CONFIDENTIAL

## PRIME MINISTER

## NHS MANAGEMENT: POLICY BOARD

We are to meet on 25 April to discuss the central management of the NHS. I thought you would wish to know in preparation for it that subject to the outcome of the meeting I am ready to announce the formation of a strong Policy Board on the lines proposed in paragraph 2.5 of "Working for Patients".

- The White Paper emphasises that operational matters will be for the Management Executive, while the Policy Board will "determine the strategy, objectives and finances of the NHS in the light of Government policy". I have therefore gone for a membership that will enable the Policy Board to fulfil this role, and have avoided appointments that would be seen as in some sense representational of particular interests. This is why I have decided not to appoint a nurse to the Policy Board. There will of course be an essential nursing contribution to be made to the management of the NHS. But the right place for it will be the Management Executive and we are therefore looking for a good nurse manager to be a member of the Management Executive.
- As the White Paper says, I shall chair the Policy Board;
  Sir Roy Griffiths will be deputy chairman. I have asked both my
  Ministerial colleagues in the Department to take a close interest
  in certain aspects of the management of the NHS and am therefore
  appointing them to the Board. The other "executive" members will
  be the Chief Executive (who will normally be supported by one or

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two of his fellow directors from the Management Executive, as the Board's agenda demands); the Permanent Secretary, who will bring to bear policy considerations stemming from the Department's wider health and social services responsibilities; and Sir Donald Acheson, who will be a member in his own right rather than as the Chief Medical Officer.

- 4 The White Paper called for non-executive members of the Board drawn from inside and outside the NHS. I believe we have been most fortunate in the quality of the people who have agreed to serve. They are Sir James Ackers, chairman of the West Midlands RHA who also has considerable commercial and industrial experience and is a member of the Monopolies and Mergers Commission; Professor Cyril Chantler of Guys; and, from outside the NHS, Sir Graham Day and Sir Robert Scholey. They will together bring a most valuable wealth of experience and expertise to the work of the Policy Board.
  - Board, and of the Management Executive, as soon as we have reached conclusions about the central management of the NHS. An early announcement will emphasise both our commitment to the effective management of the Health Service and our determination to deliver the proposals in the White Paper.
  - 6 I am copying this only to Sir Robin Butler.

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