

NATIONAL HEALTH SERVICE

REGIONAL HOSPITAL BOARDS

General scope of their work and relationship to  
the Minister and others

(NOTE: These general comments on their position and functions may be of use to the newly established Regional Boards. Further notes on particular points, on which the Boards may like advice, will follow).

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1. The National Health Service Act (section 3) lays on the Minister of Health the duty of providing hospital and specialist services. The Minister becomes directly answerable to Parliament for his discharge of that duty. The present functions of the Board of Control in the mental health services are absorbed in the Ministry (apart from matters affecting the liberty of the subject, which remain with the Board), so that the Minister's responsibility covers the whole field.

2. The Act contemplates (sections 11 and 12) that the Minister will discharge most of this duty through Regional Hospital Boards. The Boards will act as the Minister's agents - but agents on whom he wishes to confer the largest possible measure of discretion. Powers of central control, through regulations and directions, are reserved in the Act because of the Minister's ultimate responsibility. It would, however, be quite alien to his intention that these powers should be used for any detailed or meticulous control of the Boards' activities. The Minister wants the Boards to feel from the outset, although acting as his agents, a lively sense of independent responsibility.

#### Scope of the Boards' service.

3. The "hospital and specialist services" to be provided are defined in the Act (sections 3 and 79) and include:-

- (a) Hospital accommodation. "Hospital" is used in the widest sense. It covers in-patient and out-patient accommodation in all kinds of hospital and in associated clinics or dispensaries. It includes tuberculosis sanatoria, infectious diseases hospitals, maternity homes, mental hospitals, and all other institutions for the reception and treatment of the acute or chronic sick or the mentally ill or defective - and convalescent institutions, in so far as these are for people requiring treatment in convalescent (as distinct from rest homes or holiday homes). It covers all branches of medicine and surgery and medical rehabilitation.
- (b) Medical, nursing and other services required for hospitals. Some examples of the scope of this are clinical pathological laboratories, X-ray departments, massage and physiotherapy, dental treatment at hospitals or hospital clinics, the supply to hospital patients of drugs medicines, artificial limbs, hearing aids and necessary appliances of all kinds. But this list is in no way exhaustive, and all ancillary services of hospitals and similar institutions are covered.
- (c) The services of specialists, whether at the hospitals or - so far as needed on medical grounds - at the patient's home.

4. That is the scope of the service which the Boards have to provide. Their main functions, therefore, are:-

- (a) to review, and organise to the best advantage, all the existing resources within the above field which they will have at their disposal (the transfer of existing resources is mentioned later);
- (b) to assess the need for, and best placement of, new resources and improvements and extensions;
- (c) to administer, largely through a system of local Management Committees (referred to later), the whole re-organised service;
- (d) generally to secure, by the above processes and by arrangements (where necessary) with other Boards and with the separate teaching hospitals, that a proper and sufficient service of all kinds is available to all persons in their area.

## General relationship with Minister

5. The Act does not require the preparation and submission to the Minister of a formal scheme or plan for the service in the Regions. Reviewing and organising the service will be a continuous, fluid and developing process - not susceptible of reduction to any finalised paper plan. But the Boards will need to formulate and agree with the Minister the general lines of future development and distribution of their resources, of the respective uses of the various hospitals and clinics, of the gaps to be filled and the needs to be met. This will involve the closest (and, it is hoped, informal) consultation with any teaching hospitals and universities concerned and with the Ministry - and, in particular respects, liaison with the local health authorities. The assistance of the Minister's officers both in the Regions and at headquarters will be available to the Boards whenever required - particularly pending the Boards' appointment of their own officers.

6. The Boards are the agents of the Minister; the new Management Committees will be the agents of the Boards. In view of the special nature of the service and its organisation it is thought desirable that all correspondence memoranda or other communications between the Minister, the Boards and the Management Committees should normally be regarded as confidential - in the sense that there should be no publication unless that is specifically enjoined.

## Committees and Procedure

7. The Minister wants to leave the regulation of their own procedure and the appointment of committees as far as possible in the hands of the Boards themselves. But certain regulations as to the appointment of members of the Board, the appointment of committees, payment of the expenses of members, procedure of the Board and other matters are being made under the Act (Third Schedule) and copies of these regulations will be made available. They will contain only minimal requirements.

8. The Boards will probably find it wise to appoint certain committees in all cases. Not all of these will be required from the outset, but most - if not all - of them will probably be ultimately essential. They are as follows:-

- (a) An executive or general purposes committee (able to meet more frequently than may be convenient for the full Board).
- (b) A finance committee.
- (c) A planning committee (with various sub-committees for the planning of particular branches of the service).
- (d) A mental health committee (to deal with questions arising on the care and treatment of mental patients and the mentally defective).
- (e) A staff or establishment committee.

## Advisory Committees

9. The Boards will also want in due course to appoint (or recognise, where already appointed by others) a number of technical advisory committees to assist them on medical, nursing and other questions. Amongst these it would be valuable to arrange for a committee to provide liaison with the local health authority services (under Part III of the Act), which should include officers of the Board and the medical officers of health of the local health authorities in the Board's area.

## Area Committees in certain cases

10. In a few areas conditions will require the appointment of Regional Committees of a special type, with delegated powers to act for the Boards over parts of the Regions. These Committees should, the Minister suggests, consist

of about twenty members drawn in part from the Regional Boards concerned and in part from local health authorities, voluntary hospitals, the medical profession and others in the areas covered by the Committees. They should appoint their own officers with the Board's approval (who will then be on the staff of the principal officers of the Boards); they should possess their own offices, and should in general exercise the powers of the Boards in relation to their areas, subject to the overriding power of the Boards to intervene where intervention seems to be necessary. The areas for which such Committees should, in the Minister's view, be set up are as follows:-

- (a) Cumberland and North Westmorland, under the jurisdiction of the Newcastle Regional Hospitals Board.
- (b) Hampshire, Dorset and the Isle of Wight, under the jurisdiction of the South-West Metropolitan Board.
- (c) Devon and Cornwall, under the jurisdiction of the South-Western Board.
- (d) North Lancashire and South Westmorland, under the jurisdiction of the Manchester Board. This Committee should include representatives of the Liverpool Board as well as of the Manchester Board.
- (e) North Wales, under the jurisdiction of the Welsh Board. This Committee will need to include representatives of the Liverpool Board as well as of the Welsh Board.

The precise boundaries of the areas broadly indicated above are a matter for the Boards to settle, in consultation with the local interests affected.

#### Arrangements for London.

11. The four Boards whose Regions converge on London will no doubt find it necessary to appoint a special joint liaison committee to consider and advise them on problems of common interest in the London area. The Minister will wish to discuss this specially with those Boards in the near future.

#### Relationship of Boards with Hospital Management Committees.

12. The Act contemplates that most of the actual management of hospitals will be performed by Management Committees acting as the agents of the Regional Boards. The appointment of these Committees is referred to again later on. The Minister wants these Committees to enjoy the maximum of autonomy in regard to local day-to-day administration, reserving power to the Boards to decide questions of wider policy, to control major building operations, to approve the Committees' budgets and other similar functions. All the staff of the hospital and specialist services in each area (except that of the teaching hospitals) will, under section 14 of the Act, be in the contractual employment of the Boards; but, apart from those medical and dental officers to whom special regulations to be made under that section will apply, the actual selection, appointment and dismissal of staff will be made by the Management Committees concerned and not by the Boards.

13. Regulations will be made by the Minister under section 12 on the respective functions of Regional Boards and Management Committees, and the above is intended only as a general intimation of the lines which the Minister proposes to follow in making those regulations.

#### Relationship between Regional Boards.

14. Each Board will have a dual responsibility - to administer the services of its area and to ensure that all patients from its area can receive the attention they need. Mostly, this will resolve itself into a single responsibility and patients will normally receive the services they require at hospitals administered by the Board in whose area they live. But Regions

will not be able to be entirely self-sufficient in their resources, and each Board will need to take into account both the facilities provided by its neighbours and the demands its neighbours may make on its own facilities. For example, some districts are now served by institutions (e.g. sanatoria, convalescent homes) which have been deliberately provided at some distance away, and which, at least in the immediate future, must continue to serve them although they are administered by a Regional Board not responsible for the district which is primarily served by the institution. An extreme example is in the distribution of mental hospitals between the four Metropolitan Regions. Again, there will be highly specialised units - e.g., a plastic surgery unit or a tropical diseases centre - which can and should permanently meet the needs of two or more Boards. Also, although regional boundaries have been drawn so far as possible to coincide with hospital "catchment areas", there will inevitably be a local flow of patients living near a boundary between one regional area and the next. Regional areas are designed as the areas generally suitable for hospital organisation; their boundaries are not meant to be barriers to the free flow of patients to hospitals.

15. It will accordingly be necessary for each Board, in planning the best use of its resources and in providing its services, to have regard to the activities of its neighbours and to maintain close contact with them.

#### Relationship with Boards of Governors of Teaching Hospitals

16. The Boards of Governors of teaching hospitals will not be within the Regional Boards' jurisdiction; they will be directly responsible to the Minister and will act as his agents for the management of their own hospitals. While these hospitals will be exercising their important functions as teaching institutions, they will nevertheless want to form an integral - and essential - part of the general hospital and specialist services. Their position will be that, not only will they provide some facilities for the district immediately adjacent to them, but they will also be providing more highly specialised services for a wide area. It will be, therefore, for the Regional Boards and the Boards of Governors jointly to agree, with the Minister, what part each teaching hospital will play within the regional service. For this it will be essential for the Boards to have close relations with the Boards of Governors concerned, both in planning the service and in its administration. The Boards of Governors will be established in due course, when the teaching hospitals have been designated by the Minister under the Act.

#### Accommodation for the Boards

17. The first need of the Boards will be somewhere to meet. The Minister's Senior Medical Officers in the Regions have been instructed to arrange, as a temporary measure, for convenient meeting places to be immediately available. They will get into touch with the Chairman in each case and explain the arrangements made.

18. Investigations will be arranged as to how the Boards can best be provided with more permanent office accommodation and meeting places. The Boards themselves will probably have their own views and suggestions on this and, if so, should inform the Minister's Senior Medical Officers. But the temporary arrangements mentioned above will enable them to make an early start with their more urgent work.

#### Staff

19. The first appointments which the Boards will need to make will be those of a Medical Officer and a Secretary. These posts should be at once advertised and suitable appointments made. The rates of remuneration which the Minister will recognise, in covering the Board's costs will vary slightly according to the size or complexity of the Region. The Minister will inform each Chairman of the rates applicable to his Region.

20. The Minister does not propose to prescribe any hard and fast qualifications or experience for candidates for the above two posts; nor do the appointments require his approval. The Boards can judge the general type of applicant which they wish to attract by their advertisements when they have considered the general survey of their functions in this memorandum. The Minister and his officers will be only too pleased to advise on any questions which the Boards wish to raise in this connection.

21. Other officers whom the Boards will need to seek (with varying degrees of urgency) include a medical officer for mental health, an architect, a finance officer, and a legal adviser. A fuller paper on staff appointments will be sent to the Boards as soon as possible.

22. As some weeks will probably elapse before even the two main appointments are made, the Boards are invited to regard the Minister's Senior Medical Officers as at their disposal in the interim period. Also any practicable arrangements which may be desired will be made for the Ministry's clerical and other staff to lend assistance. There is also no objection, if any Boards wish, for them to arrange for clerical and typing staff to be lent to the Board temporarily by local authorities, voluntary hospitals, or other bodies.

23. Mention should be made of the staff likely to become available to the Boards as a result of the Act itself. Amongst those transferable to the Boards on the appointed day are a number of technical, administrative, clerical and other officers employed by local authorities away from the hospitals themselves. Particulars of this staff are being sought from the authorities concerned and will be made known as soon as possible. Applications have also been received from a number of employees of hospital contributory schemes; these will be forwarded to each appropriate Board, so that the Board - or later on the appropriate Hospital Management Committee - may consider the suitability of the applicants for their employment.

#### Initial Action by the Boards

24. The first care of the Boards must be to ensure that all existing services for which they become responsible on the appointed day will be fully maintained and effectively administered, and that doctors and patients will be able quickly and easily to find whatever service they need. It will be necessary to arrange the future grouping of these existing resources and to appoint the appropriate Management Committees, as explained more fully later. To a limited extent a further replanning of services may be possible, for the operation on a revised basis from the appointed day - and the Boards will find material helpful in both these tasks in the published reports of the Surveys of Hospital Services undertaken by the Minister and the Nuffield Trust during the war. The longer term function of the Boards in fully replanning and developing their services over the Region as a whole cannot be restrictively defined and will cover every branch of hospital and institutional service for the sick, acute and chronic, general and special, in-patient and out-patient. Some suggestions on the organisation of the various specialist services will be sent to the Boards later. For the most part, however, this longer term replanning must await a later stage of the Board's activity, and nothing must be allowed to imperil the smooth take over of responsibility on the appointed day.

#### Transfer of hospitals

25. The Boards will need to know first of all what are the hospitals and institutions which will be under their control. The effective definition of "hospital", for the purpose of transfer under the Act, is contained in sections 79(1) and 9(1) and 9(3). It means:-

- (a) any institution for the reception and treatment of persons suffering from illness (including mental illness) or mental defectiveness; any

maternity home; any institution for the reception and treatment of persons during convalescence or persons requiring medical rehabilitation.

- (b) clinics, dispensaries and out-patient departments maintained in connection with any such institution or home.
- (c) any other clinics, dispensaries (including mass radiography centres) or out-patient departments at which treatment is provided by or under the direction of specialists (medical or dental); and the blocks or wards of public assistance institutions used for the sick or mental patients or mental defectives.

26. Exceptions are school health clinics, local authorities' maternity and child welfare clinics and "premises forming part of or ancillary to any institution or undertaking of which the main purpose is not therapeutic" (e.g. school sanatoria and factory sick-bays). Hospitals provided by "public authorities" (e.g. the Services and the Ministry of Pensions) are also excluded; and the Act does not, of course, apply to hospitals which are not either voluntary or provided by local authorities (the Welsh National Memorial Association counts as a local authority).

27. All "hospitals" within this extensive definition are transferred to the Minister on the appointed day, unless he has served a notice under Section 6(3) disclaiming transfer and that notice has been accepted by the owners. It is contemplated that transfer will be disclaimed only in exceptional circumstances where (to quote the Act) "the transfer ..... will not be required for the purpose of providing hospital and specialist services." It is not contemplated that transfer should be disclaimed as a matter of course for any particular class or group of hospital, e.g., in the case of every hospital with special denominational or social associations. Usually the special character of such hospitals can be preserved within the framework of the transferred service, by suitable constitution of the local Management Committees and other means - and indeed this is required for denominational hospitals by the Act (section 61). On the other hand, there will be cases in which transfer would be inappropriate, and in such cases any necessary arrangements can be made with the owners for the admission of patients in return for payment by the Boards.

28. A special problem will arise where transferable premises form part of a building or institution used also for non-hospital purposes, e.g. a tuberculosis dispensary in a large clinic or the sick wards of a Public Assistance Institution. In these cases apportionment or some alternative arrangement will be necessary, and the Boards will wish to consider urgently what solution seems appropriate in each case. A special survey of Public Assistance Institutions is at present being conducted by the Minister's officers in order to assist them in reaching a decision on this type of accommodation.

29. The Minister is compiling a first list of the "hospitals" which appear to be transferable. The appropriate part of that list will be sent to each Board. With its aid, supplemented by their own enquiries, the Boards will want to proceed urgently to a complete assessment of the Hospital and other institutional resources which they will have to administer.

30. They should then consider - bearing in mind what has been said above - in respect of which institutions a notice ought to be served disclaiming transfer for special reasons. Some hospitals have already made suggestions on this, and a list will be sent to each Board. The Minister will welcome the earliest advice of the Boards on these hospitals, and a statement of all hospitals which in the Boards' view need not be transferred. He can then - so far as he agrees with the proposals - take appropriate action under Section 6(3) of the Act and inform the the Boards of the result.

31. Other hospitals excluded from the Board's jurisdiction will be those designated by the Minister as teaching hospitals (Section 11(8)). The Minister is getting into touch with the universities on this, and he will inform the Boards of the result as soon as possible.

## Appointment of Management Committees

32. The Act requires the appointment by the Boards of local Hospital Management Committees (in accordance with Part II of the Third Schedule) for controlling and managing individual hospitals or groups of hospitals. A scheme for this has to be submitted to and approved by the Minister (section 11(3)).

33. As the task proceeds of determining the final list of hospitals to be transferred, the Boards can begin the formulation of this scheme of Management Committees. The Committees should be set up not later than 1st February, 1948, if they are to be able to assume their responsibilities from the appointed day. But, before the Committees are set up, the Board's scheme has to be approved, and the consultations prescribed in the Third Schedule must then be undertaken by the Board. Accordingly it is necessary for the schemes to reach the Minister not later than 1st November, 1947, if he is to be able to give them proper consideration. He therefore specifies that as the date for submission under section 11(3).

34. Further guidance will be made available as soon as possible on questions affecting Management Committees. For the moment only general observations are offered.

35. Schemes should contain the following information for each proposed Management Committee:-

- (a) the hospital or group of hospitals (including clinics in premises separate from a residential institution) which are to be controlled by each Committee, showing the number of beds in each;
- (b) the number of members proposed for each Committee, and the organisations (including Local Health Authorities and Executive Councils) which the Board proposes to consult in appointing the Committee.

36. It is impossible to define an optimum number of hospital beds which a single Management Committee should run. It will vary from quite small single hospitals in exceptional cases to groups of hospitals with more than 1,000 beds. The Board should aim at effective decentralisation, the encouragement of local interest and the avoidance of large and unwieldy units of management. In certain cases it may be desirable to have a separate Management Committee for each unit - e.g., for some of the large mental hospitals, tuberculosis sanatoria and certain special kinds of hospitals. On the other hand it is the object that functionally related units should be grouped together and administered as a whole, so as to form jointly the equivalent of a full scale general purposes hospital covering all the more normal specialties; for example, that in a large town a voluntary general hospital, a municipal general hospital, a maternity home and an isolation hospital might be grouped together, with three or four general practitioner ("cottage") hospitals in small neighbouring towns linked with the central unit and included in the group.

37. The Management Committees themselves should be kept as small as is compatible with the effective discharge of their duties and with a proper balance of experience and knowledge amongst their membership. Part II of the Third Schedule indicates the main sources of experience on which the Boards should draw, but there will be others which should also be consulted, e.g., local contributory schemes associations, Trades Councils and other local bodies. In the Minister's view the size of a Management Committee should not normally exceed about 15 members, and should be rather smaller wherever possible.

## Private and Semi-private Accommodation

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8 38. The Boards will also need to give early attention to the ear-marking of accommodation under sections 4 and 5 of the Act. Section 4 contemplates the use of a certain number of single-bed or small wards for patients wishing to use the new service but to make some payment for additional privacy, so long as the accommodation is not needed by others on medical grounds. The manner in



which any such charges are to be determined will be dealt with in later regulations, but Boards should consider what accommodation is appropriate to be designated in this way, and the Minister will welcome their proposals. Section 5 deals with separate pay-bed accommodation for people not taking advantage of the ordinary service and the full cost of both accommodation and treatment will be payable by any patients wishing to do so, together with private fees to the doctors attending them. It is to be earmarked to such extent as is found reasonable having regard to the main purpose of providing the general hospital service. The Minister will be glad to hear the Board's proposals with regard to this also.

39. In both cases (section 4 and section 5) the Boards will no doubt wish to use existing accommodation of each kind, so far as it is reasonable and proper to do so, at the appointed day. But they may wish to propose adjustments before that day and they should therefore review the situation as early as possible.

#### Other Early Action

40. Another question to which the Boards will wish to give early attention is the arrangements for the maintenance of premises and other property, and for the supply of the various institutions. In a large number of instances the position on the appointed day will no doubt be that the new Management Committee will assume responsibility and will have available the necessary staff for the purpose. But some local authorities have in operation centralised arrangements for maintenance, supply, etc., and it will be necessary to reach an early decision on the methods to be adopted after the appointed day, whether by using the local authorities' staff and facilities on an agency basis in the first instance or by making some alternative arrangement.

41. The Boards will also need to have arrangements ready for the remuneration of specialist staff - rendering agreed whole-time or part-time services on a contractual basis - as well as for honorary appointments where these are found desirable. Arrangements will have to be made for consultant services to be available, where necessary, at the home of the patient. The Minister is in consultation with the medical profession on matters affecting the consultant services, and he hopes to offer further guidance later and in more detail on this subject.

#### Finance

42. The Boards will finance the Hospital Management Committees and the Boards' own expenditure, including that of the Committees, will be defrayed by the Exchequer, provided it has been approved by the Minister. When the scheme is fully operative each Committee will be expected to submit to its Regional Board, each summer, a budget covering their anticipated expenditure under specified headings for the year running from the 1st April following. These budgets will be reviewed by the Board and submitted, with the Board's own budget, to the Minister. When approval has been given the Board will be in a position to approve the local budgets and both the Board and the Committees will be free to proceed within the agreed framework. There will be provision for supplementary budgets if necessary, and for authorising savings on one heading to be used to meet excess expenditure on other headings where appropriate.

43. During the initial period after the scheme comes into operation this procedure will have to be modified. Accordingly, some time during 1948, the Minister proposes to ask the Boards to furnish a statement of actual expenditure during the first few months, together with an estimate of probable expenditure to the following 31st March. This statement will take the place of the budget for the first year and be dealt with in the same manner.

44. The Boards will wish to know that, for the purpose of the Minister's own Parliamentary estimates for 1948/49 (which must be framed not later than December next), existing hospital authorities have been asked to furnish statements in the near future of their actual expenditure in the financial year ended 31st December, 1946 or 31st March, 1947, and the figures derived from these statements will be used as the basis for framing next year's Departmental estimates. This material will, in due course, be made available to the Boards in respect of the non-teaching hospitals in their area if so desired.

45. Boards will be financed by means of monthly cash advances based (after the first payment) on a standard application form and paid through the Head Office or London Agent of the bank at which the Board's account is opened. Accordingly as soon as expenditure is likely to be incurred each Board should take steps to open an account in its own name, preferably with one of the banks shown on the appended list. As soon as this has been done the name of the bank and the full postal address of the branch should be furnished to the Accountant General (A.G.D.5) Ministry of Health, Whitehall, London, S.W.1., together with a statement of the terms on which the account will be kept. It is proposed to apply to the Treasury for "declaration" of the account as a public account under section 18 of the Exchequer and Audit Departments Acts and the bank should be so advised, as public accounts are usually kept without charge or requirement of minimum balance. In view of this the Bank of England should be selected if there is a branch in the town unless it is inconveniently remote. It should be noted that a public account must not be overdrawn.

46. At the same time as these details are furnished a rough estimate should be given of the Board's probable expenditure to the end of the following month. An advance of this amount will then be made and forms supplied for subsequent applications. Until such time as other arrangements are approved, cheques should be signed by a member of the Finance Committee and counter-signed by the financial officer or his deputy. (Temporarily it may be necessary to arrange for particular members of the Board to sign and for the Chairman or Secretary to counter-sign.) All payments of £2 and over should be made by cheque. It is not proposed to prescribe any form of account for the period prior to the appointed day, but payments should be analysed under the headings shown on the standard form of application when received.

JUNE, 1947.

Standard List of Banks

Lloyds Bank Limited ✓  
National Provincial Bank Limited ✓  
Bank of Scotland  
Barclays Bank Limited ✓  
Westminster Bank Limited ✓  
Midland Bank Limited ✓  
District Bank Limited ✓  
William Deacon's Bank Limited  
Bank of England  
County Bank Limited  
Martins Bank Limited ✓  
Royal Bank of Scotland  
British Linen Bank  
Commercial Bank of Scotland Limited  
Clydesdale Bank Limited  
Union Bank of Scotland Limited  
North of Scotland Bank Limited  
Bank of Ireland  
Belfast Banking Company Limited  
Northern Bank Limited  
Provincial Bank of Ireland, Limited  
Ulster Bank Limited  
National Bank of Scotland Limited