

PRIME MINISTER

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NHS REVIEW: CENTRAL MANAGEMENT OF THE NHS

I attach at Flag A a progress report from the Department of Health on the central management of the NHS. At Flag B is a note from the Policy Unit.

The PU note concludes that there are no major surprises in the Department of Health paper. But there should be some concern that central management staff numbers on an underlying basis are scheduled to keep rising. And there needs to be further thought on the split of responsibilities of the Chief Executive and of the Permanent Secretary. Finally, the note recommends a further review in twelve months' time.

Yes  
ms  
This seems sensible: are you content for me to minute accordingly?

However, you may also like to glance at paragraph 16. This would appear to show that only four Regional Health Authorities (RHA) have in fact been developing the new information and contracting system which underlies the major NHS reforms. In effect, they have been carrying out a pilot project on how the new system will operate. That might be judged a rather limited base for the introduction of the new regime across all fourteen RHAs as from 1 April 1991.

Yes  
ms  
BHP  
Is this worth raising with Mr Clarke in the context of his forthcoming presentation on the NHS reforms?

BARRY POTTER

25 May 1990