



✓ Press Not Health^{2.}

Prime Minister

DEPARTMENT OF HEALTH & SOCIAL SECURITY
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From the Secretary of State for Social Services

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T 22/

22 January 1982

John Kerr Esq
Private Secretary to the
Chancellor of the Exchequer
Treasury Chambers
Great George Street
LONDON
SW1

Dear John

FINANCIAL ACCOUNTABILITY OF HEALTH AUTHORITIES

My Secretary of State thought that the Chancellor might like to see the terms of an announcement he is making today on the subject of accountability for the National Health Service. A copy of this announcement is enclosed.

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He has asked me to say that Sir Derek Rayner is aware of, and fully supports, this initiative.

I am copying this letter and enclosure to Mike Pattison, at Number 10.

Your east,

David

D J Clark
Private Secretary

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Friday 22 January 1982
Written Answer

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FINANCIAL ACCOUNTABILITY OF HEALTH AUTHORITIES

113 Mr Edward Du Cann (C. Taunton)

To ask the Secretary of State for Social Services, what action he proposes to take in response to the comments in the seventeenth report from the Committee on Public Accounts about the need for greater accountability of English health authorities to Parliament.

MR NORMAN FOWLER

I am introducing new arrangements to ensure better accountability for the NHS. I believe that it is both desirable and practicable to secure the maximum delegation of responsibility for the delivery of local health services to District Health Authorities while at the same time achieving true accountability from the District Authorities through the Regional Health Authorities.

Accordingly each year Ministers will lead a Departmental review of the long-term plans, objectives and effectiveness of each Region with the Chairmen of the Regional Authorities and Chief Regional Officers. The aims of the new system will be to ensure that each Region is using the resources allocated to it in accordance with the Government's policies - for example giving priority to services for the elderly, the handicapped and the mentally ill - and also to establish agreement with the Chairmen on the progress and development which the Regions will aim to achieve in the ensuing year. Successive reviews will thus enable Ministers to measure the progress made by regions against the agreed plans and objectives, as well as to determine action necessary in the year ahead.

The new system will be established in 1982/3. My Department is also conducting a pilot scheme in one region using indicators of performance in the delivery of health services. These will enable comparison to be made between districts, and so help Ministers and the Regional Chairmen at their annual review meeting to assess the performance of their

constituent District Health Authorities in using manpower and other resources efficiently. With these arrangements I shall be able to hold Regional Health Authorities to account for the ways in which resources are used in their Regions and for the efficiency with which services are delivered. In turn, the Regional Health Authorities will hold their constituent District Health Authorities to account.

The reviews will concentrate on major issues, leaving District Health Authorities with the primary responsibility for decision-taking in providing local operational services within agreed policies. In addition, in order to ensure that they have adequate influence over certain matters for which the Regional Health Authorities are responsible - for example, the provision of Regionally-managed support services - I have asked the RHAs for reports on the arrangements in the region for involving the Districts in these matters.

The object of these new arrangements is to ensure that the Health Service obtains the maximum amount of direct patient care and the greatest value for money from the resources which the Government has made available to the NHS.