March 1st, 1899, he presided in the dining-room of Marlborough House over the assembly which provided the first officers, all honorary, of the League of Mercy. Less than a fortnight later the League was granted its Charter. The Prince of Wales was named as the first Grand President, and by its constitution every region had its own President. Under these presidents there were honorary officers who undertook to find collectors who would ask for no more than 1s. a year, subscribed in monthly pennies. One of them was Sir William Collins, who served the League as an Honorary Secretary for many years. As the then Chairman of the London County Council he became a member of the King's Fund General Council very shortly after its creation by King Edward, and is to-day one of the oldest members of the Council.

For many years all the funds thus collected went to the King's Fund. The annual contributions, beginning with £1,000 in the first year, steadily increased until the peak years of 1932, 1933 and 1934,

each yielding £20,000, were reached. Since then the League's distributions have been divided between the Fund and the provincial hospitals. In the forty-four years of its existence the League has contributed more than half a million pounds to the Fund ; a complete justification of the Royal founder's faith in the desire of the poorer classes to prove their appreciation of London's voluntary hospitals.

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The death of Queen Victoria, on January 22nd, 1901, made it impossible for His Royal Highness to continue as President of the Fund, but his ascending the throne in no way diminished his interest either in the Fund or in the welfare of the hospitals it was created to assist. Her late Majesty had been the Fund's first Royal Patron. King Edward became the second Patron, and the new Prince of Wales (later King George V) the second President. His Royal Highness assumed office towards the end of 1901, and in the interim the duties of President were undertaken for him by the Duke of Fife. The Duke's signature appears at the foot of the minutes presented at the fourth annual meeting of the General Council. This was held at his house in Portman Square, W., on May 10th, 1901, when the Duke read the following telegram from King Edward :—

“ As you are presiding at a meeting of the Prince of Wales's Hospital Fund for London pray express to the Council the unabated interest I take in its continuous success and prosperity.”

His Majesty's assurance was no idle expression of good will. As the Sovereign he could not, of course, take the same active part in the affairs of the Fund, but he continued, through the Prince of Wales, to keep in close touch with the increasingly varied activities. His last personal act was to appoint an Organising Committee, which the Executive Committee recommended should be appointed for the purpose of organising fresh sources of revenue. His Majesty appointed Lord Duncannon as Chairman and the following to be members, with power to co-opt others : F. Gordon, S. H. Benson, G. Lawson Johnston (later Lord Luke), Sir Savile Crossley and Mr. Craggs ; T. S. Blackwell and J. S. Wood were co-opted members.

The Committee immediately bent all their energies to rousing public support for an appeal for funds to take the shape of a Coronation Gift. A publicity campaign, the like of which had never been known before in aid of charity, was planned and carried through with phenomenal success. All the leading newspapers published articles in carefully pre-arranged order, and for the first time in newspaper

history, advertisement space, free of cost to the Fund, was provided in the London morning and evening newspapers by their regular advertisers.

These were used to tell the public something of the debt they owed to voluntary hospitals. For the first time many thousands who had never seen the inside of a hospital and who knew nothing of the complicated and expensive machinery of healing, were taught in this way something of the great work being done in their midst. And there were added such notes as "Remember the Prince of Wales's Fund in your will."

In each the Prince of Wales's Feathers was not only a decorative illustration, but emphasised the association of the appeal with the most popular figure in the Empire. For the Fund was still known as the Prince of Wales's Hospital Fund for London. It was only after His Majesty was made to feel by the success of this appeal that the public continued to look upon the Fund as his own that he consented to the change of title. In effect it remained, and still remains, a memorial to Queen Victoria's sixty years' reign, but to-day it is also a memorial to the intensely human concern of Edward VII for the welfare of his subjects stricken down by illness or accident.

#### CHAPTER FOUR

#### THE FUND RE-NAMED

THE decision to rename the Fund King Edward's Hospital Fund for London, as from January 1st, 1902, was reached only just before the contributions were handed to His Majesty as a Coronation Gift. The Coronation Fund was closed a little more than a year after its opening, with a grand total of £123,829.

Both as a money-raising appeal and as an education for the general public in the work of voluntary hospitals, the campaign was extraordinarily successful. The good results continued to be forthcoming in succeeding years, when more and more legacies were left to the Fund and annual subscribers went on increasing. This point was made when, on August 11th, 1902, the Gift was presented to the

King at Buckingham Palace. The annual report of the Fund for that year contains the following extract from one of the reports of the ceremony published in the Press at the time :—

“ His Majesty the King received in audience to-day the Right Hon. Sir Joseph Dimsdale, Bt., M.P., Lord Mayor of London, the Viscount Duncannon, C.V.O., C.B., and Sir Savile Crossley, Bt., M.V.O., M.P., who presented the Coronation Gift of £115,000, subscribed by all classes of His Majesty's subjects, including nearly 20,000 donations in pence given by working people, and who informed His Majesty that there would be a substantial balance on the closing of the accounts, and that increased support had also been secured by King Edward's Hospital Fund for London, the Hospital Saturday and the Hospital Sunday Funds, in his Coronation year.

“ His Majesty the King, in graciously receiving the Gift, expressed in most feeling and sympathetic terms the pleasure which he experienced in the fact that this tribute embraced the offerings of the poorer classes of his subjects equally with those of the richer.

“ His Majesty further conveyed the great gratification he felt that in this year such considerable progress had been made towards the attainment of the object which he had in view when, in celebration of the Diamond Jubilee of his beloved mother, Queen Victoria, he originated the Fund, in which Her late Majesty took so keen and so sincere an interest, the object of which was to free the London hospitals from debt—a purpose which, until it was finally accomplished, he should not cease to strive after while God spared his life. The King then handed the Coronation Gift to His Royal Highness the Prince of Wales, President of King Edward's Hospital Fund for London, to the augmentation of which he desired it to be applied.”

The money subscribed specifically for the Coronation Gift, substantial as it was in the total, did not represent the full financial reward for the efforts of the Organising Committee. Their campaign had the immeasurable advantage of the personal blessing of King Edward, which counted for so much that charitably minded people even in distant parts of the Empire were moved to contribute to the Fund, about the success of which he was so genuinely concerned. From Canada, for example, came £400,000 in equal shares from Lord Strathcona and Lord MountStephen for investment. The Maharaja of Gwalior sent £10,000 and the Maharaja of Jaipur £5,000. A

bequest of £250,000 was made in his will by Mr. Samuel Lewis and his widow gave £2,500 for immediate use.\*

As a result of so widespread appreciation of the merit of Metropolitan voluntary hospitals revealed by the Organising Committee's campaign, the Fund's receipts for the year, including the Coronation Gift, reached the record figure at that date of £433,878. True, most of the money had been given to the capital account, which meant that only part of the contributions and the income from investments was immediately available, but even so £100,000 could be allocated for distribution—twice as much as in the previous year. It was an onerous responsibility, and one of the first decisions reached was to increase the Visiting Committee from 28 to 46, thus ensuring the Distribution Committee the fullest measure of information for the proper apportionment of allocations.

The meeting of the Distribution Committee at which these allocations were decided was the last presided over by the venerable Lord Lister, and at his suggestion the General Council, with the approval of the Prince of Wales, agreed to go beyond the seven miles radius from Charing Cross. Hitherto the scope of the Fund had been strictly confined to hospitals within the radius, but this year an exception was made so as to include selected hospitals in the London County Council area outside the seven miles radius.

As to details, it was suggested that of the four principal objects on which the additional money could be most usefully spent, two were the reopening of 112 beds at a cost of £7,450 that year (bringing the total up to 433 since the founding of the Fund) and grants totalling £29,250 towards the reduction of debt. Varying sums were recommended for building improvements, special needs and increased aids to general maintenance. These recommendations were accepted by the General Council, and altogether £29,150 was distributed in annual grants and £70,850 as donations.

The total assets of the Fund had by this time reached £677,136. Practically all the beds which were closed when the Fund was founded were now opened, the various committees had got into their stride and the position of the Fund in the Metropolitan hospital field had been definitely established. It was time to begin the tackling of the many

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\* Altogether Lord MountStephen's legacy to the Fund totalled £815,000 and his gifts, £500,000. Mr. Samuel Lewis's legacy has yielded £526,000; Sir Thomas Sutherland's, £483,000; Mr. Claude Watney's, £420,000, Sir Julius Wernher's, £390,000; Mr. & Mrs. Wells', £255,000; Isabella, Dowager Countess of Wilton's, £150,000; Mr. Percy Johnson's, £140,000 and Lord Revelstoke's, £100,000. Mr. Andrew Carnegie gave £100,000, and Mr. Walter Morrison's subscriptions totalled £60,200.



problems which had to be solved before it would be possible to achieve the high standard of service with wise economy aimed at by the Fund.

We get a hint of the trend in the note of the Distribution Committee that it was hoped to bring about amalgamations which would dispense with small, redundant hospitals. Mindful of the sensitiveness of individual hospitals, particularly the smaller ones, care was taken to employ only the most convincing arguments, put forward with considerate tact. The advisory services of medical, administrative and other experts associated with the Fund were offered to hospitals known to have come under the fire of critics as redundant or uneconomical. In some cases schemes of amalgamation were prepared and considerable financial aid was offered to any workable experiment.

The first result of this activity was the amalgamation, in 1903, of the National and Royal Orthopædic Hospitals under the title of the Royal National Orthopædic Hospital. The same year the General Council agreed to the setting aside of £10,500 to be drawn on as needed, to assist these amalgamations. Three years later the City Orthopædic Hospital amalgamated with the Royal National. The Fund has always encouraged the concentration of hospital services where they are most needed, and with its practical assistance several advantageous amalgamations have been effected in recent years.

Sir William Church, who succeeded Lord Lister as Chairman of the Distribution Committee, was an energetic supporter of the policy of amalgamation. He had the full backing of the Executive Committee, which reported that hospitals had not always been established where most needed and that their usefulness had occasionally been marred by faulty arrangements or by insufficient care to ensure future maintenance. Such defects, it was said, should if possible be prevented, and the Council passed a resolution, "that in future any new hospitals, or those reconstructing or extending to a considerable extent, within the area dealt with by the Fund, be requested, before taking action, to submit their proposals to the Fund." A copy of this resolution was sent to every voluntary hospital and widely published in the Press.

Equally practical as an answer to critics accusing voluntary hospitals of the defects of haphazard growth is the movement, also started in 1902 by the Fund, for costs saving by improved accountancy. Up till 1902 it had been the rule for hospitals to issue statements of receipts and expenses, but no clear cut balance sheets as well. The statements were uniform in style, but different items were grouped under several similar headings and it was impossible for any management to benefit by the experience of others. Mr. J. Danvers Power,

then Chairman of the National Hospital for the Paralysed and Epileptic, had just completed an investigation of costs at his own hospital, but needing comparisons with other hospitals, he consulted the Fund, placing his work before it. The first result was that he was invited to become an Honorary Secretary and to prepare a Statistical Report on the expenditure of the sixteen largest general hospitals which, between them, had received more than half the grants made by the Fund in 1903. This report showed a comparison of the cost per bed at each hospital and the average cost in its group, and was circulated privately to those hospitals for their information and comments.

The economy question was very much to the fore at this time, and the Prince of Wales, whose enthusiasm for the work of the Fund rivalled his father's, never lost an opportunity of emphasising the importance of economy in hospital management. It had been a great disappointment to him that the Fund had been compelled to drop its distribution that year from £100,000 to £80,000, and he felt that the hospitals themselves could do much towards improving an unfortunate position. Addressing the General Council in 1904 he remarked, "If the expenditure of hospitals can be decreased without impairing the extent or efficiency of the work they do, the result will be even more satisfactory than an increase in the money subscribed to support hospitals. Waste of any kind is a bad thing." He threw out the suggestion that some of the smaller hospitals might combine in their purchases and that considerable saving might be effected by wholesale contracts.

Events proved that his words had not fallen on deaf ears, for when a second Statistical Report on Hospital Expenditure and Prices was issued a year later it was found that the sixteen hospitals referred to above showed a large reduction in expenditure. Taking into account the increase which had occurred in the same period in the number of beds occupied the reduced expenditure was actually equal to a saving of about £20,000. "When other hospitals," commented the Prince, "have had time to take advantage of the information that our reports provide we hope this satisfactory saving will be largely increased in the aggregate." This second report covered forty-eight hospitals, and besides leading to economies, they revealed the need for an improved system of accounts. This opinion was endorsed at a conference with the forty-eight hospitals, and Mr. John G. Griffiths, an eminent retired chartered accountant, was appointed by His Royal Highness to draw up a report. This he did in consultation with the Hospital Sunday and Saturday Funds, which had long used the original

Uniform System, and with a Committee of hospital secretaries elected at the conference. The result was the issue in 1906 of the Revised Uniform System of Hospital Accounts, the adoption of which was made a condition of future grants from any of the three Funds. Further revisions have taken place since then at the instrumentality of the Fund in order that hospital officers shall have every assistance in developing their accounting systems on the most modern lines.

His Royal Highness's utterances on the subject of economy always had that quality of straightness and sincerity which told with the public as well as with the hospital managements. Never again did the income of the Fund fall to a point which made it necessary to keep the distribution below £100,000. Indeed, it rapidly advanced beyond the £100,000, and while the Prince was still President of the Fund the £150,000 distribution aimed at by the Founder was actually achieved.

The years 1902 and 1904 were each memorable for special reasons. So also was 1905. For that year marked the accomplishment of what had been the immediate object of the Fund for some years—namely, a permanent income of £50,000 per annum. Lord MountStephen, who had given £200,000 in the Coronation Year, had now given yet another £200,000. This, with other generous benefactions, made it a truly golden year, and one may note the happy optimism prevailing in the recommendation of the Distribution Committee that grants should not in future be divided into annual grants and donations, because "there is no longer any question as to the Fund being able in future years to carry out its undertakings." That recommendation has been acted upon ever since.

Another development also dates from 1905. The Distribution Committee drew attention to the fact that some building schemes, towards which grants had been made, had not been carried out. It was decided that in future such grants should be retained by the Fund until the money was actually required, when it would be credited to the hospitals to which the grants had been allowed.

Yet another innovation was the introduction of a policy of specially large immediate grants for specified purposes. These grants were to be taken into account in future years. The first to benefit was the Hampstead General Hospital, which was given £5,000 to enable it to take advantage of a conditional offer of £20,000. Two years later £10,000 was given to Guy's to enable the badly needed rebuilding of the out-patients department to be completed without delay. The same period also saw the first of the amalgamation grants already

mentioned and the beginning of a long series of large grants towards the removal of King's College Hospital to South London.

The scope and activities of the Fund had increased so much by 1906 that it was considered advisable to engage a full-time paid Secretary. Mr. H. R. Maynard was appointed, and began his duties in October of that year.

## CHAPTER FIVE

### THE ACT OF INCORPORATION

**I**N October, 1905, the Prince of Wales left England on an Imperial Mission to India, and his first act on returning to London in the following year was to appoint a Committee to consider the desirability of applying to Parliament for an Act to Incorporate the Fund. When the Council met at Marlborough House on December 17th, 1906, the Prince informed them that, acting on legal advice and with the sanction of the King, he had that day lodged the Bill which was designed to place the administration of the Fund on a strictly legal basis. "As soon as we obtain our necessary statutory powers," he said, "it may be advisable to consider the constitution of the Council and of the Committees, and to take steps to ensure that their respective duties and responsibilities are more closely defined than they have hitherto been." On July 26, 1907, the Bill became law and on the same day the General Council met to frame the constitution of committees in accordance with the Act of Incorporation.

It was a short Act of 12 clauses and described in the preamble as "expedient that for the proper establishment and administration of the Fund upon a permanent basis the President and General Council should be incorporated, and that provision should be made for the regulation and management of the Fund."

After setting out the now familiar objects of the Fund (or Corporation) there is a clause which establishes that every President shall be a son, brother or grandson of the Sovereign, provided he is, in the opinion of the Lord Chancellor, the Prime Minister and the Governor of the Bank of England, duly qualified to fill the office. The appointment, it is laid down, shall be made by the Sovereign and held during the Sovereign's pleasure. Some of the exceptional powers hitherto exercised by the Founder and his successor were retained for the President. These included the appointment of the members of the Council and Committees. But once appointed, these members

were now to hold office till the end of the year, after which they could be re-appointed.

Direction and management of the Fund and the administration and distribution of the property and income were vested in the President and General Council. Authority was granted to the President and General Council to delegate their respective powers to committees. Other clauses related to investments and to gifts of real and personal estate.

A year later the Fund's working area was extended to 9 miles of Charing Cross.

King Edward lived to see the goal he aimed at in founding the Fund, for it was in 1909 the first distribution of £150,000 was made. Five months later, on May 6th, 1910, he died, leaving the Fund poorer by a Founder-Patron whose zeal and enthusiasm had been unflagging from the start.

At that time his grandson, Prince Edward (now the Duke of Windsor) was too young to assume the Presidency, and in accordance with the Act the Lord Chancellor, the Prime Minister and the Governor of the Bank of England selected three gentlemen for recommendation to His Majesty to act as "Governors" during the Prince's minority. These were His Serene Highness the Duke of Teck, Viscount Iveagh and the Speaker of the House of Commons.

Two other losses were also sustained by the Fund during this period. Lord Lister died in 1912, and Lord Rothschild in 1914. Both had served the Fund from its foundation. Lord Rothschild was succeeded as Hon. Treasurer by Lord Revelstoke, and Lord Lister, as already recorded, had been succeeded by Sir William Church as Chairman of the Distribution Committee, in 1903.

Unlike the first decade, the second witnessed no outstanding innovation. It was remarkable rather for sustained effort than new initiative. Several factors were responsible, first and foremost of which was the world war of 1914-18, which not only produced problems demanding immediate solution, but left a legacy of trouble for succeeding years. The one happy reflection on that testing period is that all the voluntary hospitals in the Fund's area carried on with unwavering zeal, often in face of very grave odds.

Fortunately the Fund was able to do its full share in practical encouragement, thanks to continued improvement in its financial position, due largely to several exceptionally substantial bequests. Sir Julius Wernher, one of the original members of the General Council, had bequeathed one-twelfth of the residue of his estate to the Fund, and the instalments paid within this period reached the

magnificent total of £324,100. Isabella, Dowager Countess of Wilton, left to the Fund a part of her estate, which yielded £150,000, Mr. Andrew Carnegie gave £100,000 and Sir Ernest Cassel made gifts amounting to £66,000. Many other generous contributors made gifts of shares and other property assuring the Fund a permanent income. Altogether, such was the generosity of public-spirited men and women, the receipts carried the grand total to well beyond the second million pounds.

The large additions to the capital account were the more welcome since it was obvious that the aftermath of war was bound to result in increased calls for aid from crippled hospitals. This was made abundantly clear by 1915, when the annual report of the Council commented, "there is danger ahead. Prices have risen and are rising. There is a scarcity in all ranks of hospital service, medical and lay, from the most skilled to the least skilled. . . . The audited accounts show the effect on the finances of hospitals of the increased expenditure; the effect of the war upon income, and the additional work of placing at the disposal of the Government the magnificent resources of the voluntary hospitals for the treatment of the wounded."

In 1915 the Statistical Report contained a separate table showing the results of the war on hospitals and their expenditure down to the end of the year. "This," said the Council, "showed that the average number of beds in daily occupation by naval and military patients during the year was 2,378, of which about half were specially added for the purpose. Total additional ordinary expenditure, after deducting War Office payments, as compared with ordinary expenditure in 1913, was over £48,000."

One of the points to be observed in connection with this additional expenditure is that it occurred notwithstanding the economies effected as a direct result of the introduction of the Statistical Report.

Bed accommodation was increased to meet the war-time need, money was spent unsparingly on medical supplies and the latest surgical instruments. But nothing went on new administrative offices, and nurses cheerfully endured the discomfort of quarters badly in need of renovation or replacement with new.

Caring for the sick, whether uniformed or civilian, was the sole consideration. Yet even so, costs continued to soar. It was inevitable in the circumstances. In 1916 the Fund increased the distribution, reaching the new high level of £170,000. Some measure of the

appreciation of the work being done by the Fund may be found in the fact that, notwithstanding so many calls on public charity in those trying days, subscriptions and donations were not only maintained, but increased to £31,440. Only those who shared the difficulties and problems of those nerve-racking years can truly appreciate the selfless devotion to duty which marked the service of all connected with the voluntary hospitals.

Among the new activities of the Fund begun in this decade, but checked by extraneous events, was an inquiry into the methods of admission of out-patients to London voluntary hospitals, linked with an investigation into the expenditure that would be involved by the development of the almoner system. Lord Mersey was Chairman of the Special Committee appointed for this purpose, but deliberations had to be suspended when Parliament began discussing a National Health Insurance Bill. After the Bill had become law the inquiry was resumed, but as a result of the delay, then a further check occasioned by the war, little progress in solving this very difficult problem was made for several years.

The war also interfered with an inquiry into the question of pensions for nurses and hospital officers, begun at the request of the Hospital Officers' Association. A sub-committee sat under the chairmanship of Mr. W. J. H. Whittall, and after interrupted sittings presented a report which was acknowledged as being full of information about pension schemes and of practical suggestions which, if accepted by the hospitals, would react advantageously to hospital services all round. A delay was inevitable before there were tangible results, but they proved well worth while with the coming of peace.

Another achievement to be credited to this decade is worthy of note even though it is minor by comparison with others. In 1907, Sir Eyre Massey Shaw and Captain Wells, two of the greatest fire-fighting experts of those days, were appointed by the Prince to inquire into ways and means of assisting hospitals to improve their protection against fire. Their report, the first of its kind, was at once recognised by the General Council as invaluable. Since then, and keeping pace with the many developments in modern methods of fire fighting, the Fund has issued a series of revised "Suggestions for Protection against Fire," with the invaluable help of successive heads of the L.C.C. fire service.

By 1917, the third year of the war, the strain was beginning to make itself felt on private incomes. Subscriptions and donations to the Fund fell, and but for the generosity of Lord Astor, who added a

donation of £35,000 to his annual subscription of £1,000, a drop in distribution would have been inevitable. Thanks to Lord Astor, this was not only avoided but distribution was actually increased to £190,000.

The war was keeping all the hospitals working at high pressure, and expenditure continued to soar. The total ordinary expenditure of London voluntary hospitals had been £1,142,938 in 1913. In the last three years of the war it was :—

1916	....	£1,513,834
1917	....	£1,724,288
1918	....	£1,946,155

Even after only one year of war the rise in costs had been steep and sharp, jumping above the 1913 figure by no less than £104,000 in 1915. But from the above table it will be seen that it was :—

Greater by	£370,896	in 1916
„	„	£580,500 in 1917
„	„	£803,217 in 1918

That is £1,754,613 in three years.

The Admiralty and War Office contributed :—

£218,087	in 1916
£238,960	in 1917
£334,747	in 1918

Or £791,794 in three years.

A little simple arithmetic reveals that even with this assistance the London voluntary hospitals were still faced with additional expenditure over this period totalling £962,819.

Part of this addition, enormous as such, to the already heavy expenditure of the London voluntary hospitals was incurred in caring for service casualties. The average number of beds in daily occupation by naval and military patients was 2,855 in 1916, 3,656 in 1917 and 3,685 in 1918. It is not suggested that these patients accounted for the crippling financial strain of the war years. But these men could only be nursed back to health under conditions abnormally costly. They were accepted gladly, and the finest medical, surgical and nursing service available lavished on them regardless of cost. Moreover, doctors and surgeons of international reputation ungrudgingly gave of their skill in voluntary hospitals in the service of these



war victims. Civilian patients, too, had the benefit of their skill and of the new and costly treatments.

Writing to the Fund from Buckingham Palace in December, 1917, by command of the King, Lord Stamfordham said :—

“ The King’s many visits to London hospitals during the current year have enabled him to estimate the importance of the services rendered by these institutions to the Navy, to the Army, and to men disabled during the war, while the ever growing demands upon them for adequate ministrations to the sufferings of the civilian population have been equally brought home to him.

“ His Majesty realises also the advances in medical and surgical science, as evidenced by the work performed at the hospitals of London. In many cases limbs have been saved and, indeed, valuable lives preserved which in the no distant past must have been sacrificed.”

It is not surprising that by the end of 1917 some of the hospitals which had suspended building and renovation plans found that expenditure of this kind could no longer be delayed without unjustifiable risk. Members of the Distribution Committee and Visitors of the Fund inspected such buildings when applications for special assistance were received, and it was found that in some cases at least the need was indeed imperative. This led to the Fund resuming special grants when distributing the 1917 income. Strict regard to circumstances was paid to each claim for help. A high standard of self-help had to be proved before any grant was made. Charing Cross Hospital provides an illustration. In this case a grant of £5,000 was made to wipe out a mortgage. In all, the Fund contributed £10,700. This hospital had by its own efforts paid off £74,300 in ten years—a fine record.

This policy was carried a step further the next year when the Distribution Committee announced, in April, their readiness to consider proposals for the immediate issue of appeals for post-war schemes, on certain conditions. One was :—

“ That whenever the carrying out of the scheme involves increased maintenance expenditure it should be clearly stated in the appeal that contributions received in response thereto should be available either for building, or for endowment in the event of circumstances rendering it inadvisable to expend the whole of the contributions on building.”

The importance and wisdom of this condition should not be overlooked, particularly in these days when suggestions are being made that London voluntary hospitals reveal a certain haphazardness in

growth. "Some schemes," commented the Committee, "have been launched without the views of the Fund being sought. But in order to be in a position to consider the whole question from the point of view of the total needs of the population, the geographical distribution of the proposed increases, and the financial problem of future maintenance, the Committee have decided to invite all the hospitals concerned to furnish them with the latest particulars of their building schemes."

It may be noted in passing that this precautionary measure was decided upon in the early part of the year, several months before there were any signs of the sudden collapse of Germany. It is a tribute to the visionary preparedness of the Distribution Committee of those days, still sitting under the chairmanship of Sir William Church, although he resigned in 1919, to be succeeded by Sir John Tweedy.

The subject necessarily occupied a prominent part in the report submitted at the meeting of the Governors and General Council at the end of the year, exactly a month after Germany's surrender. In all the circumstances of then and now, the following extracts are of special interest:—

"The needs of the hospitals in the immediate future are not likely to diminish. Many beds at present occupied by wounded and partly paid for by the Military Authorities will be restored to civilian use, and will have to be wholly maintained out of normal sources of income. Renewals and repairs have at many hospitals been necessarily deferred and will be a cause of heavy expense. Until recently the Fund had discouraged the issue of appeals for post-war building schemes. . . . The Committee point out that if all the schemes which have come to their notice were to be carried out, the number of beds in London hospitals would be increased, as compared with 1913, by at least 1,750. This is a large number and there may yet be more, since the enlargement of hospitals is often the best form of War Memorial, and new ideas of public health are continually increasing the demands on their accommodation.

"The Distribution Committee are therefore inviting all the hospitals concerned to let the Fund know how their schemes stand at present, and what their views are as to the future. It is one of the advantages of a central Fund like this that it can form a sort of clearing house for ideas in such matters, and can use its influence to co-ordinate the separate efforts of the hospitals. There is, for instance, the question of finance, both for building and for main-

tenance. Each hospital that contemplates an extension may make a perfectly satisfactory estimate of its own future resources. But the combined total of all the hospitals may be so great as to endanger the success of each separate scheme.

“There is also the question of geographical distribution. To re-arrange the present hospital accommodation would be a gigantic task. But the extension of existing hospitals can be so distributed as to reduce, as far as possible, the worst inequalities. This, no doubt, is what is aimed at by each separate scheme ; but without a comprehensive knowledge of the general needs, and of all the remedies proposed, the different schemes may sometimes overlap. In these and other ways the friendly co-operation of King Edward’s Hospital Fund may be of the greatest assistance.”

It was for these reasons that the Committee did not consider any applications for grants in aid of the provision of additional beds when proposing the allocation of £200,000, with the exception of the Woolwich and District War Memorial Hospital Building Fund. But this was, in effect, discharging an obligation incurred in a pre-war year when the Committee announced their desire to see a representative movement started in Woolwich for the provision of an efficient hospital of fair size. They then stated that in consideration of the special local circumstances they would recommend a conditional building grant to a new hospital.

The total distribution in 1918 of £200,000 was a new record. That year, too, the Fund celebrated its coming of age. His Majesty, in a special message of congratulation, referred to it as “a happy coincidence” and expressed the view that it would be “regarded by all those who have been impressed by the work of the hospitals, both in war and in peace-time, as a landmark in the history of the Fund.”

## CHAPTER SIX

### DISTRIBUTING £700,000 IN ONE YEAR

LATE in 1918 news was received from His Majesty that he had appointed the Prince of Wales to the Presidency of the Fund, and that he hoped the Prince would soon be at liberty to take up the duties of President.

Presiding for the first time, on December 16th, 1919, at a meeting of the General Council for the purpose of awarding grants, the Prince was able to announce yet another increase in the total distribution, bringing the amount up to £230,000. Renewals, repairs and other building operations forcibly suspended by the war had become desperately urgent, and to help the hospitals the Fund decided upon exceptional grants. It involved drawing £46,000 from reserves, but it was unanimously agreed that it was imperative to give all possible help.

Extensions, however, involving not only capital expense but an unwarranted drain on future maintenance resources were not assisted. The survey made by the Distribution Committee revealed that of the seventy hospitals returning particulars of proposed additions, fifty-nine had schemes involving capital expenditure. It was estimated that if these and other schemes known to be contemplated were to be carried out, the lowest probable capital cost would be not less than £3,000,000, and the additional annual upkeep would exceed half a million.

His Royal Highness made a special reference to this position when moving the adoption of Reports. "I do not want," he said, "and I am sure the Distribution Committee do not want, to discourage the prudent extension of voluntary hospitals. We of this Council believe in the Voluntary hospital system, which the King's Fund has done, and is doing, so much to maintain. The voluntary hospitals ought to expand as the demand increases for the services they are best fitted to supply. But the financial resources of the voluntary system are not unlimited, and though by energetic cultivation they can be made to grow, the process of expansion must be conducted with prudence, or there may be a real risk of a breakdown."

During the year it had been made known that the Joint Committee of the Order of St. John of Jerusalem and the British Red Cross Society proposed placing £250,000 out of their surplus funds at the

disposal of the Fund, and this sum was, in fact, made available in the following year. Under the conditions laid down by the Joint Committee this money had to be applied to definite schemes for extensions or improvements at hospitals in the area of the Fund which could and would treat ex-sailors or ex-soldiers. The Prince's comment was, "I am sure that everybody will be keen about that, and will realise what our duty is to those men. The special distribution will thus assist, not only such schemes of extension as pass the scrutiny of the Distribution Committee, but also schemes for the improvement of existing accommodation."

It was left to the Distribution Committee to examine the merits of claimants to a share in this windfall, a task which, added to their already increased responsibility, was very heavy. The survey was continued with the same scrupulous care, and preparations made for a special meeting of the General Council to consider awards. These carried on well into the following year, 1920.

When the Council met in April, 1920, Lord Donoughmore presiding in the absence of the Prince of Wales in Australia some unusually interesting data were revealed. "The hospitals are passing through difficulties even greater than those which they faced when the King's Fund was founded," said Lord Donoughmore. "According to the estimate issued by the Honorary Secretaries of the Fund, the total expenditure of the London hospitals in 1919, taken together, was about £2,100,000. Towards this, their income, including the grants from the three Central Funds, amounted to about £1,900,000; so that the deficit on the year's working was about £200,000, or approximately 10 per cent. Now if we turn back to the letter in which King Edward VII, then Prince of Wales, inaugurated the Fund in 1897, we find that the annual deficit of the London hospitals at that time was estimated at about £70,000, which, by an interesting coincidence, was also almost exactly ten per cent., the total expenditure being then only £700,000. . . .

"Hospitals' expenditure during those twenty-three years increased threefold, but their income, including the King's Fund grants, also increased at the same rate. . . . Of one thing we are certain; the present difficulties are not the result of any failure on the part of the hospitals, but arise solely from the general financial effects of the war. In order to surmount them very great energy will be needed, and possibly even some new departure, requiring powers of imagination and originality equal to those shown by King Edward VII . . . The result of King Edward's action has been that the Fund now distributes

so as to give most help to those hospitals which most need it, while at the same time encouraging them to assist themselves by efficiency and economy of management."

It is to be hoped that the apparent concentration on the financial aspects of this period does not give the impression that the Fund was preoccupied with balance sheets. Inevitably they were very much to the fore, but always as mirrors of service rendered. The faith of the Fund in the efficacy of the voluntary system was not a matter of accountancy. True, it was imperative that ends should be made to meet, figures should be made to balance, debts should be avoided, prudent expansions encouraged; but the real touchstone was service. The faith was, and is, that the voluntary system yields the maximum good for the greatest number. How to secure that high standard of service for all who might stand in need of the medical and surgical skill of the hospital was, and always must be, the *raison d'être* of the King's Fund.

"The year 1920, the first complete year of the presidency of His Royal Highness the Prince of Wales (now the Duke of Windsor) was in more than one respect the most remarkable year in the history of the Fund."

These are the opening words of the report of the General Council for that year. Such was the crippled state of London voluntary hospitals after the exhausting war years that a crisis of the first magnitude had arisen. Whole wards in many hospitals were in danger of having to be closed. Not only were maintenance costs still at fabulous war levels, but assistance from the authorities had ceased, debts which had been piling up during the war became crushing obligations, renewals and repairs had become vital necessities. It was a painfully remarkable year for the hospitals.

So alarming was the situation that the Fund decided desperate remedies were called for. The Order of St. John of Jerusalem and the Red Cross had generously provided £255,364 (on a pound for pound basis) to help in meeting the urgent need for building expenditure. But it was not available for maintenance, hence the Fund's decision to make special emergency awards, totalling another £250,000. And to this was added the ordinary annual distribution, again amounting to £200,000. Thus, altogether, the Fund was responsible for the distribution of no less than £700,000 in one year.

That is to say that in the year 1921 the Fund distributed a sum equal to the entire expenditure of London voluntary hospitals in 1897, the Foundation year of the Fund. The gigantic task of allocating the

grants with a strict regard to urgency and merit involved the Distribution Committee in almost continuous meetings, while members of the Committee paid as many as forty special visits to hospitals and sites to obtain first-hand and impartial information. And this, finally, is how the £700,000 was distributed :—

	£
To hospitals for maintenance	403,000
To hospitals for extensions and improvements	286,300
To consumption sanatoria	6,420
To convalescent homes	3,580

It is recorded that “The £250,000 required for the emergency distribution was taken from reserve funds held in cash or short-dated securities, as was also a further £6,935 required to maintain the ordinary distribution of £200,000. The effect of this was to reduce the reserves by about one-fourth, and the income from invested funds by about £16,000. The Council made this sacrifice in the hope that, with the assistance of others interested, time might by this means be secured for the reorganisation of hospital finances. But they consider that any repetition of such a drain on the invested funds and on permanent income would be disastrous to the Fund and to the hospitals.”

Lord Donoughmore summed up the situation:—

“It is a problem which must be divided into two different parts. There is the problem of the present debt of the hospitals and that of their future maintenance. Both problems arise from the same causes. They arise partly from the difficulties which the hospitals got into during the war and partly from the loss they have suffered since the war in the subscribing power of their friends and the difficulties of those anxious and willing to help them by continuing or increasing their subscriptions.

“The problem of the organisation necessary to obtain fresh additions of income will take time. But the present debt will not wait ; if it is not dealt with the double burden that the hospitals are under may prove to be too great to be borne.”

With the passing months it became obvious that the situation would go from bad to worse if nothing were done to stir the authorities to action. Everything possible was done to bring this about and finally the Minister of Health (then Sir Christopher Addison) appointed what came to be known as the Cave Committee. Viscount Cave was the Chairman and the members were the Marquess of Linlithgow, Sir Clarendon Hyde, Sir William Peat, Mr. Vernon Hartshorn, M.P., and Mr. M. C. Norman. Their terms of reference were: “To consider

the present financial position of the voluntary hospitals, and to make recommendations as to any action which should be taken to assist them." There were twenty-eight meetings between January and June, 1921, when their report was presented to the Minister.

Almost simultaneously with the first meeting of the Cave Committee, the General Council of the Fund held a special meeting at St. James's Palace, under the chairmanship of the Rt. Hon. James W. Lowther (Speaker of the House of Commons) to consider the policy to be recommended to the Government for the preservation of the voluntary system of hospital management and control. General principles were agreed upon, and a Committee comprising Lord Stuart of Wortley (Chairman), Viscount Burnham, and the three Honorary Secretaries, Lord Somerleyton, Sir Frederick Fry and Sir Alan Anderson, were appointed to frame statements conforming to these principles.

In view of the voluntary hospital situation at the time of writing, a special interest attaches to the statements prepared by Lord Stuart's Committee—or, to give it its full title, the King's Fund Policy Committee—twenty-one years ago. The Committee were authorised to give evidence to Lord Cave's Committee on the lines contained in the statements, which were as follows :—

#### *General*

" That the voluntary system of hospital management and control should be preserved as being the most efficient method of providing at the least cost the best medical and surgical treatment combined with advance in medical knowledge and practice ;

" That a substantial portion at least of the cost of the hospitals should be met by voluntary contributions ;

" That the present receipts from voluntary contributions are not adequate to meet the present cost of the London voluntary hospitals, to say nothing of the discharge of debts or the provision of necessary extensions ;

" That any method of increasing income should be such as not to stop voluntary contributions or the provision of necessary extensions ;

" That any policy or absence of policy which stopped voluntary contributions and did away with voluntary management would bring upon the public funds not only the cost of the hospitals but also additional cost of paid management and of general supervision by some central public department."



*Voluntary Sources and Additional Income*

“ That a better response to appeals for voluntary contributions is likely when the present uncertainties as to the future of voluntary hospitals are removed.”

*Methods of Supplementing Voluntary Income*

“ That voluntary contributions will need to be supplemented, at all events temporarily, by some other sources of revenue ;

“ That amongst possible methods, as to which experience is being accumulated, and of which the exploration should be encouraged, are included :—

Various forms of contributions from patients in consideration of treatment received ;

Various forms of regular contributions from prospective patients as a kind of quasi-insurance or partial patients' payment in advance ; and

Payment by Government or other public authorities in respect of the treatment of any classes of patients for whom those authorities have taken responsibility ;

“ That, while direct grants from the State in consideration of their general work might endanger voluntary contributions and voluntary management, some form of assistance based on the amount received for the benefit of hospitals from voluntary sources, or some concession by way of abatement of income tax or death duties, proportioned to gifts, might prove practicable, and might serve to elicit a larger revenue than is now thus obtained.”

*Control and Direction of Expenditure*

“ That while it is necessary to increase the income of the hospitals, attention should continue to be paid to the possibility of further economies in expenditure by strengthening the internal financial control in each hospital ; by encouraging co-operation among hospitals wherever this is likely to prove advantageous ; and by securing that the best possible use is made of all the various forms of voluntary hospital accommodation and equipment, present and future.”

*Central Body*

“ That the necessity for some central organisation, distinct alike from the hospitals and from the public authorities, will be greater in the future even than in the past ; that King Edward's Hospital Fund, the Council of which already includes, amongst others, persons holding representative positions in connection

with national and metropolitan government, with the City of London, with religious bodies, and with the medical profession, has in the course of its work as a collecting and distributing agency gradually developed some of the functions of a central administrative body ; that it keeps in close touch with the individual hospitals, while retaining its independence ; and that it has the confidence of the subscribing public ;

“ That King Edward’s Hospital Fund is thus fitted to become a central administrative body for the metropolitan area, with provision for co-operation, in matters of general policy, with a separate central administrative body for extra-metropolitan hospitals ; the functions of the King’s Fund to include for London the investigation of hospital administration, together with the receipt and distribution of voluntary contributions, and also, if required, of public grants made in accordance with a scheme consistent with the voluntary system.”

*Management of Individual Hospitals*

“ That, in determining the powers of the central body and the question of the possible representation, on hospital committees, of public and other bodies making payments to hospitals, the principle of the management of the individual hospitals by voluntary committees, themselves possessing wide powers of independence and initiative, should be safeguarded.”

CHAPTER SEVEN

THE VOLUNTARY SYSTEM

THE policy of the Fund was entirely endorsed by the Cave Committee. Their report is somewhat ancient history now, and the statistics upon which the conclusions and recommendations were based have necessarily changed with passing years. Yet it is equally true to say that they have only changed in degree. Causes and effects are almost precisely the same to-day as twenty-one years ago. Extraneous causes over which the hospitals have had no control have reproduced the crisis of 1921, although there are important differences. Economies and reforms in management and an increasing degree of co-ordination have minimised the evil financial effects of the second world war. But against these must be set the very considerable increase in expenditure involved in treating many more patients with much more expensive equipment. And the modern anxiety is not so

much a full-grown reality as a grimly black prospect of being called upon to meet enormously increased expenditure when the wells of large gift charity have been temporarily dried up by taxation caused by the holocaust of war.

Although the figures mentioned in the Cave Report are out-of-date—they showed that while ordinary income in 1920 was greater by 67 per cent. than in 1913 as against an increase to 138 per cent. in ordinary expenditure—certain extracts might well be considered germane to this history, and still of significant interest in the light of modern discussion. For example :—

“ It has been suggested by some, but a very small minority, of the witnesses that liability for the hospitals should be taken over by the State or thrown upon the rates, or at least that a regular yearly grant in aid should be made from one of those sources. In our view either proposal would be fatal to the voluntary system. If it is once admitted that there is an obligation either on the State or on the local authorities to make good deficits, hospitals will have lost their incentive to collect and subscribers their inducement to contribute. A limited grant in aid, if proportioned either to voluntary subscriptions or to the cost of beds occupied, might not so swiftly have that effect ; but it would be the beginning of the end, and not many years would pass before the hospitals would be ‘provided’ out of public funds. Further, any yearly grant in aid would, presumably, be made to all hospitals alike, including those which are able to pay their way and require no such assistance ; and this would involve a waste of public money which should by all means be avoided. If the voluntary system is worth saving, any proposals for continuous rate or State aid should be rejected.”

The report goes on :—

“ Is the voluntary system worth saving ? We are convinced that it is. If that system falls to the ground, hospitals must be provided by the public, and the expense of so providing them would be enormous. They must then be carried on without the aid of the voluntary subscriptions and donations estimated at not less than £3,000,000 a year (in London alone) and presumably without the income (about £1,000,000 a year) from endowments which were given to support voluntary hospitals only. The wages and other disbursements would undoubtedly increase ; and the payment of full remuneration to the administrative and medical staffs would at once become an urgent question. But the money

loss to the State would be a small matter compared with the injury which would be done to the welfare of the sick for whom the hospitals are provided, the training of the medical profession and the progress of medical research. The physicians and surgeons, many of them of world-wide reputation, who now readily give their time and experience on the visiting staffs of the voluntary hospitals—in a few cases at a nominal remuneration (which dates from Tudor times) of about £50 a year, but otherwise wholly without remuneration—could hardly be expected to render the same service to a State-supported institution; and that personal relation between the patient and the doctor and nurse which is traditional in voluntary hospitals, and which in many cases renders the time spent in the wards the happiest period of a patient's life, would be difficult to reproduce under an official regime.

“The educational side of the present system, although this is hardly sufficiently realised by the general public, is of not less importance. The combination of the hospitals with the medical school is of inestimable value to both. On the one hand the teaching of medicine would be ineffective without the opportunities for observation and experience which the hospital affords, and on the other hand the constant presence in the wards of teacher and student and the desire of both to maintain the reputation of their hospital are an incentive to care and vigilance in the treatment of the sick. . . . Moreover, the existence of this field for experience and research has resulted in many discoveries which have been of inestimable service to the health of the race and have made our medical services second to none in the world.”

Mr. G. Verity, then Chairman of Charing Cross Hospital, declared with characteristic force :—

“I think that if we had a body like the King Edward Fund, with compulsory powers to smash us into line with regard to expenditure, we should save a lot of money. . . . If the King Edward's people had the power to smash us into line as regards expenditure and to shut up or amalgamate those hospitals which they know should be shut up or amalgamated, I think that would help.”

However gratifying this tribute of confidence in the Fund, such dictatorial methods would have been quite foreign to its traditional policy, which was to use its friendly influence, backed of course by the power of the purse and by the collection and circulation of information which would enable hospitals to compare their work either with that

of the average or with that of the best. Its success with the hospitals was in fact due to these methods.

Thirteen recommendations were made by the Committee, among them that the King's Fund should function as a Voluntary Hospitals Committee for London under a Hospitals Commission for the whole country, and that Parliament should be asked to sanction a temporary grant of £1,000,000 to be expended under the direction of the Commission. Parliament sanctioned a temporary grant of £500,000, conditional upon a like sum being raised from voluntary sources.

In July the Ministry of Health set up the Hospitals Commission, and the King's Fund was constituted the Voluntary Hospitals Committee for the London area. From this time onwards the Fund was actively engaged in the two functions of temporary assistance and continued search for permanent remedies. A Mansion House conference of London hospitals was held as soon as possible to consider a suggestion by Lord Cave's Committee that the permanent solution might be found in some form of mass contributions from the hospital-using classes. The origin of the Hospital Saving Association might be traced to this conference, but the immediate result was the setting up of a Standing Conference of the King's Fund and other central agencies to work out a scheme.

In November the Fund was asked by the London Regional Committee of the British Hospitals Association to draw up two schemes, one for a combined appeal for fresh money to meet immediate liabilities and qualify for the Government assistance and one for the collection of regular contributions from the hospital-using classes. Two such schemes were prepared and sent to the Regional Committee, but it was not until January, 1922, that they were received back with the definite invitation to go forward with both.

Meanwhile many other important matters were occupying the executive officers of the Fund, not the least of which was a reorganisation of the Fund Committees rendered necessary by the obligations accepted under the Hospitals Commission. Writing from St. James's Palace on the eve of his departure for India the Prince of Wales said :—

“ Now that, under the Hospitals Commission, we have been constituted the Central Authority for London, it is obvious that many fresh responsibilities and a great deal more work will be thrown on our shoulders, and that our duties will be considerably enlarged. As regards all details and the complicated situations that will arise, I once again leave my powers as President to you in these and in all matters with the utmost confidence.”

His Royal Highness's letter was addressed to the President's Powers Committee, then composed of the Earl of Donoughmore, Viscount Finlay and the Governor of the Bank of England (Mr. M. C. Norman).

A special meeting of the Council was held on November 9th, 1921, for the purpose of reorganising the Committees of the Fund, and on January 1, 1922, the scheme came into force establishing the following Committees :—

**FINANCE COMMITTEE**, which, as before, deals with investments.

**DISTRIBUTION COMMITTEE**, which deals with the applications for grants from hospitals and now also from convalescent homes, and with schemes of extension or improvement put forward by hospitals.

**HOSPITAL ECONOMY COMMITTEE**, which dealt with questions of hospital economy in the widest sense of the word, including accounts, statistics and the proposals for co-ordination and reduction of expenditure.

**REVENUE COMMITTEE**, which deals with questions relating to the raising of money for the King's Fund and the hospitals.

**MANAGEMENT COMMITTEE**, which consists of its own Chairman and Vice-chairman, and the Chairman of the four other Standing Committees, and deals with the general administration of the King's Fund, and with questions of policy not referred to any other Committee.

Corresponding increases were made in the staff, which had hitherto never exceeded eight, and departmental secretaries, Mr. F. B. Elliot and Mr. Hugh Macrae, were appointed for the Revenue and Economy Committees.

This reorganisation marked, roughly, the beginning of the third decade, which was, in several respects, the most virile in the history of the Fund. For the first half, at least, it was a period of continually increasing activity, fully justifying the President's prediction that the constituting of the Fund the Central Advisory Authority for London would entail many fresh responsibilities and a great deal more work. The second half was spent consolidating and expanding wherever necessary, the innovations and enterprises of the first. It established once and for all, if indeed, this were necessary, that the Fund was no mere collecting and distributing agency, but a live, dynamic force for the betterment of hospital service.

Its influence and prestige was tacitly acknowledged by the Government in making it a condition that hospitals wishing to share in the promised temporary financial assistance must agree to adopt the Revised Uniform System of Accounts—the system which owed its existence to the initiative of the Fund. The other condition of any grant was the provision of a sum from fresh sources equal to a Government grant. The Government had offered a total of £500,000 for all the hospitals of Great Britain, but they had to qualify by themselves raising £500,000.

In this connection the influence and prestige of the Fund was frankly acknowledged in the responsibility placed upon it to organise a Combined Appeal for the hospitals of London, whose share of the Government conditional assistance was to be £250,000. All the 127 London voluntary hospitals were invited to co-operate with the Fund, and 120 did so. The Hospital Sunday and Saturday Funds, the League of Mercy and the Joint Council of the Order of St. John and the British Red Cross Society also co-operated, and the Combined Appeal became the chief activity of 1922. It was headed by Sir Alan Anderson, Chairman of the Organising Committee, and Sir George Lawson Johnston (later Lord Luke), Chairman of the Executive Committee.

It is worthy of note that their Appeal was launched not at a chosen moment ; in the very nature of things that was impossible. The need was desperately urgent and there could be no question of waiting for propitious moments. At that time the country was suffering from severe trade depression as well as high taxation—evil aftermaths of the war. To make things still worse, a General Election, with all its counteracting interests and diversions, interrupted. In spite of all, the Appeal was a striking success.

The remarks made by the Prince of Wales when presiding at the annual meeting of the Council (delayed for three months until the final report of the Appeal and the scheme for distribution could be dealt with together) should be quoted in full as a matter of historical interest. This is what His Royal Highness said :—

“ The Combined Appeal was, of course, the principal business of the year 1922, and I think you will all agree that it was a remarkably successful piece of work. When the King's Fund was called upon to organise the Appeal, and when the sum of £500,000 was set up as a sort of outside figure, I wonder how many people expected that the total actually raised would come to within £20,000 of that sum, and that the hospitals would benefit by £413,000 ?

“ As the report points out, the times were not favourable ; the Appeal was launched in a period of high taxation and severe trade depression ; and, moreover, the results of some of the recent appeals by individual hospitals had not been encouraging. There was plenty of ground for pessimism, and even the optimists talked, in private, more like men ordered on a forlorn hope than like men going out treasure-hunting.

“ Nevertheless, the Appeal succeeded, and I think I can give three good reasons why. First of all, it had a good cause. The voluntary hospitals are a peculiarly English institution ; they suit our way of doing things, give scope to our sort of ability, and make an almost universal appeal to our sympathies. Lord Cave’s Committee had reported strongly in their favour. The public, including their own patients and prospective patients, subscribe to them annually far more than they did before the war. The figures before us to-day, in the annual report of the King’s Fund, and the Organising Committee’s report, show how wide the appeal of the hospitals is.

“ Legacies to the King’s Fund of £581,000 and £257,000 ; donations to the Combined Appeal ranging from £180,000 in sums of £1,000 and over, down to £6,000 in sums of under £5, besides innumerable amounts in ‘ small money ’ ; collections in the L.C.C. schools, representing hundreds of thousands of small contributions and reaching a total of more than £50,000 ; these are only part of the evidence of the hold the voluntary hospitals have, and deserve to have, on the sympathy of all classes.

“ In the second place, the Appeal had a good organisation. It was based on the co-operation of the hospitals and the central agencies in a common effort. This was a voluntary co-operation, organised by the King’s Fund only after full consultation with the other Central Funds and with the hospitals, both individually and through the British Hospitals Association. Whether a Combined Appeal would have been possible without a King’s Fund, or whether the King’s Fund could have raised the money without a Combined Appeal, who can say ?

“ The actual fact is that the King’s Fund, founded by King Edward VII in a former time of crisis, and firmly established in the public confidence under his presidency and that of my father (King George V) was there—capable of forming the nucleus of the combined effort. It was asked to do the work ; and it was by the King’s Fund, jointly with the hospitals and the other agencies,



that the work was done. Voluntary co-operation between the hospitals and the central agencies, under the leadership of the King's Fund, itself a voluntary body, has thus been tried and proved its value.

“ Thirdly, this organisation had a good personnel. I cannot mention all their names—their name is legion. A few are given in the report of the Organising Committee, with words of appreciation which I most cordially endorse. But there are two names not mentioned in the report, Sir Alan Anderson, the Chairman of the Organising Committee, and Sir George Lawson Johnston (now Lord Luke), Chairman of the Executive Committee. They were the chiefs. They not only bore a great burden of detailed work ; they took the responsibility ; they faced the risk of failure ; and they have richly earned the credit of success. To them and to members of the Organising Committee, representing all the various agencies, to all who assisted in the Appeal, to the public who responded so generously, and to the Distribution Committee who have devoted so much care to the allocation of the proceeds among the co-operating hospitals, I offer the best thanks of the Council, and my own.”

How wide and varied were the many money-raising enterprises conceived by the organisers may be gauged by the fact that the bare statement of all the events occupy six pages of the printed report. From His Majesty—who wrote a special letter for reproduction in facsimile in the Press and on posters—to humble school children and charwomen, who organised their own collections—everybody lent their aid. And in the result no less than £481,639 was raised. Of this sum, £418,327 was distributed amongst the co-operating hospitals. The King's Fund was responsible for the distribution of £390,000—most of it in 1922, without waiting for the closing of the Appeal ; £25,000 was retained in accordance with the wishes of the donors to assist schemes for the collection of regular contributions from industry ; £3,440 was held in reserve and the balance was used to defray expenses.

Even though subsequent years showed substantial advances in income beyond the million pounds mark, the year 1922 was the most outstanding financially of any in the history of the Fund to that date. Only £250,000 of the total received from the Combined Appeal was passed to the Fund in the course of the year, but the total receipts reached a new record figure of £1,351,342, thanks largely to munificent legacies. Included in these was £581,353 from the estate of Lord MountStephen and £257,692 from the estate of Sir Thomas Suther-

land; £73,720 was received from other legacies. The £250,000 Government assistance earned by the raising of an equal sum in new money does not figure in the accounts for 1922, when a total of £470,000 was distributed.

In the following year the receipts totalled £575,396, which included £145,000 from the Combined Appeal, a further £175,000 from Sir Thomas Sutherland's estate and £145,000 income from investments. This last item was, of course, partly due to the substantial legacies received in 1922 for investment. The ordinary distribution went up to £235,000, an increase of £15,000, but the total distributed fell to £350,000. These two years saw the almost complete disappearance of the aggregate deficit of London voluntary hospitals, amounting in 1920 to £383,000.

This was, in a large measure, due to the generosity of the public response to the Combined Appeal, but the hospitals themselves contributed much towards the result by their improved efficiency and economy in management. This contribution cannot be assessed even in approximate figures; it represents a recurrent saving of variable amounts. In a sense it was the much more important contribution to the happy issue of the special efforts of these years since it represented a continuous benefaction, difficult to define in terms of cash or in terms of public good-will, demonstrated consistently in subsequent years.

These two vastly important assets were constantly borne in mind in shaping the Combined Appeal. Emphasis was laid on an undertaking given the public that the hospitals would use the breathing spell afforded by liberation from debt to reorganise their finances. And in this task they had the unstinted assistance of the King's Fund. The Prince of Wales had this in mind when he spoke at a meeting of the Council of the remarks sent to hospitals privately with grants. The Statistical Report was developed to include a table analysing hospital income, which proved of the greatest value to hospital administrations, and also provided the Fund with a most serviceable picture of the degree of efficiency attained by individual hospitals.

"On the question of cost of working," said His Royal Highness, "the Hospital Economy Committee have provided the Distribution Committee with new material. Hitherto the Fund has deliberately left it entirely to the hospital committees to inquire for themselves into the causes of high costs shown in the accounts. The Fund is now going a step further by directing attention to particular methods of investigating and controlling expenditure, beginning with the question of adequate records of quantities consumed." It was work

of this kind which added so much incalculable value to the association of the Fund with the Combined Appeal.

Perhaps the most tangible evidence to-day is to be found in the development of Contributory Schemes, which were kept to the fore in publicising the Combined Appeal. This, again, was an assurance to the public that actual steps were being taken towards the establishment of a financial system more practicable and stable than the periodical special appeals which had characterised hospital charities for so many years. Twice the Council met in 1922 to consider a contributory scheme which had been drawn up at the request of the London Regional Committee of the British Hospitals Association. It was finally organised as a separate body under the title of the "Hospital Saving Association."

This was launched under the chairmanship of Viscount Hambleton, and with Mr. Elliot as secretary. The contributions to the Combined Appeal provided (through the Fund) £25,000 as an initial guarantee fund. The idea at once commended itself to the people and very quickly the H.S.A. enrolled many thousands of contributors of 3d. per week among wage earners. Within four years the annual income had reached £150,000 and steadily progressed until £1,155,000 had been reached. Only the outbreak of the second world war checked the advance.

The Fund, too, learned something from the Combined Appeal, and the lesson bore fruit in the formation, in 1923, of a sub-committee to be directly concerned with propaganda. This, under the Chairmanship of the late Viscount Burnham, was concerned with propaganda in the fields of education, science, art, literature and law, and in organising general propaganda for the King's Fund and the voluntary hospitals of London. One of the general objects of this propaganda was to bring the hospitals before the people not only, or even chiefly, as institutions appealing for subscriptions, but as a very important factor in our social organisation, doing essential work both for the sick poor and for the health of the whole community, and to inculcate in the mind of the public generally a greater sense of responsibility for the regular and systematic support of the hospitals on these grounds.

Sir Harold Wernher, who had been a member of the Management Committee for several years, was, in 1923, appointed an Honorary Secretary of the Fund.

## CHAPTER EIGHT

### EXTENSION OF THE FUND'S AREA

**F**ROM the hospitals' point of view one of the most significant of the innovations suggested in 1923 was the keeping of quantity statistics. Hitherto statistics had been confined to finance, although investigations had been made into correlated subjects, such as comparative statistics of quantities used. This method had been introduced during the war by the late Sir Napier Burnett in a survey of the expenses of military hospitals. The Fund now took up the question and the Economy Committee circularised the voluntary hospitals of London, emphasising the vital need for distinction between quantity statistics and financial statistics.

For instance, as was pointed out when the Revised Uniform System of Hospital Accounts was issued in 1926, quantity statistics remain stable when any change takes place in the purchasing power of money (as between pre-war and post-war years) and are unaffected by fluctuating prices—as may occur during any year. Since all this was new to most hospital administrations when the Fund began actively developing this phase of hospital accounting the significance of this service to the hospital world warrants the following quotations from the above publication :—

“ If the price of a commodity is reduced, and the consumption, measured in terms of value, remains the same, it is obvious that an increase in the quantity consumed has taken place. This fact, however, would not be disclosed by financial statistics, and it is even possible for such statistics to show a decrease in expenditure, in spite of the fact that there has been an increase of consumption.

“ By using statistics of quantities as a basis of comparison, the most disturbing element in all comparisons of consumption, viz., that of price, is eliminated. Prices paid by hospitals for commodities depend largely on the size of the hospital and upon locality. Wise and economic buying may be more than counterbalanced by excessive consumption, losses, waste, etc., rendered possible by the absence of an adequate system of recording and reviewing quantities.

“ The matter may be looked at from another point of view. The purchase of quantities of any kind of commodity is equivalent to the transfer of money value from the bank to the storeroom.

From the point of view of the administration, however, control is just as necessary for correct utilisation of stores as it is for cash, and exactly the same care should be applied in each case. It cannot be too strongly emphasised that stores are as much an asset as cash, and that for every duty imposed upon a cashier with regard to cash, there should be imposed upon a storekeeper a corresponding duty with reference to stores.

“ It may be found that one ward is daily consuming twice as much electric light as a neighbouring ward with the same number of beds and under similar conditions. This extravagance on the part of the first ward is lost in the total figures of cost per patient, and, as a consequence, the careful sister receives no incentive to continue her economy, and the wasteful one no check to her extravagance.”

Elementary and obvious as all this may appear in these days, it was in the nature of a discovery twenty years ago. The position was brought to the general notice of hospitals by the Fund, and the logic driven home to administrations which applied for a share in the money entrusted to the Fund for distribution. It has been in ways like this that the practical assistance of the Fund has been even greater than is represented by the annual distribution grants. By such service it has contributed to that increasing efficiency in management which has helped to keep the voluntary system fully justified in the eyes of the public.

One other activity begun at this time deserves mention. This was an enquiry into the best method of finding a vacant bed for an accident case needing to be taken into a hospital or infirmary for treatment as an in-patient. The matter was taken up by the Fund at the request of the Minister of Health, and a special committee, called the Ambulance Cases Disposal Committee, was appointed to conduct an investigation with various other public bodies concerned. Their findings were published a year later and were generally accepted as solving the problem—followed as they were by special grants for the provision of additional accident beds.

Remembering the disastrous state of affairs existing in 1920, when the outlook was blacker than it had ever been in the long history of London voluntary hospitals, and surveying the work of the Fund from then till the end of 1924, by which time every penny of the £383,000 aggregate deficit had been wiped out, it is not surprising that the Prince of Wales at a special meeting of the Council in 1924 used these words :—

“ I wonder if there is anyone who still thinks the voluntary hospital system is dead or dying ? If so, let him look at the facts and figures before us to-day. Even in 1920, when the crisis was at its worst, the hospitals of London had an income of £2,400,000, as against £1,500,000 before the war. Since 1920 their income has increased to £2,850,000, without counting any of the £400,000 raised by the Combined Appeal ; £990,000 has been added to their endowments ; £1,100,000 has been received for extensions and improvements.

“This means that, over and above their annual income, which last year was nearly twice what it was before the war, the voluntary hospitals, in London alone, have received in three years two and a half millions for special purposes. And this does not include the additions, during this same period, to the investments of the King’s Fund itself. Then, again, there are 1,600 more beds than there were before the war, and the extension schemes now in hand, or proposed, would add another 1,000. This is not decay or death ; it is life—and very vigorous life. More than that, it is growth.”

His Royal Highness then spoke of the specific tasks undertaken by the Fund which contributed to this growth, and continued :—

“ The King’s Fund is thus making its special contribution to the forward movement. The schemes of extension or improvement originate in most cases with the hospitals themselves ; the greater part of the funds for each scheme, and for subsequent maintenance of the additional beds, is provided by those who are interested in the particular hospital concerned, or by the efforts of its own workers.

“ The King’s Fund cannot be, and does not want to be, a substitute for that individual interest and individual effort which, under the voluntary system, is the source of life to the individual hospital. The King’s Fund has its own particular function. It is concerned with the needs of London as a whole, and with the relative needs of the different districts. It has exceptional means of comparing the circumstances of the various hospitals.”

As further evidence of the vitality of the Fund and its steadily increasing sphere of influence and service, it should be recorded that it was in 1924 the decision was reached to extend its area from a nine miles radius of Charing Cross to an eleven miles radius from St. Paul’s. This change was made for the specific purpose of bringing in more of the eastern districts, and the immediate result was the increase of hospitals applying for grants from 118 to 133.

Simultaneously with this extension of the Fund's area, the need for hospital extension again came under review. In the lean years it had been impossible to countenance capital expenditure of this kind except in the cases of extreme need. But by the end of 1924 the aggregate deficit of all London hospitals had not only been wiped out, there was actually a surplus for that year of £227,000. True, there were still 54 hospitals whose income did not meet their expenditure, but the healthy aggregate was the factor the Fund could reckon with. Hence the decision to resume grants towards building, improvements and extensions.

The Voluntary Hospitals Commission was specially interested in extensions, and at their request the Management Committee of the Fund went into the whole question. Their conclusion was that whatever might be the total number of beds required, the immediate need was to expedite the schemes for the provision of the next 2,000 beds, after which it would be time enough to face the more distant future. This conclusion was approved by the Commission, hospitals were invited to present their schemes (some of which had been postponed from the crisis period) and then began the painstaking examination of individual claims. Applications which had previously been under review were dealt with there and then, with the result that the ordinary and special contributions for the year totalled £302,000.

In order to meet the applications for special grants the Council, with the approval of His Majesty, decided upon the unusual course of applying all but £12,000 of the legacies of Mr. and Mrs. Wells (which finally yielded £255,000) to assisting schemes of capital expenditure. Normally such very large legacies went to the Fund's capital account for investment, but an exception was made on this occasion to meet the exceptional need, the Fund's capital having just been increased by over £1,000,000 from the MountStephen and Sutherland legacies.

The Wells' munificent generosity thus helped to provide, amongst other benefits, no fewer than 1,600 new beds, including 179 reserved for accident cases in accordance with part of the scheme drawn up by the Ambulance Cases Disposal Committee. The distribution was, of course, spread over several years, and was linked with the ordinary distributions, which also included sums in aid of capital expenditure. All such sums were passed to the hospitals with specific instruction that they were to be used for the purpose stated. And here are some of the purposes named by the Council in making the awards ; improved X-ray accommodation, new nurses' homes, provision of a children's ward, provision of a diet kitchen, new out-patients' department,

extension of country branch, new lift, reconstruction, removal of X-ray department from basement, accommodation for resident medical officers and for nurses, accommodation for artificial sunlight treatment.

These are only a few examples, but in every case where a specific use for the award was named it was in a very real sense the decision and judgment of the General Council of the Fund, since the various committees concerned had all contributed their quota of information and advice relative to needs and merits. And in addition to the above improvements financially aided by the Fund, monetary assistance as well as expert advice was provided for the building of three new hospitals, and the re-building of four others on new sites—all in 1927.

So much for the Fund's activities in the interests of administration and accommodation, equipment and finance. But that is not the whole story. It had always been recognised that the personnel were equally, if not more, important in hospital organisation if maximum efficiency were to be achieved. And in this category of service must be placed pensions for nurses and hospital officers. The question of a general scheme for pensions had been discussed many times before it was found practicable to form a draft likely to meet with general approval by all parties concerned. As far back as 1914 there was the Committee of Enquiry under the chairmanship of Mr. W. J. H. Whittall—whose report was held up by the first world war.

The Fund had acted then at the request of the Hospital Officers' Association, and when, ultimately, the report was published and submitted to hospitals for consideration, both the H.O.A. and the College of Nursing, followed by the British Hospitals Association, prepared schemes on the lines suggested in the report. The first result was that all three parties concurred in asking the King's Fund to convene a Conference. And the direct outcome of that Conference was a scheme which earned the financial backing of the Fund, unanimously agreed to in this year, 1927.

In view of subsequent developments in this field, and particularly in view of the limelight thrown upon nursing conditions at the time of writing—in the midst of the second world war—it will be of special interest to recall the pioneer services of the Fund on behalf of hospital personnel. The Conference referred to above, presided over by the late Lord Stuart of Wortley, was entirely sympathetic with the principle of a pension scheme and prepared a memorandum in which two schemes were combined. In this instance, however, the resulting memorandum was not circulated only to London voluntary hospitals. It was issued over the whole country.



In its general outlines it followed the Federated Superannuation System for Universities and provided for the whole of the salaried staff, administrative, clerical and dispensing, all female nurses (whether in hospitals or other branches of nursing service) and student nurses after their first year of training. Complete provision was to be made in advance by contributions from employers and employees ; policies taken out with insurance companies to secure superannuation benefits in various alternative forms ; and the policies would follow the officer or nurse on migration or, within limits, on leaving the service altogether.

At a subsequent Mansion House Conference 89 hospitals in London expressed approval of the proposals and a Provisional Council was formed to take the necessary steps in establishing a Scheme and settling details with insurance companies. Although from this point the new creative work was left in the hands of the hospitals themselves, the Fund backed its sympathetic interest with an offer of a special grant of 25 per cent. of the initial cost to hospitals up to a maximum of £20,000 annually for seven years. All the details were completed in 1927, and the scheme was launched on January 1st, 1928, under the title, Federated Superannuation Scheme for Nurses and Hospital Officers (Contributory).

"The King's Fund," said the Prince of Wales at the annual meeting of the General Council that year, "gives the scheme its blessing and its help, believing it to be in the interests of the efficiency of the hospitals and the nursing service of the country." Another of His Royal Highness's comments was, "The problem is constantly coming up in an acute form, involving not only the interests of the individuals concerned but also the efficiency of the hospitals. . . . Then take the nurses. Not only the efficiency but the very work of the hospitals depends on their being able to continue to get the right type of women to enter the nursing profession. . . . We are told by the College of Nursing that her friends and guardians bring up the objection that she will not be able to make any adequate provision for old age. If the scheme succeeds in its objects it will remove a real hardship to individuals engaged in hospital work, especially nurses ; it will increase the efficiency of the hospitals, and it will help to stabilise their finances by providing for the liability in regular annual instalments, instead of leaving it to be faced all at once when it becomes due. . . . The scheme will enable hospitals to provide in a business-like way for an essential part of their expenditure, and it will remove a heavy burden of apprehension from the members of the nursing profession, to whose skill and devotion every member of the community owes so great a debt."

During the seven years the Fund was making special grants in aid of the scheme a total of £124,000 was provided, and when this period ended, in 1935, there were 121 hospitals in the Fund's area operating the scheme. In all, 88 per cent. of the hospitals in London had adopted it, and 73 per cent. of all hospitals in Great Britain, besides institutions in several other parts of the world. Since then many others have adopted it, and although special grants have ceased the expenditure under this heading is taken into account by the Fund when making the annual grants to hospitals.

The year of the birth of the pension scheme, 1927, also saw the beginning of the consultations for the additional provision in voluntary hospitals of pay beds, of which there were some 900 in 73 London hospitals. A Pay Beds Committee, under the Chairmanship of Viscount Hambleden, was constituted and charged with inquiring into the question of hospital accommodation in London for persons prepared to pay more than the ordinary voluntary hospital patient. "Their report," said the Prince of Wales at the annual meeting of the Council for 1927, "will be an important part of the business of 1928."

Incidentally, the year 1927 was the thirtieth anniversary of the foundation of the Fund and the occasion was celebrated by a luncheon at the Mansion House, given by the Lord Mayor, Sir Rowland Blades (now Lord Ebbisham) on October 18th, to members of the Fund and the leading workers for the League of Mercy. The Prince of Wales, who was the principal guest, spoke of the progress of the Fund and of London voluntary hospitals. "A big hospital nowadays," he said, "needs elaborate apparatus for scientific treatment. There are operations on cases which would have been considered hopeless thirty years back, and there are special departments and all kinds of expensive equipment." London voluntary hospitals' expenditure had advanced from £700,000 a year to £3,000,000.

## CHAPTER NINE

### THE LOCAL GOVERNMENT ACT

**B**Y July, 1928, the Pay Beds Committee had completed and published their report. One of their conclusions was: "It is desirable that as many prospective pay bed patients as possible should be enabled to place themselves in a position in which they can pay the full cost of maintenance in a pay ward and a medical fee as well." Their argument was that the function of the voluntary hospital includes provision not only for the sick poor in the original sense of the term, but also for those who, while not coming within the original definition of "the necessitous poor," are unable to obtain without financial assistance the hospital treatment they need.

Side by side with this specialised activity the Fund was intimately connected with the larger movement, generated from outside and destined to produce a revolution in public health services. This was centralised, so to speak, in the Local Government Bill, the first substantial Parliamentary measure dealing with hospital service since the first voluntary hospital was founded in this country a round thousand years ago. During the previous century boards of guardians had controlled infirmaries, sometimes called "workhouse hospitals" even when not directly associated with a workhouse. Their official name was Poor Law Infirmaries. They were reserved almost exclusively for the destitute sick, the exceptions being certain infectious cases and the mentally ill.

Other cases which were admittedly a municipal responsibility were treated at voluntary hospitals, a contribution towards the cost being made by the local authority. In this sense there had been a "working partnership" between London voluntary hospitals and the London County Council for twenty years or more. Tributes had been paid year by year by successive Chairmen of the L.C.C. to the effectiveness of this co-operation, coupled with complete harmony in their relationship. The Chairman of the L.C.C. in 1929 (Lord Monk Bretton) when the Act was placed on the Statute Book, spoke of "the well-known policy of the Council to do everything in its power to promote the welfare of the voluntary hospitals of London." He spoke enthusiastically of the Council's eagerness to seek their co-operation in connection with the treatment of the sick. "For example," he said, "in connection with the treatment of school children, tuberculosis

patients and other diseases, the Council paid annually grants-in-aid to the voluntary hospitals of London which amounted to over £100,000."

But a new order was definitely in the making. A new set of circumstances entirely different from those existing when King Edward founded the Fund was the immediate prospect. There were some on the General Council who viewed the developments with a measure of concern. All were agreed that the situation created unprecedented problems, and that everything possible should be done to preserve the voluntary system. No question of the efficiency of voluntary hospitals had been raised, but it was clear that their part in the hospital services of the country would have to be revised in the light of the then recent developments. The question at issue was the responsibility of local authorities in public health and hospital services.

There was an obvious and urgent need to focus attention upon the vital part taken by voluntary hospitals in the health services, and no time was lost in setting up a Committee to see that this was done. The Rt. Hon. J. H. Whitley was appointed Chairman, and serving with him were Viscount Knutsford, the Hon. Arthur Stanley, Sir John Rose Bradford, P.R.C.P., Sir Berkley Moynihan, Bt., P.R.C.S., the Rt. Hon. Hugh P. Macmillan, K.C., Sir Herbert B. Cohen, Bt., Sir Edward Penton, Sir Cooper Perry and Mr. V. Warren Low. They met as the Voluntary Hospitals (Local Government Bill) Committee, and directly represented the Fund in discussion with the hospitals and the L.C.C. and at conferences at the Ministry of Health. They had already done a considerable volume of work when the Distribution Meeting of the General Council was held in December.

Lord Hailsham, as a member of the President's Powers Committee, presided over this meeting. The Prince of Wales was in London, but owing to the illness of His Majesty—it will be recalled that the Prince hurried home from Africa because of the King's illness—His Royal Highness was too much occupied with affairs of State to be able to attend the Council meeting.

It was one of the most important Distribution meetings up to that time, apart from the position created by the Local Government Bill. For the first time the proposed ordinary distribution totalled £250,000—two and a half times the sum aimed at by King Edward VII when founding the Fund. The meaning of this, and several other matters were dealt with by Lord Hailsham before closing his speech with these memorable remarks :—

"I have left to the last what is in many ways the biggest of all the problems with which the King's Fund and the voluntary

hospitals are faced at the present moment. The transfer to the county councils of the Infirmaries hitherto carried on under the Poor Law will produce great change in the hospital service, and we hope, great improvement. It will be necessary to work out a scheme by which the voluntary hospitals shall continue to make their special contribution to that hospital service, which depends on the fact that their management is voluntary and that their finance is voluntary. How much the public in this country value the voluntary hospitals is illustrated by the figures in the King's Fund Statistical Report, which show that their annual maintenance cost is over £3,000,000 in London alone, besides £1,000,000 received for endowment and building ; and that rather more than two and a half millions of this came from voluntary gifts during the year.

“ If the voluntary hospitals are not preserved, not only would huge additional sums have to come out of the rates, but the present spirit of the voluntary hospitals, which influences all other hospitals in this country, would be lost and the whole system would become official. This is the last thing that any of us desire, and we must make it clear to the public that it is worth while continuing to subscribe to the voluntary hospitals in order to prevent it. The voluntary hospitals on their part are engaged in considering the principles of co-ordination between themselves and the new county hospital service, so as to preserve these essential features. In this discussion the King's Fund must necessarily take an active share. It is for this reason that we have appointed a special committee containing men who are prominent in the work of our leading hospitals in London, and some of whom are also in close touch with hospitals outside London.

“ We hope that this will provide a means of focusing the opinion of practical hospital people and bringing it effectively to bear, both during the discussion on the Local Government Bill, and during the subsequent preparation of schemes by the county councils and other local authorities in the King's Fund area. Our one desire is to obtain the maximum of efficient service for the sick and suffering.”

The King's Fund Committee, in a published memorandum on the relations between voluntary and municipal hospitals, therefore welcomed the clause in the Bill designed to ensure consultation between county authorities and governing bodies and medical staffs of volun-

tary hospitals. This clause (Section 13 of the Act) was moved in the Upper House by Lord Dawson of Penn. The Fund's Committee, in co-operation with the Teaching Hospitals and the British Hospitals Association, formed a Joint Committee for the purpose of devising a representative voluntary hospital body for consultation with the L.C.C. This Joint Committee aimed not merely at the fulfilment of a statutory obligation, but at providing the means for continuous consultations and co-operation between the voluntary hospitals and the County Council hospitals. The result of their endeavours was the creation of the body known to-day as the Voluntary Hospitals Committee, after the formation of which the Joint Committee was dissolved. The Parliamentary Committee for London, heir to the original Voluntary Hospitals (Local Government Bill) Committee, continued to function as such until the middle of 1942.

That completes the story of the Fund's part in the Local Government Act, 1929, but by the time this had been achieved His Majesty had made a happy recovery from his illness and the Prince of Wales was free once again to take an active part in the Fund's activities. He presided over the annual meeting which reviewed the business of 1929, and this is what he had to say about the Fund's activities throughout those strenuous and anxious days :—

“Our Parliamentary Committee has been helping the hospitals to devise a representative body for the purpose of the Local Government Act. The new body is called the London Voluntary Hospitals Committee. Its function is to co-operate with the London County Council in ensuring that the hospital service of London, composed partly of the voluntary hospitals and partly of what used to be called the Poor Law Infirmarys, shall be the best that can be achieved.

“A really good hospital service must combine, in due proportion, the qualities of efficiency and flexibility, of organisation and freedom. Hospital work requires all these qualities. It is from one point of view a part of public health administration. At the same time, from another point of view, its essence consists of a number of individual doctors treating a number of individual patients ; one of the most intimate personal and human relationships that exist outside family life.

“It must also provide for the advance of medical science, and allow scope both for the individual genius and for the organised team work which together produce that advance. Yet again it is a form of mutual aid, in which all members of the community can

take a direct personal share, on behalf of their fellow-members who are disabled by sickness.

“ That is why our people value the voluntary hospitals to the tune of £2,700,000 a year in voluntary gifts in London alone, besides £850,000 a year from the patients themselves. And this is why it is so important that the spirit of the voluntary hospitals, in which all our medical men have been trained, should be preserved, and should continue to permeate the whole medical service, to whatever extent, and in whatever way, hospital work has to be developed on the organisation side.”

Thanks to the generosity of the late Sir Otto Beit yet another expansion of the Fund's activities, and one ranking among the most important, was made possible in 1928, when the Fund accepted responsibility for improving the deficient radium supplies of London hospitals. Sir Otto wrote to the Honorary Secretaries saying that he had been greatly impressed by the remedial value of radium and the inadequacy of supplies in London ; if the King's Fund would undertake the purchasing of a quantity and the distribution on loan to suitable hospitals he would give not less than £50,000 to the Fund to pay for initial purchases.

He added, “ In their selection of hospitals I desire the Distribution Committee to have regard to the competence of the staffing and equipment of their respective radiation departments, to an undertaking by the hospitals to ensure the safe custody of the radium loaned to them, and to insurance to its full value. Finally, as for a number of years I have aimed at encouraging research in science and medicine, and the publication of results so attained, for the common benefit—not unsuccessfully, I hope—I should like the Committee to endeavour to secure that the hospitals thus to be provided on loan with radium should be preferably those in which the cure of disease or the alleviation of suffering is associated with a keen interest in the furtherance of knowledge ‘ for the relief of man's estate.’ ”

They were onerous conditions, involving new responsibilities and much additional labour at a time when the Fund was working at high pressure. It meant an entirely new field of service being added to the already greatly widened scope of activities. There was no body of technical experts then included among the Committees to take charge forthwith. Radium itself was a comparatively new addition to the wonders of medical science. But all on the General Council realised how great an opportunity had been created by Sir Otto Beit for a public service truly in accord with the fundamental ideals of the

Fund. The opportunity was readily seized, and to begin with it was the Management and Distribution Committees which undertook all the preliminary work pending the formation of the Radium Committee. Four grammes of radium were purchased, hospitals selected to receive the precious material—on loan, of course—and conditions of loans carefully drawn up to comply with Sir Otto's stipulations.

The promptness with which the Fund set to work to secure this beneficent service to voluntary hospitals inspired an anonymous friend of the Fund to make a gift of £10,000 for the purchase of more radium. Shortly afterwards he came forward with another £10,000, this time to facilitate schemes for extending the usefulness of the Fund's stock of radium, and since then he has given another £45,000. Many generous friends have contributed substantial sums since Sir Otto Beit's original gift, thus enabling the Fund to continue adding to its stock of radium until it reached a total of 17 grammes. To-day the Fund's Stock is second only to that administered by the National Radium Commission, which, acting for the National Radium Trust, is concerned with hospitals throughout the provinces, while the King's Fund looks after the needs of London. Some of the radium is loaned direct to hospitals, the rest is held in a pool, to be drawn on by hospitals as need arises.

That, in brief, is the opening of the story of the King's Fund and radium. The value it has been to the community, the lives it has saved, the disease it has arrested, the increased efficiency it has meant to voluntary hospitals . . . these are separate stories to be told elsewhere than in this narrative. But even the summarised record of the Fund's earliest concern with radium would be incomplete without recalling its connection with other major events of 1929.

It was the year of universal rejoicing at the recovery of King George V from an illness which had for months kept the country plunged in gloom. The news that His Majesty's convalescence had reached the stage when it could be authoritatively announced that his complete recovery was assured brought deep and heartfelt thankfulness to everybody associated with the Fund. For ten years he had been the President and for nineteen years the Patron, and throughout those twenty-nine years his enthusiasm for the welfare of the hospitals of London had been unceasing.

It was fitting, therefore, that the Fund should afford his people the opportunity of expressing their thankfulness through a medium certain to appeal strongly to him. Hence the launching of a Thank-offering Fund for His Majesty's recovery, the gifts to be used for the



benefit of the hospitals in which he had so long cherished an interest. The nucleus was a substantial offer by an anonymous donor who preferred to be known as Audax. Incidentally, anonymity for once stirred unusual interest and the newspapers were not slow in linking it with the very special character of the Fund. They readily grasped the opportunity of a daily reminder of the outlet for national thankfulness provided by the Fund. The Press all over the country repeated guesses about Audax's identity, and the Fund's President (now the Duke of Windsor) was also intrigued. By his command Lord Luke presented the unknown donor to His Royal Highness, and as they were entering the gate in Cleveland Row photographers snapped the pair. But the picture showed only the back of Lord Luke's companion, and the secret remained unbroken. Many columns of free editorial publicity hinged upon that secret and the genuine gratitude of the country for His Majesty's return to health.

A remarkable feature of this campaign was that no part of the sum contributed was required for expenses. The collection was run on a separate bank account and interest was paid on the balances in the current account before they were paid over to the King's Fund. The sum received in bank interest was sufficient to pay the whole of the expenses in connection with the staff, special offices and advertising. This last item was small, thanks to the free publicity given in the editorial columns. This is believed to be a record in publicising and running an appeal.

Radium had not figured in the initial activities. But it was to play a bigger part in subsequent events than was suspected at that stage. Preparations for the Thank-offering appeal went ahead and all was set to launch the scheme when news was received that *The Times* newspaper had been approached to organise an appeal for the newly-created National Radium Trust.

At that time radium was urgently needed and the Government had acknowledged the necessity of increasing the country's meagre stock by agreeing to a grant of £100,000 for radium purchase, conditional upon a like sum being raised by public subscription. Hence the National Radium Trust's appeal aimed at £100,000. But, obviously, the concurrence of two appeals was undesirable and a conference was arranged between representatives of the King's Fund, the organisers of the National Radium Appeal and *The Times*.

It was arranged to run the two appeals as one, under the title of The Thank-Offering Fund for the King's Recovery. The King's Fund guaranteed a sum up to £125,000, and agreed that all donations

up to £150,000 received from the public should be allocated to the Radium Trust, thus ensuring the earning of the Government grant. Anything received over and above £150,000 for the purchase of radium was to go to the King's Fund, and the public were invited to earmark their gifts to the Thank-Offering Fund for general use, for the King's Fund or specifically for the purchase of radium. So spontaneous was the response that £187,000 was subscribed for radium within a few days, and as a result the King's Fund Radium Fund benefited by £37,000, while the Radium Trust qualified by the £150,000—their share of the receipts—for the Government grant of £100,000.

The radium appeal was then closed, but the general appeal for hospitals remained open for a further two months. Lord Luke continued to be responsible for the detailed work connected with the appeal and in those two months gifts poured into the Fund. As a reminder of the affection in which King George V was held it should be put on record here that the combined gifts of the country in thank-offering for his recovery reached the inspiring total of £689,597, including the £187,000 specified for the purchase of radium, and £218,397 earmarked by the donors for the King's Fund.

Lord Revelstoke, who had been Honorary Treasurer of the Fund since 1915, died in April, 1929, and his will revealed that he had left a bequest of £100,000 to the Fund, to be added to the capital account. He had been a member of the Finance Committee from 1906, and during the whole twenty-three years of his active association with the Fund he had watched over its financial interests with all the knowledge and skill for which he was distinguished. He was succeeded by Mr. (now Sir) Edward Peacock, whose appointment was signed by the Prince of Wales on May 9th. It was in this same year that Viscount Dawson of Penn and Viscount Hailsham were appointed members of the General Council.

As indicative of the extraordinary volume of work accomplished in 1929 and the variety of matters dealt with during that crowded year, it may be mentioned in passing that the annual report reached the record length of 110 pages, a record which has not since been surpassed.

## CHAPTER TEN

### AN HISTORIC MANIFESTO

THE five years which followed made up a quinquennium of steady, persevering service, sometimes in the face of unexpected difficulties and disturbing portents. But progress, if somewhat slow because the matters dealt with did not lend themselves to spectacular achievements, was none the less real, and helped to consolidate the position of voluntary hospitals in our health services. Happily the financial situation of the Fund continued to improve, thanks to the generosity of several very open-handed friends. Sir Otto Beit, who had started the radium fund with a gift of £50,000, bequeathed a further £57,875 in his will. Each year the legacies averaged about £60,000, and in 1933 a reversion of £135,924 from the estate of the late Lord MountStephen on the death of Lady MountStephen, made a substantial addition to the income. This brought the total amount added to the capital account by the munificence of Lord MountStephen up to, at that time, no less than £1,308,187.

It was indeed fortunate for the hospitals on the Fund's list that so much benevolence found expression in gifts to the King's Fund, for the beginning of this period witnessed a trade depression of world-wide dimensions. Inevitably many of the hospitals suffered through cuts in subscriptions. The aggregate income of all the London voluntary hospitals actually showed an improvement, with a surplus of income over expenditure. But this showed only that certain individual hospitals had been exceptionally fortunate; most were hit hard by the depression. And in that year, 1930, the Fund was able to increase the ordinary distribution from £250,000 to £266,000.

Speaking at the Distribution Meeting of the General Council, the Prince of Wales paid a special tribute to hospitals' patients, whose voluntary contributions had been on an ever-increasing scale. He went on to refer particularly to the development of organised contributions by the Hospital Saving Association, under the Chairmanship of Sir Alan Anderson, by means of weekly workshop collections. In view of modern developments in hospital policy His Royal Highness's remarks on that occasion will be read with unusual interest to-day.

"I attended the annual meeting of group secretaries (of the H.S.A.) the other day," he said, "and I was very much impressed. I knew about the H.S.A. before. I knew the membership had

grown from 62,000 in 1924 to 800,000 in 1930, and the total receipts from £22,000 to £438,000, all collected in threepences. I knew about them as Patron of the Association, and as President of the King's Fund, which helped to found it. But the other night I saw them ; a hall packed with 2,000 men and women, all obviously in a state of enthusiasm over their job ; that is, over putting up 3d. a week out of their wages ; and over giving up their spare time to get others to do the same in order to be able to contribute their fair share of the cost of hospital treatment for themselves and their families, and to help their mates to pay theirs ; and thus help the hospitals to treat those who cannot afford to pay. If these wage-earners can thus continue, in ever-increasing numbers, voluntarily to contribute their share, in spite of the bad times, surely it is up to all the other members of the community also to contribute their share, and so make sure of keeping the voluntary spirit of mutual helpfulness as a permanent feature of our hospital service, under the new arrangements for co-operation between the County authorities and those responsible for the voluntary hospitals."

Nearly a year later, when the depression had reached the proportions of a national crisis, the Prince of Wales again referred to the obligations of those who could to help the voluntary hospitals to the limit of their ability. Speaking at Colchester he said : " In these difficult days everyone has got to make drastic economies, but I hope that, unless absolutely essential, no one will discontinue an annual subscription to a hospital or a charitable institution. Leave this cut to the very last."

Again the up-to-the-minute developments have such a ring of history repeating itself that there seems to be very special justification for reproducing here the statement published by the Fund in November, 1931. It began with a quotation of the above remarks of the Prince of Wales and continued :—

" By saying this His Royal Highness has done yet another striking service to those typically British institutions, the voluntary hospitals.

" The voluntary hospitals are not beggars, asking something for nothing. They carry on a great public service, the cost of which, like that of every other service, has to be met. The cost in London alone is about £3,600,000 a year, besides £1,000,000 spent on building. This cost is met by a co-operative effort in which everybody has a part to play. The patients themselves

give £1,000,000 a year ; voluntary contributions from the general public, in subscriptions, donations and legacies, have steadily increased till in 1930 they reached the huge sum of £2,900,000.

“ By thus voluntarily providing so much of the cost, the public and the patients gain far more than a merely efficient service.

“ To quote the Prince again, this time from his speech at the Distribution Meeting of the General Council of King Edward's Hospital Fund :—

“ ‘ You can secure efficiency in many different ways.

But there are certain special characteristics with which the voluntary system permeates the whole hospital service of this country ; these characteristics have their origin in the close touch between the workers in the hospital, voluntary and paid, and that particular form of sympathy and public spirit which finds expression in voluntary giving.’

“ These characteristics—freedom, elasticity, individuality, initiative, flexibility, responsiveness—are essential contributions to the treatment of the sick and the advancement of medical science ; and they have always been, in this country, the natural outcome of voluntary work, medical and lay, and of voluntary finance.

“ Moreover, voluntary provision of the cost is at the present moment the method of least hardship. Even those who prefer State or Municipal hospitals must agree that provision by rates or taxes would mean, at this crisis, either compulsory sacrifice by great numbers who could ill afford them, or the cutting down of some other valuable services. Voluntary gifts are by their very nature contributions by those who can afford them or who are willing voluntarily to make the sacrifices involved.

“ We suggest to everyone that the appeals of the hospitals, to which hitherto, if we take the country as a whole, the response has been the magnificent sum of over £9,000,000 a year, should be considered sympathetically from these points of view. Choose the hospital which most arouses your sympathy and interest, and give to that, whether in London or in the country. If you want to give to hospitals in London but cannot decide between them, you can consult the list of grants by King Edward's Hospital Fund for London to 146 hospitals each year in December ; or you can send the money to the King's Fund to be distributed. But, however valuable its knowledge and influence, no Central

Fund can take, or would wish to take, the place of direct gifts to each individual hospital to furnish the regular income required to pay for its daily work for the benefit of the community it serves."

The signatures to this document are of no less interest to-day than the document itself. They were :—

SANKEY, Lord High Chancellor.

E. A. FITZROY, Speaker of the House of Commons.

E. HILTON YOUNG, Minister of Health.

MAURICE JENKS, Lord Mayor.

ERNEST SANGER, Chairman of the London County Council.

M. C. NORMAN, Governor of the Bank of England.

DAWSON OF PENN, President of the Royal College of Physicians.

MOYNIHAN, President of the Royal College of Surgeons.

ARTHUR STANLEY, President of the British Hospitals Association.

DONOUGHMORE, Chairman of the Management Committee.

E. R. PEACOCK, Honorary Treasurer.

SOMERLEYTON

LUKE

LEONARD L. COHEN

H. A. WERNHER

} Honorary Secretaries.

All were members of the General Council of the Fund.

Finance inevitably loomed very large in the picture during this period, and the appended table of the total receipts of the Fund in the years 1931-35, inclusive, shows how splendid was the response to His Royal Highness's appeal to keep cuts in charity to the very last :—

					£
1931	....	....	....	....	345,743
1932	....	....	....	....	325,504
1933	....	....	....	....	499,340
1934	....	....	....	....	319,951
1935	....	....	....	....	335,528
					<hr/>
			Total	....	£1,826,066
					<hr/>

Such generosity made it possible for the Fund not only to maintain substantial total grants, but gradually to increase them. It will be seen by the following table that the £300,000 mark was first reached in 1932 :—

				£
1931	....	....	....	294,313
1932	....	....	....	320,000
1933	....	....	....	320,000
1934	....	....	....	320,000
1935	....	....	....	425,000
				.....
Total	....	....	....	£1,679,313
				.....

With these grants the total distribution by the Fund from its foundation to the Silver Jubilee of King George V, 1935, amounted to £8,446,271. The Silver Jubilee itself was celebrated by the Fund by a special distribution of £125,000 in aid of extensions and improvements, the money being provided mainly out of surpluses carried to reserve during the twenty-five years, but partly from the sale of Jubilee seats placed at the disposal of the Fund by His Majesty's Office of Works.

Shortly after the Fund first made an ordinary distribution of £300,000, that is, early in 1933, the offices were moved from 7 Walbrook, E.C.4, to the present address, 10 Old Jewry, E.C.2. On May 9th of that year the Prince of Wales presided over a meeting of the Management Committee, the first held in the new offices, and conducted the business through a long agenda, which included preparations for the annual meeting at St. James's Palace a fortnight later. After the meeting His Royal Highness went round the office, inspecting the departments and talking with various members of the staff. He was graciously pleased to present his portrait to the Fund, together with a portrait of His Majesty King Edward VII when Prince of Wales. These, along with portraits of the late King George V and Queen Mary when Prince and Princess of Wales, hang in the Board Room at 10, Old Jewry. Portraits of King George VI and the Duke of Kent have since been added. The former was President for six months in 1936 and the latter from 1936 until his tragic death in August, 1942, when the flying-boat in which he was travelling to Iceland crashed in Scotland.

Although very much concerned with the financial aspects of the Fund, the Prince of Wales followed with close interest the many and

various activities apart from the business of collecting and distributing money. At the annual meeting held in June, 1934, he made a special and informative reference to some of these.

“I have mentioned expenses,” he said, “and I should like to remind everyone that these cover a great deal of administrative work in addition to the cost of collecting and distributing £300,000 a year. The distribution itself requires a whole twelve months’ examination of the affairs of the hospitals by the Distribution Committee, the Hospital Economy Committee, the Revenue Committee and the Visitors. We study their accounts, their administration, their cost of working, their extension schemes, and anything else that may affect their relative claims for grants. But, even so, this is very far from being the whole of our work. For, besides all this, the King’s Fund has gradually come to exercise some of the functions of a kind of central body for the voluntary hospitals of London, using its influence while carefully respecting their individuality and their freedom.

“The annual report which is before us to-day describes a number of these activities. They include the gifts of money which are subject to special trusts, the convalescent home left by the late Sir John Young for use by a hospital, the King’s Fund radium, and the work of the Management Committee, the Parliamentary Committee, the Out-Patient Arrangements Committee and the Propaganda Committee. The Hospital Economy Committee, though they are making no report this year, are constantly having to decide how new developments in hospital work should be dealt with in the uniform system of accounts. Moreover, there were no less than eight separate subjects taken up by the King’s Fund last year as the result of communications from responsible correspondents who wished to approach the hospitals through a central agency. We also provide staff assistance for the London Voluntary Hospitals Committee, the representative body which consults with the London County Council about the provision of hospital accommodation in the County. All this takes time and costs a certain amount of money. But it is well worth doing.”

In closing his remarks on this occasion His Royal Highness made yet another reference to the irresistible appeal of the voluntary hospital to the public imagination and coupled it with a tribute to the fellowship between municipal and voluntary hospitals which made their working together so pleasant and effective.



“ These huge receipts from voluntary sources ” (for several years they had been between £2,000,000 and £3,000,000 a year in London alone) “ have a two-fold value,” he said. “ In this country the hospital service in each district has the advantage of being partly voluntary and partly centralised under the county authorities ; the machinery for mutual consultation is provided by the Local Government Act. In the two, working together and influencing each other, we have an unique opportunity of combining large-scale efficiency with the qualities which come from individual freedom and initiative, and which are specially important in medical work. The receipts from voluntary sources, therefore, are not only a great financial asset in the hospital service. They are also the basis, when combined with the voluntary personal work of the lay committees and the visiting medical staffs, of the special contribution which the voluntary element makes to the hospital service.”

The Out-Patient Arrangements Committee to which the Prince referred in his comments on the administrative work done by the Fund was of the order of special committees created from time to time to see a particular job through. Sir John Rose Bradford was the first Chairman of this Committee, and was later succeeded by Dr. H. Morley Fletcher. In January, 1933, after a full year of exhaustive inquiry by a Committee under the chairmanship of Lord Onslow, a detailed report was presented on the out-patient problem. This recommended that hospitals should be encouraged to develop the consultative side of their out-patient work, and to refer, subject to certain safeguards, non-urgent minor cases to suitable agencies (such as dispensaries, voluntary and public clinics, etc.) which provided general practitioner treatment ; and that various time-saving methods of procedure or improvements in accommodation should be studied by hospitals with a view to action where appropriate. It was a complex subject, and the report was many-sided in detail and implication. It was because of this that the Out-Patient Arrangements Committee was appointed. Their special function was to consider what steps it would be practicable or advisable for the King's Fund to take for promoting the development of out-patient organisation in the directions suggested by the report.

At this time, and with the out-patient problem still existing, many hospitals—thanks to the ever-increasing number of out-patients—it is at least appropriate here to point to the thoroughness with which the Fund laboured for a solution. And not, it is also worth noting,

with any arbitrary predilections; co-operation and consultation were the keynotes. The problem has not even yet been solved to everybody's satisfaction, but the position is infinitely better than it was when the Onslow and Bradford Committees were tackling it. One of the earliest outcomes was the publication by the Fund of a memorandum containing specimen forms used by doctors when sending patients to out-patient departments, together with specimens of the model standard form drawn up by the British Medical Association and a variant of this drawn up by the London Panel Committee. Included in the memorandum was a complete general out-patient time-table for the London hospitals. Copies were sent to all the doctors in the King's Fund area in a form for convenient reference. The Out-Patient Time Table has been issued at regular intervals ever since.

About the same time the Fund prepared a special memorandum designed to help hospitals to reduce waiting at their out-patient dispensaries. Several important hospitals have since adopted the method of giving appointments to individual patients wherever possible.

Another memorandum discussed the procedure between the arrival of patients and their treatment. Yet another dealt with the movement encouraged by the Fund for the employment of district nurses in relieving out-patient departments by taking charge of a proportion of the minor cases. The Fund makes each year a special grant of £2,000 for assistance in this work, the first of the payments being made in 1935 to 81 hospitals in respect of 16,400 patients attended by 105 district nursing associations.

Over 11,000,000 attendances annually are recorded at the out-patient departments of London voluntary hospitals, from which figure some idea may be gathered of the immensity of the problem, although the complexities with which it bristles need to be encountered before they can be realised.

These memoranda have paved the way for considerable improvements and have been a substantial service by the Fund alike to hospitals and to the sick poor.

Thinking always of the patients, the Fund took up the question of patients' waking hours, which differed widely in different hospitals. A specially appointed sub-committee recommended that, in the absence of exceptional circumstances, the hour of waking should not be earlier than 6 a.m. A similar conclusion was reached by the London County Council, and the Ministry of Health subsequently issued a circular commending the report to the consideration of local authorities throughout the country.

Coming to the work of the Parliamentary Committee, which began extended and independent activities after the Local Government Act, 1929, had become operative, the picture requires a much bigger canvas. From this time named Voluntary Hospitals Parliamentary Committee, questions of policy affecting voluntary hospitals as a public health and healing service have been constantly under review, until, finally, there came the important question of Government attitude towards the claims of hospitals to assistance in repairing air raid damage.

The first effective action of the Committee is linked up with the Road Traffic Act, 1930, which included a hospital clause providing that up to £25 should be paid under insurance policies to hospitals treating people injured in road accidents. Later legislation increased the amount to £50 and, in addition, £5 for out-patient treatment. On both occasions the King's Fund Committee took the initiative in securing this protection for hospitals against a seriously increasing charge upon their resources. Neither the act of 1930 nor the amending Act of 1934 contained any clause safeguarding the hospitals' position until Lord Luke introduced the amendments. He made his first speech as a member of the Upper House in the cause of hospitals. There was opposition, for the clause as drafted by the Parliamentary Committee with the assistance of Lord Macmillan, its Chairman, was not acceptable to certain Peers. Ultimately, however, Lord Luke won through with his amendment to the clause, and for the first time in history hospitals were given a legal right to claim some return, at least, for the expense they were put to in restoring to health people injured in road accidents.

In 1935 the King's Fund promoted the Voluntary Hospitals (Paying Patients) Bill with the co-operation of the British Hospitals Association. The Bill was introduced by Lord Luke in the House of Lords, and again Lord Macmillan's assistance as Chairman of the Parliamentary Committee was invaluable. Mr. Samuel Storey had charge of it in the House of Commons. The Bill was designed to give the Charity Commissioners power to sanction pay-bed schemes in hospitals whose original Trusts were settled before this need was foreseen. The qualifying condition was: "Provided that the accommodation which would otherwise be available for the sick poor in the original sense would not be diminished or restricted." Before the end of the year the Bill passed both Houses, and received the Royal Assent in the following year, 1936.

There are other important Parliamentary activities to be credited to subsequent years, but before passing from 1935 it should be recorded that it was early in this year the Fund lost by death three very valued members—Lord Somerleyton, Sir John Rose Bradford and Mr. J. H. Whitley. Lord Somerleyton had been an Honorary Secretary of the Fund since its foundation. Sir John Rose Bradford was a member of the Parliamentary Committee and for many years he had been a member of the Distribution Committee. He had also served on three Special Committees of Enquiry and was Chairman of the Out-Patients Arrangements Committee. Mr. Whitley had been Chairman of the Parliamentary Committee since its formation.

The appointment of Sir Ernest Pooley to fill the vacancy caused by Lord Somerleyton's death is of special interest as being one of the last acts of the Prince of Wales before the death of King George V led to His Royal Highness giving up his Presidency of the Fund to become its Patron. For seven years Sir Ernest Pooley had been a member of the Distribution Committee. When Sir Cooper Perry died, in April, 1938, after holding the Chairmanship of the Distribution Committee for eighteen years (and having an association with the Fund dating back to 1898), Sir Ernest succeeded him, thus being fourth in succession to the great Lord Lister.

## CHAPTER ELEVEN

### EMERGENCY BED SERVICE

**W**ITHIN a few months of all these changes, that is to say, on January 20th, 1936, the Fund suffered one of its heaviest losses in the death of its Patron and second President, King George V. The blow seemed the more cruel because only six months previously His Majesty had celebrated the Jubilee of his reign, an event which stirred the whole Empire to rejoicing. It will be remembered that it was the more moving because His Majesty had, in the months just prior to his Jubilee, passed through a serious illness and had been wonderfully restored to health.

Only those with privileged knowledge of King George V's intense personal interest in the welfare of hospitals and the sick and suffering could fully realise how true-hearted a friend they had lost. Throughout his thirty-five years' association with the Fund—for nine of them as President and the remainder as Patron—his deep humanitarian interest was always vitally active. For many years he had annually subscribed £1,000 to the Fund, and one of his last acts as he lay ill in his country home at Sandringham was to honour the Fund with a capital gift of £20,000, representing an annual income in perpetuity of £650. Thus every year the accounts of the Fund have contained, and will continue to contain, a record of his never failing sympathy with London's sick and suffering.

Under his Royal father's Presidency the annual distribution by the Fund had risen to £50,000; under his it rose to £150,000. At the time of his death it had been £300,000 for four years.

His Royal Highness the Prince of Wales officiated as President for the last time when he occupied the Chair at the December Distribution Meeting, 1935, of the General Council. He had been President for sixteen years. In the following May the Duke of York became the President, an office which he held to December 10th, 1936, when he was succeeded by his brother, the late Duke of Kent.

By happy coincidence the Duke of Kent's first year of office was an anniversary year. It was exactly forty years since his grandfather had founded the Fund. Sir George Broadbridge, then Lord Mayor of London, celebrated the occasion with a luncheon at the Mansion House. His Royal Highness was the chief guest, and with him were all the members of the General Council and Committees,

together with other workers for and friends of the Fund. In those forty years the Fund had distributed £9,770,284, and in a special message to the celebrants assembled in the Mansion House His Majesty King George VI, said, "The Fund has always been in a very special sense the concern of my family. It was founded on the initiative of my grandfather, King Edward VII, and I know very well the keen interest which my father always displayed in it. He used to recall the magnificent support given to it by King Edward's contemporaries as well as his own, and to express the hope that their successors would follow this fine example. As a representative of the younger generation, I earnestly trust that this hope will be generously fulfilled."

And this was the general state of affairs in the London hospital world when the Duke of Kent assumed the Presidency of the Fund. The total receipts of the hospitals were :—

Towards maintenance income	....	....	....	£	4,562,000
Capital receipts for endowment	....	....	....		111,000
Capital receipts for building and equipment	....				893,000
					<hr/>
					£5,566,000
					<hr/>

Receipts from voluntary gifts, which totalled £2,975,000, showed an increase of £78,000 on the 1936 total, and receipts from invested funds went up by £42,000. "Receipts from Services" included £500,000 from the Hospital Saving Association. Incidentally, it should be realised that, while the Association makes its distribution on the basis of services rendered to contributors and their families, the money is derived from voluntary contributions collected by voluntary workers.

The ordinary income of the hospitals in 1937 increased by £110,000 and legacies (which totalled £589,000) by £14,000. But against this increased income amounting to £124,000, expenditure rose by £280,000. It is significant of the steadily increasing volume of public support for the voluntary system that the aggregate deficit of £148,000 was due entirely to increased expenditure. Maintenance of all hospitals, county and municipal as well as voluntary, showed rising costs. Seventy-six of the voluntary hospitals showed a surplus of income over expenditure and the remaining seventy a deficit. It was the third time only that an aggregate deficit had to be recorded in sixteen years.

So far as the King's Fund is concerned, the accounts show that the total receipts for this anniversary year amounted to £415,320, of which £315,173 was available for distribution. And in a sense it was a prophetic year. Or at least such a description might be applied to it, recalling what the newly appointed President said the first time he presided over the Distribution Meeting of the General Council.

"I am glad," he said, "to see from the annual report of the Hospital Saving Association that the income from contributors now exceeds £1,000,000. The Association was founded fourteen years ago by the hospitals of London at the instance of the King's Fund. Its success is a wonderful example of what, in a district like Greater London, containing more than 140 voluntary hospitals, can be done by co-operation but cannot be done in any other way."

The Voluntary Hospitals Committee had approached the Fund in 1937 with a proposal which led to the creation of the first scheme in this country for securing the rapid admission of urgent cases to voluntary hospitals. It is known to-day as the Voluntary Hospital Emergency Bed Service, although under war conditions the scheme functions in conjunction with municipal as well as voluntary hospitals. The proposal laid before the Management Committee of the Fund was that a central office should be provided and machinery created to obviate the delay, the inconvenience, and sometimes the danger inherent in the system which often made it necessary for doctors to telephone several hospitals before finding a bed for an urgent case. It was suggested that all the trouble and risk could be eliminated if there were a central office possessing returns from hospitals indicating the beds available for admission of such cases. The Fund felt the services given by voluntary hospitals should not be jeopardised for lack of money. In order to give an experiment a trial it was decided to offer a grant of £3,000 for three years towards expenses, and to make available a central staff and office facilities.

The offer was warmly welcomed by the Voluntary Hospitals Committee, and the establishment of the Service was entrusted to a Joint Committee consisting of representatives of the Voluntary Hospitals Committee, and the Honorary Secretaries of the Fund. This Committee first met on March 18th, 1938, with Sir Harold Wernher in the Chair. His first-hand knowledge of a service in Stockholm similar to that proposed for London proved of exceptional value in shaping the initial stages. It was largely due to his guidance that the Fund's scheme was able to begin operations on a scale both larger and more comprehensive than the Stockholm model. On his

advice advantage was taken of the Swedish scheme to send members of the Fund's staff to Stockholm to study it. Meanwhile a circular was issued to all voluntary hospitals in the King's Fund area inviting co-operation, and many of the hospitals were visited to ensure that arrangements at the hospitals were such as to secure the most effective co-operation.

A staff of twelve operators was appointed and, with the help of the hospitals, given a preliminary training. On June 21st, 1938, the Voluntary Hospitals Emergency Bed Service began, operating at first from 8 a.m. to 10 p.m. whilst the staff gained experience and confidence in their duties. On October 8th a full twenty-four hours daily service was brought into operation. Every hospital was telephoned once or twice a day according to a special schedule and a report obtained of the number of beds vacant. This report was divided into some forty categories, according to the sex and medical category attaching to each bed.

By the end of the year 2,800 cases had been dealt with, and on no single occasion was the Service unable to find a bed for a genuine emergency. Moreover, only in exceptionally difficult cases did it take more than ten minutes to arrange admission. And it is worth while pointing out that in this short space of time medical and other data had to be given by the doctor, a choice of hospital made, the hospital telephoned, the bed booked, an ambulance called and finally the doctor telephoned to confirm that all was in order.

In the first six months 1,200 doctors used the Service, and at the end of twelve months the number had risen to 2,000. Beds were found for 8,000 patients, which number increased to 10,000 by the end of fifteen months, and 3,000 doctors had used the Service.

Then came the Munich crisis, and the Service was asked by the Ministry of Health to organise a scheme for dealing with the records of bed states and civilian casualty lists in the event of war. This was done, and on the outbreak of war in September, 1939, the whole staff was called upon to assist in the operation of the ten Casualty Bureaux established at the Sector Offices of the London Region of the Emergency Medical Service.

During the first fortnight of the war it was impossible to operate the Service in the absence of the trained staff on their war-time duties, but on September 16th of that fateful year a new staff was assembled at the offices of the Fund and an attempt made to resume routine duties. But the coming into operation of the Emergency Medical Service made it impossible to achieve the same routine perfection until



a way was found to dovetail the Emergency Bed Service with the Emergency Medical Service. This was accomplished mainly by making arrangements for the Service to receive from the Sector Offices the necessary information as to the occupancy of hospitals co-operating in the Emergency Medical Service. And since both voluntary and municipal hospitals were co-operating in the Emergency Medical Service, it resulted in the Emergency Bed Service becoming a unit concerned with all types of hospitals. Inevitably the scope of the initial service was limited by war-time conditions; nevertheless, 5,358 cases were dealt with in 1940, comparing very favourably with the 7,295 in 1939. Thus in the first two and a half years of its existence the Service dealt with 15,819 cases, many of whom, it was said by the doctors concerned, owed their lives to the prompt admission to hospital made possible by the Emergency Bed Service.

Another important innovation dating from the anniversary year, 1937, was the combined Hospitals Flag Day. Prior to 1937 all the hospitals which organised flag days did so independently of each other. In 1936 there were no fewer than 77 flag days in London. The authorities had already expressed disapproval of so many, and the Metropolitan Police Commissioner had previously consulted the King's Fund on the best method of obtaining the co-operation of the hospitals in a scheme for combining the separate flag days. In 1936, at the request of the Commissioner and of the hospitals, the Fund arranged a series of conferences. Eventually a scheme was drawn up, and a permanent representative organising committee was constituted to carry it out. The Fund was invited to nominate a Chairman and Vice-Chairman, and nominated Lord Luke and Mr. Hugh Macrae.

Proof of the effectiveness of the scheme, both from the point of view of raising money and of extending the co-operative spirit amongst hospitals has been forthcoming every year. Numerous independent competitive collections very rarely yielded as much as £30,000 in the aggregate; in 1936 it was £25,716. Compare this with the collections on Combined Flag Days (two a year instead of 77) to date:—

					£
1937	....	....	....	....	32,569
1938	....	....	....	....	44,214
1939	....	....	....	....	74,261
1940	....	....	....	....	46,043
1941	....	....	....	....	78,293

In 1939 it was a joint effort with the British Red Cross. In 1941 it was a hospital effort only but a contribution of £7,151 was received

from America through the "Bundles for Britain" organisation. That is to say the two Combined Hospitals Flag Days in 1941 yielded £71,142, or £45,426 more than the 77 days in 1936.

The development of the co-operative spirit is evidenced in the fact that whereas a start of the scheme was made with 109 hospitals, now all but one of London's 168 voluntary hospitals share in this work. Equally important is the result that this combined appeal ensures the right kind of propaganda for voluntary hospitals as a whole, presenting each hospital to the neighbouring residents as their own—a charity in which they have a personal responsibility. That the local residents respond naturally in such circumstances is shown in the substantially increased income from the Flag Days. The Combined Flag Days appeal is now the exclusive concern of the London Hospitals Street Collections Central Committee.

The beginning of 1938 had seen the retirement of Mr. H. R. Maynard from the position of Secretary, after serving the Fund in that capacity for thirty-one years. Mr. Maynard then became Clerk to the General Council and to the Management Committee, and was succeeded as Secretary to the Fund by Mr. A. G. L. Ives, who had been his assistant for nine years. Mr. Maynard finally retired in 1941, after thirty-five years' service.

## CHAPTER TWELVE

### NURSING RECRUITMENT

IT was in 1938 that the question of a special effort for the recruitment of nurses was first raised. The Voluntary Hospitals Committee expressed the view to the Inter-departmental Committee on the Nursing Services that a central bureau was needed to supply information and establish effective contacts with the educational authorities and prospective entrants to the nursing profession. This view was endorsed by the Inter-departmental Committee, and the Voluntary Hospitals Committee then asked the Fund whether it could see its way to establish such a bureau.

The Management Committee were unanimously in favour of the proposal, and after discussions with the Voluntary Hospitals Committee, in which they were joined by the Royal College of Nursing, a scheme was agreed upon for the establishment and maintenance by the King's Fund of a central office. A nursing officer would act under the

direction of a Committee on which the three bodies—the Royal College of Nursing, the Voluntary Hospitals Committee and the King's Fund—were represented. Of this Committee, named the Nursing Recruitment Committee, Lord Luke was appointed Chairman and Miss M. M. Edwards, Secretary.

Unavoidable delay was caused by the outbreak of war in September, 1939. However, on April 1st, 1940, the Nursing Recruitment Centre was opened at 21, Cavendish Square, W.1. It was agreed that the Service should generally act as a Public Relations Department for nursing in the voluntary hospitals. From its earliest days enquiries relating to a wide range of subjects connected with hospital training, conditions and prospects in the nursing profession, were received from education authorities, various public bodies interested in careers for girls, parents, prospective nurses and from many other sources. Invitations soon came in from schools to give talks on nursing as a career to groups of senior girls up to 400 in number. Information on pre-nursing courses throughout the country was compiled and made available for the first time.

Many hospitals were quick to co-operate, and in the first nine months the Centre was in touch with the matrons of eighty-five of these in the Fund's area which are approved as training schools. Most of these were visited with a view to ascertaining the qualifications required and the facilities offered by each hospital, as well as its need for probationers—or student nurses, as they are now called. Contact was established and working arrangements made with such organisations as the Headmistresses' Employment Committee of the Ministry of Labour, University Appointments Boards, the Women's Employment Federation and many others.

At the time of writing the Service has been functioning two years and three months, and in this short span of time no fewer than 2,020 girls have definitely been added to the nursing profession through the agency of the Centre. Nearly 4,500 girls interested in full training have been interviewed at the Centre, and 7,753 applications received through the post. After two years of extraordinarily successful operation the scope of the Centre was extended beyond London into the provinces, a development made possible by the Nuffield Trustees deciding to take an active and financial interest in it. To cope with this additional responsibility a travelling secretary was appointed.

The Nursing Recruitment Service and the Emergency Bed Service were things not visualised by the Fund's far-seeing Founder. And

yet, like many others of the varied responsibilities undertaken by the Fund in furtherance of voluntary hospital service to the community, they are logical developments. Both are consistent with the Founder's original intention to create a central organisation capable of unifying and completing the scattered forces for human service embodied in individual voluntary hospitals. And both, too, have proved their merit in days when each material contribution towards the defeat of the enemy at our gates has its own indispensable value. There is no need here to enlarge upon the specific values of these two contributions ; they are too obvious. And towards the fulfilment of both no small part was taken by Mr. O. N. Chadwyck-Healey, who retired only recently from the chairmanship of the Voluntary Hospitals Committee, which he held for ten years.

In the major excitements of the world war pressing daily into our lives it would not be surprising if memories of pre-war crisis are somewhat blurred. But those actively concerned in hospital services are not so likely to have forgotten the foreboding days of 1938, when we were so near to war that even the incorrigible optimist had to admit it after Mr. Chamberlain's historic Berchtesgaden meeting with Hitler. The conflict was averted for a time and there was widespread rejoicing. But meanwhile all precautions against possible hostilities had been taken by the Government, and on Government orders the voluntary hospitals did everything in their power to adapt themselves to war conditions.

Preparations were made to receive enormous numbers of air raid casualties ; elaborate protective work was undertaken to shield hospital buildings from damage by blast and splinter. Detailed arrangements were made for the evacuation of movable sick patients and a smoothly mobile service in reception and speedy evacuation of casualties was planned. All of this not only cost the voluntary hospitals a considerable sum in money spent, but unavoidably caused an interruption in their routine activities resulting in a diminution of revenue. It was an expensive experience for the hospitals, and although they felt that they had a claim on the Government for actual expenditure incurred on its behalf none was forthcoming.

His Royal Highness the President mentioned the subject when he presided at the Distribution Meeting of the General Council in December. He expressed the hope that the public would not forget that the interruption in routine work had cost the hospitals a great deal. "The loss," he said, "comes at a time when costs are still rising. We do not know exactly how much costs have increased this

year, but we do know that the rise has been considerable, and that new sources of revenue will have to be found if the work of the voluntary hospitals is not to be curtailed. It is unthinkable that this should happen. There never was a time when the country was so conscious as it is to-day of the need for the spirit of voluntary service which is the pride of our voluntary hospitals. It is their tradition that their function in public life is to maintain a spirit and an atmosphere in which kindness is blended with all that is most modern and scientific. All through the gradual, and as yet incomplete, development of the organisation of the public health services of which they are the very core, the voluntary hospitals have maintained that spirit."

At the same time His Royal Highness announced that the Management Committee of the Fund had authorised an emergency distribution up to £90,500 to assist hospitals urgently needing an increased grant, while the ordinary distribution for the year (1938) was maintained at £300,000.

The outbreak of hostilities was delayed only for a year, and then there came into operation the Government's plans for the unification of hospital services under the Emergency Medical Service. This resulted in the disappearance of many of the distinctions between voluntary and municipal hospitals and a degree of co-operation which went to the limit without obliterating fundamental differences. Discussion of the political consequences is outside the scope of this history of the Fund, but it is germane to recall that long before the status of the voluntary hospital provoked controversy such as accompanied the operation of the Emergency Medical Service the King's Fund had worked steadily for an understanding and sympathetic co-operation between public and voluntary hospital services.

The Royal Presidents and Patrons had consistently urged this necessity, and at the meeting of the Council Sir Edward Peacock, the Honorary Treasurer, made a point of it. "Taking the voluntary hospitals of the London area, it was," he said, "amazing that contributions continued to go up, despite difficult times. But the demands of science and the expenses rising from social betterment moved faster still, so that hospitals had a constant struggle to keep their equipment up to the standards demanded by medical science and to provide for the comfort and welfare of their staff and patients on a modern basis." He concluded with these words: "The Fund does what it can to help, but I feel strongly that some more comprehensive solution is called for soon if ground is not to be lost. The solution lies in more effective co-operation between voluntary hospitals and those of the public

authority. The possibilities of this are being explored, and if they are not obscured by political or personal considerations I believe there can be an early and happy result."

Viscount Dawson of Penn, speaking at the same meeting said :

" Now that the care of illness and health is becoming increasingly institutional these great monuments of benevolence (the voluntary hospitals) are no longer adequate alone to cover the ground. The hospitals are a part of the social fabric ; they require to be wisely distributed according to the wants of the area, and isolated institutions, however distinguished, cannot alone carry on the work. There should be an ordered plan to bring them together so that they may serve in a large sense the needs of their districts. The voluntary and municipal hospitals, though both of them are necessary for the needs of modern life, must maintain their individual life to develop along their own lines with complete freedom, but with an ever increasing co-operation so that they may produce between them a united and ordered policy."

It was in keeping with such policy that the Fund appointed Capt. J. E. Stone full-time consultant on hospital finance. His expert advice is available not only to the Fund but to all voluntary hospitals in the Fund's area. His services have also been utilised by the Fund in the co-operation given to the Ministry of Health in the survey of London hospitals preliminary to the Ministry's preparation of post-war plans.

It is not too much to say that in all practical developments in the hospital field the King's Fund has kept in close touch with the advances made by those in the vanguard, working, not for this hospital or that, but for voluntary hospitals as part of the essentially British social fabric. In all its work as a central advisory body it has been actuated by ideals in public service. The war brought the Emergency Medical Service into being. The Emergency Medical Service will be followed by some permanent system of co-operation between all institutional health services. And the Fund will be able to look back on years of advocacy and effort at last taking practical shape in solid achievement.

Here it may be opportune to mention the Propaganda Committee, since this has been very directly concerned with justifying the cause of voluntary hospitals and thereby attracting the financial support so necessary to the effectiveness of the Fund in its work for the hospitals, which in turn are the servants of the public. Many distinguished public men in widely varying walks of life have served on the Com-

mittee, and have been the means of drawing into co-operation with themselves a great many other distinguished men and women in carrying their programmes into effect. Lord Luke, who is Chairman of the Committee, once quoted a description of propaganda as, "a kind of special method of putting our case so that it may be understood by the people we want to influence." He added that the word may, perhaps, have acquired a dubious reputation in some quarters, but, if the cause be a good one and the methods above reproach, no stigma could possibly attach to it. "Moreover, this is the only effective way of making known to the public the work done by voluntary hospitals."

It is impossible to catalogue here anything like a comprehensive list of the activities inspired and carried through by this Committee, but mention must be made of the Miniature Hospital. The model was displayed at exhibitions as far apart as London and Edinburgh, and loaned to hospitals all over the country in connection with local appeals. It was seen by hundreds of thousands of people, and besides being made the means of attracting a great deal of money it had a very fine educational value. Two films have also been made; the first, "A Century of Hospital Progress," the second (made possible by the generous gift of £1,000 by the late Lord Wakefield) "The War Without End." Both were exhibited in cinemas throughout London and the provinces, and were undoubtedly of great value in the cause of voluntary hospitals. For twelve years there were continuous series of debates and Mock Trials at the London School of Economics, famous actors and actresses, authors and playwrights, lawyers and doctors being among those who gave their services. All yielded most entertaining evenings and added not a little to revenue. Hundreds of lectures have been given in public and elementary schools and to other audiences. More than thirty publications dealing with the work of voluntary hospitals and the Fund have been issued. Conducted tours to places of historical and popular interest, drawing-room meetings and special services to the Press have all contributed their quota of effective propaganda. Throughout these activities and many others Mr. E. A. H. Jay was the Secretary of the Propaganda Committee. Much of this work is impossible in war time, but this side of the work of the Fund is still receiving all the attention present-day circumstances permit.

In other directions also the war, which has already been raging for three years, has checked some of the activities of the Fund. But it has not affected the normal expansion of its sphere of interest, inevitable in the nature of things. That is why, in 1940, the working radius

was extended to include the whole of the Metropolitan Police District. In 1897 the Fund's area was the County of London or seven miles from Charing Cross. In 1908 this was extended to nine miles. In 1928 it was altered to eleven miles round St. Paul's, so as to include the poorer districts in the East. The latest extension brings in some outlying towns and adds twenty more hospitals to those applying for grants, bringing the total up to 168.

It also simplifies the question of the best way of fitting Greater London into the schemes for the co-ordination of hospital services on a regional basis. With the establishment of the Nuffield Provincial Hospitals Trust to administer Viscount Nuffield's great gift for the purpose, progress towards definite action in regionalisation, or co-ordination, has become more rapid. It has been speeded up still further by the pronouncements of the Minister of Health, Mr. Ernest Brown, on the Government's post-war hospital plans. "The co-ordination of voluntary hospitals," said the late Duke of Kent at the time the Nuffield Trust was formed, "is one of the vital movements of the day, and we all cordially reciprocate the wishes that have been expressed for close and friendly liaison between the King's Fund and the new body."

One other development to be credited to the war-harassed years belongs to 1941. For some time it had been felt that the co-ordination needed in the hospital field was no less needed among the agencies which had been created to serve the users of hospitals. The Voluntary Hospitals Committee for London shared this view and suggested that a Contributory Schemes Committee should be set up. Several meetings were held at the offices of the Fund early in 1941, and at the annual meeting of the Council in July it was agreed to establish the Committee. It included representatives of the Fund, the hospitals, the Hospital Saving Association and the Hospital Saturday Fund, and its business was to deal with all questions arising out of the work of Contributory Schemes. General Sir Kenneth Wigram was the first Chairman and was later succeeded by Sir Ernest Pooley. The ground for future action has been cleared already by securing substantial agreement among the many Contributory Schemes operating in the Fund's area to abide by one standard of payment to hospitals in respect of members. This eliminates competition among these Schemes and clears the way for discussion of many points of policy, settlement of which is bound to have an important bearing on matters connected with the prospective post-war co-ordination of hospital service.



No attempt has been made here to present a detailed record of the Fund's activities and achievements, which have so steadily multiplied year by year. At the outset the single problem was the wise and efficacious use of money entrusted to the Fund; the best kind of investment, which hospitals to aid and to what extent. In a word, the problem was financial. This was literally the foundation of the Fund, and ultimate success depended upon the genius of the pioneers in building a foundation firm and strong enough to carry the weight of the ever expanding responsibilities.

But it was never intended that the Fund should be nothing more than a Community Chest. Such was only the first step. The Royal Founder's objective was a genuinely comprehensive service for voluntary hospitals and their patients. He may not have visualised specific developments (such as an Emergency Bed Service or a Radium Pool), but he had the imagination to prospect for a future of expanding possibilities. When he presided over the first meetings of the Fund the General Council transacted all the business, and he continued to occupy the Chair when the first Committee was selected. It was called the Special Committee, and was really in effect a quorum of the General Council.

The first Committee to function as such apart from the General Council and to contain members who were not also on the General Council was the Distribution Committee, which was formed in the summer of 1898. They quickly discovered the imperative need of impartial and first hand information regarding hospitals applying for grants, and as a result the System of Visitors came into existence, also in 1898. \* In the same year, and to administer a special annual gift by the City Parochial Foundation, the President appointed a Convalescent Homes Committee, with Mr. William Latham, K.C., as Chairman. Twelve months later the Special Committee became the Executive Committee, forerunner of the Management Committee, with Mr. Hugh C. Smith, Governor of the Bank of England, as its first Chairman, followed later by Lord Bessborough. Lord Stuart of Wortley was Chairman when it was first named Management Committee, in 1921.

After milestones marking progress in the passage of years, here is a table of the Committees, with their Chairmen, as they at present exist. The war has curtailed the activities of one or two and made their regular meeting temporarily unnecessary.

*Management*

The Earl of Donoughmore, Chairman.  
Sir Harold Wernher, Vice-Chairman.

*Finance*

Sir Edward Peacock

*Distribution*

Sir Ernest Pooley

*Revenue*

Lord Luke

*Parliamentary\**

Lord Macmillan, Chairman  
Lord Luke, Vice-Chairman

*Radium*

Sir Cuthbert S. Wallace, Bt.

*Emergency Bed Service*

Sir Harold Wernher

*Nursing Recruitment*

Lord Luke

*Contributory Schemes*

Sir Ernest Pooley

In addition to the above there have been many special committees of enquiry set up from time to time and disbanded as soon as their task was completed. Pensions for hospital officers, pay beds at voluntary hospitals, patients' waking hours, hospitals and medical schools, fire precautions, co-operative buying, recovery homes, charity entertainments and ambulance cases disposal are some of the enquiries conducted by special committees appointed by the Fund. And to-day, at the time of writing, the Fund is assisting the Ministry of Health in the survey of London voluntary hospital services for the assembly of vital statistics preliminary to the attempt at co-ordinating hospital services throughout the London region.

From the foundation of the Fund the Honorary Secretaries have always attended meetings of the Standing Committees, and have been in a position, where necessary, to take decisions or urgent action between meetings. At least one of them is always available for interviews with chairmen or other office-holding members of hospital

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\* Arrangements are now in contemplation for transferring this work to the British Hospitals Association so as to cover the whole country and not merely London.

committees, thus keeping the voluntary element well to the fore. Their responsibilities are of the highest order and to discharge them faithfully and conscientiously has involved the closest application to the many and various concerns of the Fund. And here is the record of the Honorary Secretaries.

Sir Savile Crossley, Bt. (later Lord Somerleyton), was first of the line. With the exception of a short period when he was absent in Africa, during which time Viscount Duncannon acted for him, he was continuously in office from 1897 to his death in 1933. Sir John Craggs joined Sir Savile Crossley as joint Honorary Secretary in 1898 and continued until 1906. During the last two years of this period there was a third, Mr. J. Danvers Power, who was originally invited to the Fund to assist in the promotion of hospital economies. In 1907 Sir Savile Crossley was joined by Sir Frederick Fry (one of the earliest members of the Distribution Committee), who remained in office until the end of 1910, when his place was taken by Mr. John G. Griffiths. In 1914 Sir Frederick Fry resumed, and again, for four years, there were three Honorary Secretaries. Mr. Griffiths retired in 1918 and Sir Frederick Fry in 1920, when Sir Alan Anderson began his three years' service. Just before Sir Alan retired Major-General Sir Cecil Lowther and Brigadier Sir Harold Wernher were appointed. The former retired in 1925, shortly after the appointment of Sir Leonard Cohen, who was in office from the end of 1924 to 1936. Of the present Honorary Secretaries Sir Harold Wernher was appointed in 1923, Lord Luke in 1928, Sir Ernest Pooley in 1935 and Sir Hugh Lett, Bt., in 1942. General Sir Kenneth Wigram became an Honorary Secretary in 1940, but illness compelled his retirement early in 1942.

The distinguished but short line of Honorary Treasurers began with Lord Rothschild, who held office from 1897 to 1913. He was succeeded by Lord Revelstoke, upon whose death, in 1927, Sir Edward Peacock, was appointed to the office and still holds it.

Such, in brief, is the story of the foundation of King Edward's Hospital Fund for London and of its endeavours throughout the intervening forty-five years to serve the voluntary hospitals, and through them the sick and suffering among the millions peopling our great Metropolis. They have been full and fruitful years. Tremendous strides have been made in every department of hospital work. In some of the advances the Fund has taken the initiative ; in all of them it has taken an effective share. It has become an integral part of the ever-expanding healing and health services of London, and in its

work has always enjoyed the privilege of the active and personal interest of the Royal Family. In closing his address to the General Council at the last annual meeting before this story goes to press the late Duke of Kent used these words, "I must say, once again, how much I, as your President, value the link which the King's Fund provides between the Royal Family and the great and kindly work of our Metropolitan voluntary hospitals."

What of the future? This is no place for speculative excursions, but this can be said with complete assurance. Just as the King's Fund has taken its part in shaping hospital policy in London during the past forty-five years, so can it be depended upon to fulfil the tasks which must inevitably fall to its lot in the promised post-war hospital plan. A new era of co-operation between voluntary and municipal hospitals has been envisaged by the Minister of Health, Mr. Ernest Brown, carrying Parliamentary sanction and blessing. That will be nothing fundamentally new to the policy and work of the Fund. The Chairman of the London County Council has always been a member of the General Council of the King's Fund, and there has always been a far greater measure of co-operative service in the hospital field than has been generally known.

From 1897 to 1942 the King's Fund has been an integral part of the service to the community of the London Voluntary Hospitals, and so it will continue to be.

## CHAPTER THIRTEEN

### HIS ROYAL HIGHNESS THE DUKE OF KENT

**W**HILE these pages were going to press news was received of the tragic death of His Royal Highness the Duke of Kent, fifth member of the Royal Family to be President of the Fund.

He was on his way to Iceland as an officer of the Royal Air Force when the Sunderland flying-boat in which he was travelling crashed in Scotland.

The accident happened on August 25th, 1942, only nineteen days after he had presided over the forty-fifth annual meeting of the General Council of the Fund at the House of Lords. The last meeting between the Royal President and the Council will long be remembered by all present, for but a few days earlier his infant son, Prince Michael, had been christened and the opportunity was taken respectfully to offer congratulations to His Royal Highness.

A special meeting of the General Council was held on September 8th, when the following Resolution was passed :—

“ The General Council of King Edward’s Hospital Fund for London record their profound sorrow at the death of His Royal Highness the Duke of Kent, who was President of the King’s Fund for the last six years of his life.

“ They respectfully tender an expression of their deepest sympathy to His Majesty King George VI in his personal loss on the death of his brother while in the service of his country.

“ To Her Royal Highness the Duchess of Kent they respectfully tender their heartfelt sympathy in her bereavement.

“ His Royal Highness became President of the King’s Fund in December, 1936, following His Majesty King George VI, and was the fifth member of the Royal Family to act as President.

“ Throughout his term of office he took a keen interest in, and was in close contact with, the activities of the Fund and the work of the voluntary hospitals.

“ On the outbreak of war he took up active duties in the Royal Navy and subsequently the Royal Air Force, but still made time to attend to the work of the Fund. As well as presiding at meetings of the General Council he went out of his way to visit many hospitals which had suffered in the air raids on London, and showed deep interest in the work being carried on.

“ His loss will be mourned not only by all connected with

the King's Fund, but by many of the hospitals who knew how real was his interest in their work."

The following gracious reply was received from His Majesty :—

" I greatly appreciate the expression of sympathy which you have transmitted to me from the General Council of King Edward's Hospital Fund for London on the death of my brother, the Duke of Kent. I know that the welfare of the Fund was a matter of deep concern to him ever since he succeeded me as President in 1936.

" Please convey to the Members of the Council my sincere thanks for the kind words in which they refer to his untiring interest in their important and beneficent work.

(Signed) GEORGE R.I."

The Marquess of Crewe, speaking on the Address of Condolence in the House of Lords, said :—

" Perhaps I may be allowed to mention two quite recent occasions on which I was privileged to observe his devotion to public work. . . . The other occasion was that of the annual meeting of King Edward's Hospital Fund, of which His Royal Highness had become President. I can see him now, a gallant figure in Air Force uniform, delivering the annual address and carrying out the rather complicated duties of the meeting with all capacity. Those gatherings, and others like them, will see him no more, but we cannot forget, while we think most at this moment of his chivalrous last journey, that in his last days he would have given great service in his peaceful public duties and in the leadership of many good causes."

#### CHAPTER FOURTEEN

#### HIS ROYAL HIGHNESS THE DUKE OF GLOUCESTER

**I**N accordance with the Act of Parliament which provides that a son or a brother of the Sovereign shall be President of the Fund, the Lord Chancellor, the Prime Minister and the Governor of the Bank of England recommended the appointment of His Royal Highness the Duke of Gloucester.

On October 9th news was received by the Fund that His Majesty the King had been pleased to appoint his brother, His Royal Highness the Duke of Gloucester, to the office of President. He assumed the Presidency from that date, and thus becomes the sixth member of the Royal Family to preside over the Fund.

# APPENDICES

## APPENDIX I

### THE ROYAL FAMILY

- Queen Victoria, *Patron* : 1, 3, 4, 6, 8, 21, 22, 23, 24.
- Prince of Wales, } *President* : 1 to 14, 17, 20, 21.  
King Edward VII, } *Patron* : 22, 23, 24, 29, 30, 38, 61, 72, 79.
- Prince of Wales, } *President* : 10 (when Duke of York) ; 22, 24, 25, 27, 28, 29.  
King George V, } *Patron* : 34, 36, 37, 50, 56, 63, 65, 67, 72, 78.
- Prince of Wales, } *President* : 30, 37, 38, 39, 46, 48, 49, 50, 51, 54.  
King Edward VIII } *Patron* : (P. of W.) 55, 58, 59, 63, 66, 68, 69, 72, 73, 77, 78
- Duke of York, } *President* : 78.  
King George VI, } *Patron* : 79, 94, 95.
- Duke of Kent, *President* : 72, 78, 79, 80, 85, 86, 89, 93, 94, 95.
- Duke of Gloucester, *President* : 95.

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Aird, John, M.P., 3.  
Anderson, Sir Alan, 41, 48, 50, 68, 92.  
Arnold, Sir Arthur, 3, 4.  
Astor, Lord, 32, 33.  
Audax, 66.  
Beit, Sir Otto, Bt., 64, 65, 68.  
Benson, S. H., 22.  
Bessborough, Lord, 90.  
Billing, Dr., 18.  
Blackwell, T. S., 22.  
Bradford, Sir John Rose, Bt., 61, 74, 77.  
Broadbridge, Sir George (Lord Mayor),  
Bt., M.P., 78.  
Brown, Ernest (Minister of Health),  
89, 93.  
Brown, Dr. G. Forrest, 3.  
Burdett, Sir Henry, 1, 2, 3, 4, 16.  
Burnett, Sir Napier, 53.  
Burnham, Viscount, 41, 52.  
Buxton, Sidney, M.P., 3, 4.  
Carnegie, Andrew, 25.  
Cassel, Sir Ernest, 25, 31.  
Cave, Viscount, 40, 41.  
Chadwyck-Healey, O. N., 85.  
Chamberlain, Rt. Hon. Neville, 85.  
Church, Sir William, 16, 26, 35, 77.  
Cohen, Sir Herbert B., Bt., 61.  
Cohen, Sir Leonard, 71, 92.  
Collins, Sir William, 21.  
Craggs, Sir J. G., 5, 22, 92.  
Creighton, Rev. Dr. Mandell, 3, 13.  
Crewe, Marquess of, 95.

### PERSONNEL

- Crossley, Sir Savile, Bt., M.P., 4, 22, 24.  
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Dawson of Penn, Viscount, 67, 71, 87.  
Dimsdale, Sir Joseph, Bt., M.P., 24.  
Donoughmore, Earl, 38, 47, 71, 91.  
Duncannon, Viscount, 22, 24, 92.  
Ebbisham, Lord (Lord Mayor), 59.  
Edwards, Miss M. M., 84.  
Elliot, F. B., 47, 52.  
Farquhar, Sir Horace, 3.  
Fife, Duke of, 22.  
Finlay, Viscount, 47.  
Fitzroy, Capt. Rt. Hon. E. A., 71.  
Fletcher, Dr. H. Morley, 74.  
Fripp, Sir Alfred, 1, 2.  
Fry, Sir Frederick M., 16, 41, 92.  
Gordon, F., 22.  
Griffiths, John G., 27, 92.  
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Hambleden, Viscount, 52, 59.  
Hambro, E. A., 3, 4.  
Hartshorn, Vernon, M.P., 40.  
Hurd, Dr., 18.  
Hyde, Sir Clarendon, 40.  
Iveagh, Lord, 3, 30.  
Ives, A. G. L., 83.  
Jaipur, Maharaja of, 24.  
Jay, E. A. H., 88.  
Jenks, Sir Maurice, 71.  
Knollys, Sir Francis, 2.  
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 Lett, Sir Hugh, Bt., 92.  
 Lewis, Mr. and Mrs. Samuel, 25.  
 Linlithgow, Marquis, 40.  
 Lister, Lord, 3, 4, 10, 11, 16, 25, 26, 30,  
 77.  
 Londonderry, Lord, 3, 4.  
 Low, V. Warren, 61.  
 Lowther, Major General Sir Cecil, 92.  
 Lowther, Rt. Hon. J. W. (now Viscount  
 Ullswater), 41.  
 Luke, Lord, 66, 67, 71, 76, 82, 84, 88,  
 91, 92.  
 MacCormac, Sir William, 3.  
 Macmillan, Rt. Hon. Hugh P., K.C.  
 (later Lord Macmillan), 61, 76, 91.  
 Macrae, Hugh, 47, 82.  
 Malcolm, Sir Ian, 5.  
 Maynard, H. R., 29, 83.  
 Mersey, Lord, 32.  
 Monk Bretton, Lord, 60.  
 MountStephen, Lady, 68.  
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 Moynihan, Sir Berkley, Bt. (later Lord  
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 Peat, Sir William, 40.  
 Penton, Sir Edward, 61.  
 Perry, Sir Cooper, 61, 77.  
 Phillips, Sir George Faudel, (Lord  
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 Pooley, Sir Ernest, 77, 89, 91, 92.  
 Power, J. Danvers, 26, 92.  
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Rogers, Rev. Guinness, 3.  
 Rothschild, Lord, 4, 7, 30, 92.  
 Rowton, Lord, 4.  
 Sandeman, Albert G., 3.  
 Sanger, Ernest, 71.  
 Sankey, Lord, 71.  
 Shaw, Sir Eyre Massey, 32.  
 Smith, Hugh C., 90.  
 Somerleyton, Lord, 41, 71, 77, 92.  
 Stamfordham, Lord, 34.  
 Stanley, Hon. Arthur, 61, 71.  
 Stone, Capt. J. E., 87.  
 Storey, Samuel, M.P., 76.  
 Strafford, Earl of, 3, 4.  
 Strathcona, Lord, 24.  
 Stuart of Wortley, Lord (formerly Mr.  
 C. Stuart-Wortley, K.C., M.P.), 4,  
 41, 57, 90.  
 Sutherland, Sir Thomas, 25, 50, 51.  
 Teck, H.S.H. Duke of, 30.  
 Tweedy, Sir John, 35, 77.  
 Vaughan, Cardinal, 3.  
 Verity, G., 45.  
 Wakefield, Lord, 88.  
 Wallace, Sir Cuthbert S., Bt., 91.  
 Watney, Claude, 25.  
 Wells, Captain, 32.  
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 Whitley, Rt. Hon. J. H., 61, 77.  
 Whittall, W. J. H., 32, 57.  
 Wigram, General Sir Kenneth, 89, 92.  
 Wilks, Dr. Samuel, 3.  
 Wilton, Isabella, Dowager Countess,  
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## APPENDIX IV

### DISTRIBUTION AND OTHER SPECIAL FINANCIAL SERVICES.

The total amount distributed from 1897 to 1941, or expended in special services in recent years, has been £10,400,000. This has been made up partly from ordinary receipts, partly from the proceeds of special collections, and partly from money entrusted to the King's Fund for separate distribution.

	£
The following table shows the amounts under these headings :—	
<i>Ordinary Distributions, 1897-1941 :</i>	
To hospitals, including grants to maintenance, schemes of improvement and extension, and other special purposes	£8,766,400
To convalescent homes	103,000
To consumption sanatoria, 1908-21	66,600
	8,936,000
<i>Special Distributions, out of King's Fund moneys, from reserves or from special collections or receipts by the Fund, viz. :</i>	
<i>Emergency Distribution, 1920, out of reserves to reduce post-war maintenance deficits</i>	£250,000
<i>Wells Legacies Distribution, 1924-28, allocated for special purposes, chiefly extensions and improvements</i>	243,000
<i>Thank Offering Fund for King George V's Recovery, 1929, distributed in grants for extensions and improvements</i>	115,000
<i>Silver Jubilee Distribution, 1935, from reserves and sales of Jubilee seats, distributed in grants to extensions and improvements</i>	120,000
<i>Special Grants, 1939-40, for special objects and to meet exceptional war difficulties</i>	80,000
	808,000
<i>Special Distributions from other sources, viz.:</i>	
<i>Red Cross Surplus War Funds, 1920-1, for extensions and improvements at hospitals treating ex-servicemen</i>	258,000
<i>Combined Appeal, 1922-3, organised by the King's Fund with the hospitals to deal with the post-war deficits and to initiate a contributory scheme</i>	365,000
	623,000
<i>Total Distributions to hospitals, convalescent homes and consumption sanatoria</i>	10,367,000
<i>Special Services to hospitals, 1938-41</i>	21,000
	10,388,000
<i>Total Distributions and Special Services</i>	10,388,000
<i>District Nursing Distribution, 1936-41, for treatment of hospital out-patients</i>	12,000
	12,000
GRAND TOTAL	£10,400,000

The circumstances of all these distributions are described more or less fully in the text of this history, and the references will be found in the index.

In deciding on its grants to maintenance the Fund has never made use of any arithmetical basis of distribution. It takes into account all the known facts affecting the relative claims of the various hospitals, including the amount and importance of the work done, the financial position as shown by the audited income and expenditure account and balance sheet for the previous year, and the available evidence of efficiency and economy. An arithmetical ratio between grant and work done is only used afterwards to assist the Distribution Committee to satisfy itself that an exceptionally large or small grant is justified by the other circumstances.

The special purposes to which grants have been made have ranged from minor improvements suggested by the Fund's Visitors, after their annual inspections, up to important schemes such as the removal or rebuilding of large teaching hospitals. They have included the reopening of closed beds, amalgamations, new hospitals in newly built-up areas, beds for accident cases, pay-beds for the middle and professional classes, new improved or extended wards, out-patient departments, operating theatres, kitchens, and administrative quarters, and—a subject to which special attention has been paid—nurses' sleeping, dining or recreation rooms; besides assistance with the initial expenditure on the Federated Superannuation Scheme for Nurses and Hospital Officers.

Every important scheme of capital expenditure to which a grant is made is submitted to the Fund by the Hospital concerned for its opinion on the need for the scheme on the scale proposed, its relation to hospital accommodation in general, the plans, and the prospect of funds for future maintenance.

Besides those already mentioned, the Fund has at times distributed moneys specially entrusted to it for the purpose. During the first eleven years the grants to convalescent homes were provided by an annual subscription of £1,000 from the City Parochial Charities and on two occasions, before and during the last war, Sir Ernest Cassel gave special donations to increase the ordinary grants by 20 per cent.

In recent years moneys outside the Fund's own grants have included £16,800 distributed since 1935 on behalf of the Bank of England, and other special trust gifts, amounting in all to £31,500, between 1931 and 1941. The Fund has also been consulted from time to time by trustees and others who have money to allocate to hospitals.

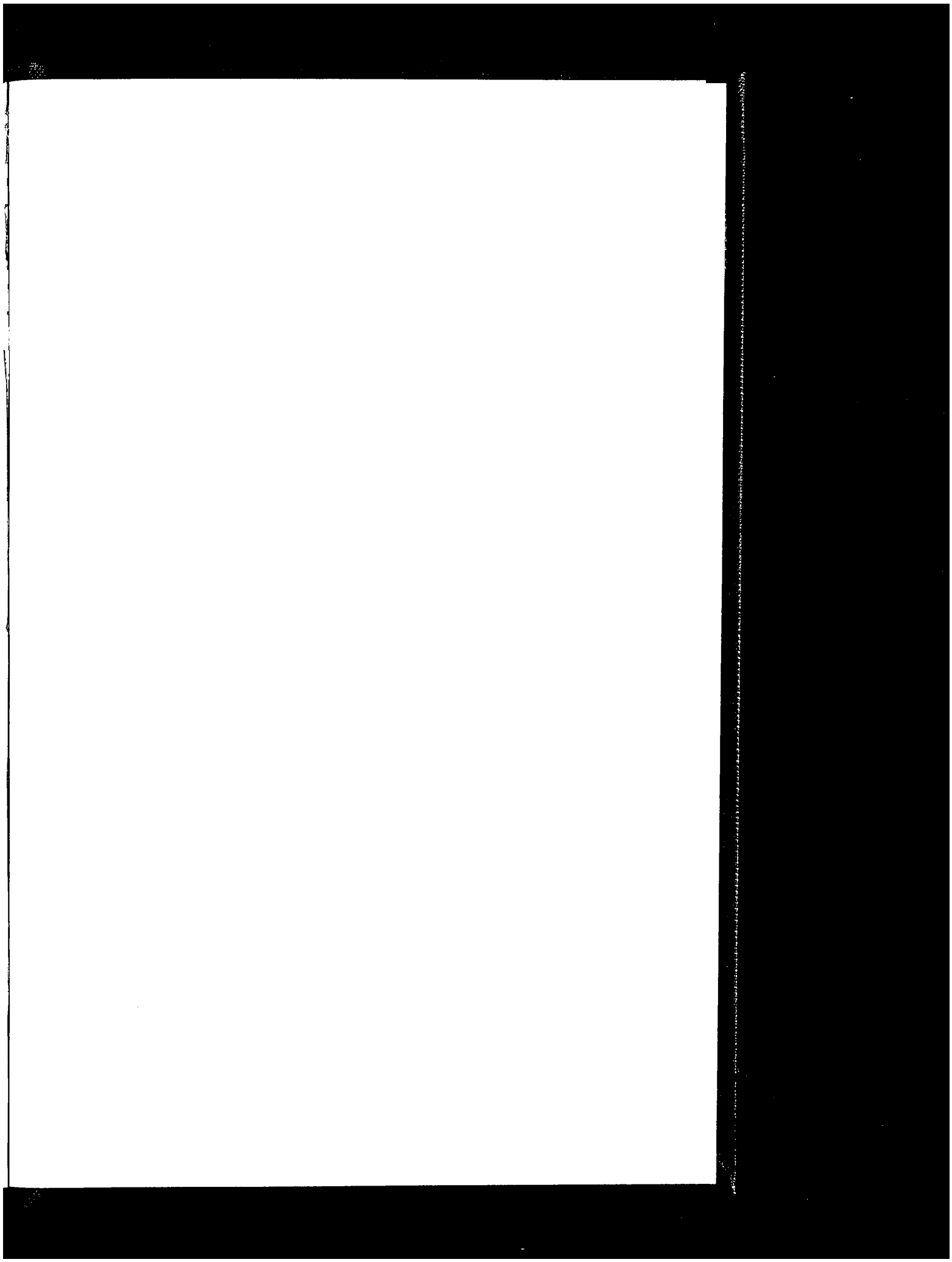
## APPENDIX V

### GENERAL COUNCIL

The following are the members of the General Council :

THE LORD LIEUTENANT OF THE COUNTY OF LONDON (MARQUESS OF CREWE).  
THE LORD HIGH CHANCELLOR.  
THE SPEAKER OF THE HOUSE OF COMMONS.  
THE BISHOP OF LONDON.  
CARDINAL HINSLEY.  
REV. SIDNEY M. BERRY, D.D.  
REV. OWEN S. WATKINS.  
THE CHIEF RABBI.  
EARL OF BESSBOROUGH.  
EARL OF DONOUGHMORE.  
EARL OF ONSLOW.  
EARL OF DUDLEY.  
VISCOUNT HAMBLEDEN.  
VISCOUNT HAILSHAM.  
VISCOUNT DAWSON OF PENN.  
VISCOUNT NUFFIELD.  
THE DOWAGER LADY AMPHILL.  
LORD HOWARD DE WALDEN.  
LORD GREVILLE.  
LORD STANMORE.  
LORD MILDMAY OF FLETE.  
LORD EBBISHAM.  
LORD LUKE (Honorary Secretary).  
LORD MACMILLAN.  
LORD HORDER.  
LORD WIGRAM.  
LORD WARDINGTON.  
LORD SOUTHWOOD.  
HON. SIR ARTHUR STANLEY.  
HON. SIR WILLIAM GOSCHEN.  
LT.-COL. THE HON. JOHN J. ASTOR, M.P.  
HON. JOHN MULHOLLAND.  
HON. MARGARET BIGGE.  
THE MINISTER OF HEALTH.  
THE RT. HON. THE LORD MAYOR.  
THE RT. HON. THE CHAIRMAN OF THE LONDON COUNTY COUNCIL.  
THE GOVERNOR OF THE BANK OF ENGLAND.  
THE PRESIDENT OF THE ROYAL COLLEGE OF PHYSICIANS (SIR CHARLES WILSON).  
THE PRESIDENT OF THE ROYAL COLLEGE OF SURGEONS (SIR ALFRED WEBB-JOHNSON).

THE PRESIDENT OF THE ROYAL COLLEGE OF OBSTETRICIANS AND GYNAECOLOGISTS (SIR WILLIAM FLETCHER SHAW).  
RT. HON. C. R. ATTLEE, M.P.  
SOPHY LADY HALL.  
SIR GODFREY THOMAS, BT.  
SIR CHARLTON BRISCOE, BT.  
CAPT. SIR HAMILTON BENN, BT.  
SIR GEORGE ROBERTS, BT.  
SIR GEORGE BROADBRIDGE, BT., M.P.  
SIR CUTHBERT S. WALLACE, BT.  
MAJOR SIR SAMUEL STRANG-STEEL, BT.  
SIR HUGH LETT, BT. (Honorary Secretary).  
GENERAL SIR KENNETH WIGRAM.  
SIR EDWARD PEACOCK (Treasurer).  
LADY HUDSON.  
SIR ALAN G. ANDERSON.  
SIR ERNEST FASS.  
SIR WILLIAM J. COLLINS.  
SIR FREDERICK M. FRY.  
SIR HAROLD WERNHER (Honorary Secretary).  
MAJOR SIR ULICK ALEXANDER.  
SIR COURTAULD THOMSON.  
SIR BASIL MAYHEW.  
GROUP-CAPT. SIR LOUIS GREIG.  
SIR FREDERICK MENZIES.  
SIR BERNARD DOCKER.  
SIR ERNEST POOLEY (Honorary Secretary).  
SIR GEORGE AYLWEN.  
MR. H. L. EASON.  
MR. H. R. MAYNARD.  
DR. A. M. H. GRAY.  
PROFESSOR WINIFRED CULLIS.  
MR. GUY HARBEN.  
MR. E. ROCK CARLING.  
MR. OLIVER N. CHADWYCK-HEALEY.  
MR. PHILIP FLEMING.  
DR. H. MORLEY FLETCHER.  
MR. W. M. GOODENOUGH.  
MR. PHILIP GUEDALLA.  
DR. J. P. HEDLEY.  
MR. EARDLEY HOLLAND.  
MR. PHILIP INMAN.  
MR. F. W. J. JACKSON.  
DR. GILBERT E. ORME.  
MR. W. A. POSNETT.  
DR. H. LETHEBY TIDY.





King's Fund



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