

Ancient RIA and Tony

Appts

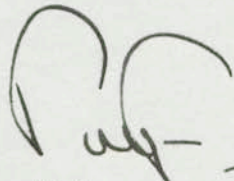
PRIME MINISTER

PERSONNEL DIRECTOR OF NHS MANAGEMENT BOARD

One of the key recommendations of the Griffiths report on NHS management was the appointment to the NHS Management Board within my Department of a Personnel Director. Improved personnel management and more responsibility for managers in personnel matters (including greater freedom to motivate, discipline and reward) are central objectives in our strategy for improving the management of the NHS. In order to achieve these objectives it would be the Personnel Director's task - as a part of his responsibility for those personnel functions which are appropriate to the Department - to carry out a number of wide-ranging reviews into existing NHS personnel arrangements. He would aim to do this so as to secure the maximum possible devolution of responsibility to local management.

Roy Griffiths believed that the necessary experience and skills for this task might best be found outside the Civil Service and the NHS, and I agree with that. I believe, therefore, that we should now recruit the Personnel Director. We have discussed with the Treasury and Cabinet Office a job specification, which I attach. This emphasises that the main initial task will be to carry through these reviews and it represents an agreed basis for recruitment (though the text of any advertisement might well be different). I am therefore seeking your agreement to the creation of a post of Personnel Director in the Senior Open Structure of the Department. My view is that this ought to be graded at Deputy Secretary level, hence my seeking your approval. But it is the salary, not the grade, which is important and we may need to be flexible about that. I propose to recruit by open competition and advertisement, using the same executive search firm as we are using for the appointment of the Chairman of the NHS Management Board.

I am copying this minute to the Secretaries of State for Scotland, Wales and Northern Ireland, the Chancellor of the Exchequer and to Sir Robert Armstrong.



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19 May 1984

JOB SPECIFICATION FOR NHS PERSONNEL DIRECTOR

Context

1. The appointment will be to a new post in the DHSS, at Deputy Secretary level, as NHS Personnel Director. The creation of such a post was recommended by the Inquiry into the Management of the NHS headed by Mr Roy Griffiths. The Personnel Director will be a member of the NHS Management Board and will be accountable to the Chairman of the Management Board, and through him to Ministers. He will carry the lead responsibility at official level within the DHSS for the discharge of the Secretary of State's responsibilities in respect of the personnel function in relation to NHS staff.

2. Although the Secretary of State for Social Services discharges his statutory responsibilities for the provision of health services in England mainly through statutory health authorities, who employ NHS staff or contract with independent practitioners for the provision of services, important personnel functions are discharged at a national level. These include at present the determination centrally of pay and conditions of service for NHS staff and the formulation of personnel policies for implementation by health authorities. Pay for doctors, dentists, nurses and related groups, is the subject of recommendations by independent Review Bodies. Pay and conditions of service for other staff are negotiated in the NHS Whitley Councils; the DHSS services, and is represented on, the Management Sides of these Councils. Review Body recommendations and Whitley Council agreements require the approval of Ministers before implementation. The NHS employs over 800,000 staff in England.

Responsibilities

3. The NHS is highly labour intensive - about 70% of its current expenditure goes on staffing. The delivery of health care involves an extremely wide range of professional, scientific, technical,

administrative and ancillary staff who have to work together efficiently and effectively. The personnel management function is accordingly of critical importance at all levels of the service. At the centre, within the Department, the Personnel Director will have a key role in supporting the Chairman of the NHS Management Board in his primary task of improving the general management performance of the NHS, through developing appropriate personnel policies and practices. He will be concerned especially in promoting a framework in which:-

- : good management practice is encouraged and rewarded and remedial action is taken where performance in this respect is unsatisfactory;
- : there is a maximum degree of delegation and devolution in personnel matters to give local management more freedom to manage compatible with overall cost effectiveness and the Secretary of State's ultimate responsibility for NHS pay and conditions of service.

4. With those objectives in mind the Personnel Director will be expected to give priority to setting and carrying through to implementation wide ranging reviews of existing NHS personnel arrangements (including Whitley agreements on pay structure, and terms and conditions of service) with a view, outside the clinical field, to:

- (a) developing systems for improving the incentives to staff for good performance and for providing management with more effective means of taking remedial action to tackle problems where the performance of staff falls below required standards;
- (b) in support of (a) and of improving the management process generally, developing arrangements for more systematic performance appraisal and review against agreed objectives;

- (c) ensuring that decisions in personnel matters are as far as possible taken by local management (within an agreed national framework), so that control of the management function is to the maximum extent integrated at that level;
- (d) ensuring that the arrangements for management training and career development are attuned to and operate in support of the drive for improved managerial performance.

The Personnel Director will be expected as an early task to draw up proposals, including ~~likely~~ timetables for the conduct of these reviews.

5. Apart from these specific tasks, the Personnel Director will be expected to participate, at very senior levels in Government, in consideration of pay and other personnel policies for the public sector and then to achieve the implementation of such policies as are approved by Ministers for the NHS.

6. He will also be responsible, under the Chairman of the Management Board, for the continuing discharge of the Department's personnel functions in respect of pay and terms and conditions of service for NHS staff; industrial relations, training and career development; and non-medical manpower supply planning. These duties include:-

- i. advising Ministers on, and securing the implementation of, pay policies for the NHS; personnel and industrial relations policies in the NHS; and the scope for improving the arrangements for determining pay and conditions of service in the NHS.
- ii. representing the Secretary of State on, and servicing the Management Sides of the NHS Whitley Councils;

- iii. negotiation of terms and conditions of service for hospital doctors and dentists;
- iv. co-ordinating and presenting the Government's evidence to the Doctors' and Dentists' Review Body and the Review Body on Nurses, Midwives and Professions Allied to Medicine;
- v. developing and assisting in the use of techniques for manpower supply planning (including manpower utilisation);
- vi. oversight of the NHS Training Authority which has important responsibilities (for which it is accountable to the Secretary of State) for training and career development of NHS staff. In the case of the major health care professions there are independent statutory and other bodies responsible for setting standards and prescribing educational and training requirements.

7. The utilisation of manpower is a key factor in the operation of the NHS. The Personnel Director will be responsible for carrying forward current work on optimum nurse manpower levels and on determining manpower levels generally, taking account of service needs and plans save that responsibility for work on medical manpower will, in whole or in part, continue under medical direction within the Management Board. The Chief Medical Officer will retain responsibility for seeking advice and views from the profession, and professional bodies at national level outside the Department, concerning medical manpower matters. The Personnel Director will act in support of line management in health authorities who will be responsible for applying manpower planning techniques.

Relationships within the DHSS

8. The Chairman of the Management Board, as Second Permanent Secretary, will be the Secretary of State's senior adviser on Departmental responsibilities for the management of the NHS. He will chair the multi-disciplinary NHS Management Board which will draw together the senior officials within the Department concerned with NHS Management.

9. The Management Board will have no corporate status but will be a forum for collective discussion of issues relating to NHS management and their determination. As a member of the Board, the Personnel Director will be accountable to the Chairman for the discharge of his functions. The Personnel Director will have a line management responsibility for a group of DHSS staff, currently numbering around 400, whose duties broadly cover the functions outlined at para 2 above: any professional members of this staff will look for guidance as necessary to their head of profession. The Personnel Director will need to work closely with professional colleagues on the Management Board concerned with professional personnel matters.

Relationships with the NHS

10. The Personnel Director must provide strong personal leadership in the development of staff morale and attitudes, and will be expected to develop close personal working relationships both with senior NHS staff and with those representatives of NHS management involved in the negotiation of pay and conditions of service. He will not exercise line management control over NHS personnel staff, but he will be expected to consult closely with them and to give professional leadership and direction to the personnel function in the NHS.

Requirements for the post

11. The qualities and experience required for the post of Personnel Director should therefore include:-

- i. a record of successful personnel management experience at a top level in very large scale organisations;
- ii. experience and proven ability in such organisations in the formulation of personnel policy and in its negotiation and implementation.

Experience of dealing with professional groups and of operating in a public sector environment would be an advantage.

Terms of Employment

12. The post will be graded Deputy Secretary and the post holder will be a Civil Servant for the period of his appointment. He or she will not be able to retain any outside appointments requiring a significant amount of time or which might cause a conflict of interest to arise.

13. The period of the contract will be limited in the first instance but will be subject to extension for the successful post holder. Arrangements for the secondment of a suitable candidate from his existing employer would be considered.

14. The salary will be not less than the equivalent of that for a Deputy secretary. However, the salary and other conditions of service will be negotiable and would have regard to all relevant factors including the successful applicant's current conditions of service and the superannuation arrangements proposed (on which see para 15). The salary will be reviewed periodically and adjusted to reflect any percentage change in the pay of ^aDeputy Secretary.

15. The post will be pensionable. Normally, the post holder will be covered by the Principal Civil Service Pension Scheme but alternative arrangements (eg continued membership of a previous employer's pension scheme or a personal annuity contract) might be possible, depending on the circumstances and the terms of appointment of the successful candidate. Secondment will normally involve continuation of existing superannuation arrangements, with DHSS paying the seconding employer's share of superannuation contributions.

16. The post will be located in London. Assistance with relocation expenses may be available.

DHSS
May 1984

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(non with CF apparently)*



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From The Secretary of State for Wales

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dms
8/6*

Oddi wrth Ysgrifennydd Gwladol Cymru The Rt Hon Nicholas Edwards MP

6 June 1984

v
Norman

with p/s (LAT?)

Thank you for copying to me your minute of 19 May to the Prime Minister in which you sought her agreement to the appointment of a Personnel Director for your Management Board.

I am very happy that you should do so; indeed as you say the creation of this post is essential to our efforts to provide the right conditions for the effective carrying out of the general management function throughout the NHS.

Most of the work of your Personnel Director would of course have UK wide implications and that is not least true of the specific tasks for early review proposed by Roy Griffiths and his team. For this reason I shall expect the Director of the NHS in Wales (my parallel appointment, following the recommendations of the Inquiry team, to your Chairman of the NHS Management Board) to keep in close touch with your Personnel Director so as to contribute a Welsh perspective and to carry out his parallel personnel functions in Wales. In turn I would of course expect that your Personnel Director should ensure that the Director for Wales is kept informed about his work and is able to make a contribution to it wherever appropriate. In the same spirit, I should of course be glad if you could keep me informed of any material developments in the Personnel Director's appointment and field of operations where political issues affecting Wales are at stake.

I am copying this letter to those who received your minute.

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Norm*

Rt Hon Norman Fowler MP
Secretary of State for Social Services