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PRIME MINISTER

3 July 1986

NHS MANAGEMENT

I attach a note I prepared for Norman Fowler after Victor Paige's resignation. Mr Fowler does not agree with all of it, and obviously knows more of the inside story than I do. Nevertheless, I stand by the basic analysis.

The bush telegraph has it that two favoured candidates are now Len Peach and Donald Acheson. Either appointment would cause NHS morale to plummet still further. Len Peach is a very good personnel man who wants to solve every problem by improving staff morale and by paying them more. That is important in the NHS, but it is not the whole story. Donald Acheson, the Chief Medical Officer, has devoted most of his energies to the AIDS crisis. But he is also the medical profession's shop steward at Alexander Fleming House. He is not a manager.

I do not know what the position is with regard to Roy Griffiths, who has always seemed to me to be the best man for the job. If he is ruled out in any capacity, John Banham might be another candidate to consider.

Is it still impossible for you to meet Roy Griffiths (with Norman Fowler) to talk about NHS management and the implementation of Griffiths' own Report?

David Willetts

DAVID WILLETTS

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