

OPERATIONAL SELECTION POLICY OSP38

RECORDS OF INTERNAL ADMINISTRATION

POLICY RECORDS OF GOVERNMENT HOUSEKEEPING FUNCTIONS
COVERING PERSONNEL, ORGANISATION, FINANCIAL MANAGEMENT,
INDUSTRIAL RELATIONS, PROCUREMENT, PROPERTY MANAGEMENT
AND INFORMATION TECHNOLOGY

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1 Authority

- 1.1 The National Archives' Acquisition and Disposition policy statements (February 2000) announced the Archives' intention of developing, in consultation with departments, Operational Selection Policies across government. These policies would apply the collection themes described in the policy to the records of individual departments and agencies.
- 1.2 The National Archives' Appraisal Policy statement (August 2004) announced a new emphasis to Operational Selection Policies:

The National Archives will develop generic archival appraisal guidance for categories of records such as those produced by similar types of departments (agencies, regulatory bodies) or those produced by activities common to many departments (research papers, inspection reports). (section 2.4.3.6)

- 1.3 Operational Selection Policies are intended to be working tools for those involved in the selection of public records. This policy may, therefore, be reviewed and revised in the light of comments received from the users of the records or from archive professionals, the department's experience of using the policy, or as a result of newly discovered information. There is no formal cycle of review but we would welcome comments at any time. The extent of any review and revision exercise will be determined according to the nature of the comments received.
- 1.4 This Operational Selection Policy provides generic archival appraisal guidance for policy records in paper or electronic format concerned with the internal administration of Government.
- 1.5 If you have any comments on this policy please email recordsmanagement@nationalarchives.gov.uk

or write to:

Acquisition and Disposition Policy Manager
The National Archives
Kew
Richmond
Surrey
TW9 4DU

2 Scope

- 2.1 This policy differs from previous Operational Selection Policies in that it provides generic guidance about a particular type of record created by all government departments, agencies and Non Departmental Public Bodies.

2.2 The records within this Operational Selection Policy fall within the following Collection Themes in the Acquisition Policy:

2.2.1 Policy and administrative processes of the state

2.2.1.1 Formulation of policy and management of public resources by the core executive

2.3 In this Operational Selection Policy records of internal administration are defined as:

Policy records concerned with those aspects of the management and administration of departments, agencies and Non-Departmental Public Bodies within the Civil Service which relate to their day to day running, organisation and structure

2.4 Specifically, the Operational Selection Policy covers the following internal administrative functions which are common across government:

- The Management of the Civil Service
- Organisation of the Civil Service
- Financial management
- Industrial relations
- Procurement
- Information technology
- Property management

A detailed breakdown of the functions and the activities which they cover is at Annex A.

2.5 The Operational Selection Policy is concerned solely with policy records relating to administrative functions and does not cover case files or particular instance papers produced in the course of the administration of government. Detailed guidance on retention periods for operational administrative records such as invoices, complaints, contracts and accounts has been developed by The National Archives and can be found via the link below:

<http://www.nationalarchives.gov.uk/recordsmanagement/advice/schedules.htm>

2.6 The Operational Selection Policy covers the period 1980 to date.

2.7 The Operational Selection Policy provides guidance on the identification of records for permanent preservation. It does not provide guidance on the application of freedom of information legislation to the records.

3 Current/past policy and practice

3.1 The National Archives (then the Public Record Office) published guidance in the *Manual of Records Administration*¹ on the selection of records which would provide material for research into:

- The history of the department, its organisation and procedures

And gave as examples of the records likely to be selected at review:

- Records relating to the origins of the department, its organisation, staffing, functions and procedures, including office notices, directories showing the distribution of work and organisation charts

3.2 An analysis of some of the transfers which used this guidance has revealed the following outcomes:

3.2.1 **Inconsistency** Although all government departments appear to have selected records under this broad criterion the quantity of records selected and subjects covered vary widely from department to department. Thus records which reflect the department's views on subjects such as staffing matters (including recruitment, postings, and secondments and staff inspections), appraisal, training and redundancy have been selected by the Department of Trade and Industry. However, the Treasury Solicitor's Department has not selected comparable records. Similarly, over two thousand records have been selected on the subject of staffing but the spread of selections is uneven, with three hundred records selected from the British Transport Commission and the British Railways Board and twenty-seven from the Agriculture, Fisheries and Food Departments. Many of the selected records focus on the structure and functions of the organisation, particularly transfers of functions and subsequent reorganisations. Many of the records concerned with re-organisations feature divisional reviews and reorganisations. Generally, few records have been selected on procurement strategy, IT development and property management.

3.2.2. **Duplication** Identical records have been selected at the highest strategic level and at departmental level. For example, Civil Service Department (CSD) reviews of the management and organisation of the Public Record Office (PRO) in the early 1970s have been preserved among both CSD's and PRO's records. Similarly, records relating to the periodic medical examination of civil servants have been preserved among both CSD's and the Board of Trade's records.

3.2.3 **Quality of records selected** The broad criteria cited above has led in some instances to the selection of records of low level archival value even in the context of the history of the department. Examples of these are: records of trades union claims on behalf of fireman grades at

¹ PRO Government Service Division *Manual of Records Administration* August 1993, Para 3.6.11

Group 3 Aerodrome, annual nominations of senior staff for “the Node” public service/private enterprise course and sample of letterheads, compliments slips and envelopes for Ministers and Permanent Secretaries.

4 Principles for the selection internal administration policy records

- 4.1 The National Archives policy towards internal administration records has been to select records which meet the criteria cited in 3.1 from all departments and agencies across government
- 4.2 The selection of internal administration policy records will in future be based on four principles:
- Records will be selected at the highest level and will reflect a strategic overview
 - Records will be selected from the department which has overarching responsibility for the function – the “lead” department
 - In general records will no longer be selected from those departments which do not have “lead” responsibilities
 - While aiming to achieve consistency and avoid duplication there will be an element of discretion to select records from “non-lead” departments

For further guidance on such circumstances see Paragraph 6.2.

- 4.3 A table of the “lead” departments, both current and historical, covering the period 1980 to date is at Annex B.
- 4.4 The principles outlined above should be adhered to when records are considered for selection for The National Archives. This does not, however, preclude departments from retaining records which do not fall within the principles but meet departmental criteria such as the requirement to retain records to be used in writing departmental histories or for their use as background information for appraisal staff.

5 Application of the principles: the case of the Whitley Councils

- 5.1 The National Archives is giving specific guidance on records created under the Whitley Council system. This is because the model was extended and applied to other sectors and the importance of civil service pay bargaining which gave a lead to settlements for other public sector workers and even those in the private sector.
- 5.2 The Civil Service National Whitley Council was established in 1919 and named after J.H. Whitley MP, the chairman of the committee which recommended its formation. The Committee’s remit was to remedy industrial unrest by securing a permanent improvement in the relations between employers and their employees. The National Whitley Council determines the general principles governing conditions of service such

as recruitment, hours, promotion, discipline, pay and superannuation. It consists of 54 members, half appointed by the Treasury and half by the Civil Service staff associations with much of its work conducted by committees representing the two sides. Each department subsequently set up its own Departmental Whitley Council, frequently with a number of sub-committees, with the remit of trade unions and management meeting to discuss and agree local conditions of service.

In 1948 the National Health Service (NHS) adopted the principles and practices of the Whitley industrial relations system. The structure consisted of a General Whitley Council which considered matters affecting all NHS staff and a further Whitley Council for each staff group eg nurses and midwives. These councils remained in place until 1999 when new proposals for pay and conditions in the NHS were introduced. An Agenda for Change: NHS Terms and Conditions of Service Handbook superseded the General Whitley Council conditions of service for all NHS staff except doctors and dentists. However, the General Whitley Council continues to cover areas such as equal opportunities and harassment at work.

- 5.3 Appraisers should be guided by the principles in Paragraph 4.2 and the Table of “lead” departments in Annex B when considering Departmental Whitley Council records.

6 Selection of records relating to the development of the Civil Service from 1980

- 6.1 **Background** The period from 1980 onwards has seen continuous change and reform in the Civil Service. The reforms were far reaching and have had a lasting impact on departmental organisation, structure and management. The key reforms are outlined below:

6.1.1 **Rayner scrutinies** Sir Derek Rayner (of Marks and Spencer) was appointed to the Cabinet Office Efficiency Unit in 1979. His team’s remit was to advise on the promotion of efficiency in Government and he therefore organised a fundamental examination of specific activities in government departments. The main feature of each scrutiny was to be a radical self-examination of each activity with a view to making savings or increased effectiveness and to questioning all aspects of the work. Each was subject to tight time limits (normally 90 days). The report, which was subject to Prime Minister’s approval, proposed costed solutions and assumed that implementation would begin within 12 months.

6.1.2 **Next Steps initiative** The Next Steps Initiative emanated from an Efficiency Unit report (Improving Management In Government – the Next Steps) known also as the “lbbs” report published in 1988. It argued that many Government departments were too big to be managed effectively as single units and that the best way to increase efficiency was to split the day-to day administration of services from the policy-making role. To do this separate management units were created as administrative

agencies of the Minister or Secretary of State and each was charged with fulfilling specified administrative tasks. They were headed by Chief Executives, accountable to ministers, and generally remained in the Civil Service. Framework documents were developed to define relationships between the parent departments and their agencies. The first Executive Agency was the Vehicle Inspectorate established in 1988. In 1998 it was announced that the main programme of creating new agencies was complete and that the focus would move from creating agencies to using them in the most effective way.

6.1.3 ***Prior Options Reviews – Privatisation, hiving off and abolition***

Candidates for agency status were assessed against a number of questions:

- Does the work need to be done at all?
- Could it be done in the private sector?
- Could be done by the private sector under contract?
- If it is to be done in government, can it be separated from policy issues?
- Is there already a degree of autonomy?

These became known as the Prior Options steps and were periodically applied both to potential and current agencies. As a result a number of agencies were privatised, The Crown Suppliers in 1988 and HMSO in 1996 and some abolished, for example, the Resettlement Agency. In some cases part of a service was sold off:- The Insurance Services Group in Export Credits Guarantee Department was sold in 1991 and the Laboratory of the Government Chemist (part of the Department of Trade and Industry) in 1996. Where privatisation was not practicable private sector management was introduced. An example being the National Physical Laboratory now managed under contract on behalf of the Department of Trade and Industry.

6.1.4 ***Competing for Quality – Contractorisation and the Private Finance Initiative***

Between 1992 and 1994 this programme exposed over 10% of the Government's running costs to competition by allowing the private sector to bid against in-house service providers. The activities were initially limited to support activities such as printing and catering but under legislation of 1994 (The Deregulation and Contracting Out Act 1994) the increased use of private sector contractors to deliver a wide range of statutory services was made possible. At the same time future capital projects were not to be approved unless private finance options had been explored. The Private Finance Initiative (PFI) is an evolution of privatisation and contracting out. It brings the private sector into areas which have previously been considered the preserve of the public sector and focuses on the provision of capital assets which underpin services delivered by the public sector.

6.1.5 ***Machinery of Government changes*** Machinery of Government changes occur most frequently following a General Election and are likely to involve the transfer of policy areas and agencies between

departments. Changes could be made for the sake of convenience and efficiency so that responsibility for all policy matters rest with one department, for example, policy on the conduct of local government elections transferred to the Department for Constitutional Affairs from the Office of the Deputy Prime Minister in May 2005 so that all elections policy would be in one department. Transfers might also be made to enhance the focus of the transferring agencies as when responsibility for sponsorship of the Regional Development Agencies (RDAs) passed from the former Department of the Environment, Transport and the Regions to the Department of Trade and Industry in order to underline their focus as the strategic drivers of regional economic development. They might also be recommended as the result of a review, which envisages that regulatory functions of similar organisations would be more effective, if they were brigaded together. The Hampton Report recommended that all organisations concerned with fair trading merge to form one agency.

6.1.6 **Modernising Government** The Modernising Government agenda has a broad remit to introduce a long-term programme of improvement with three aims:

- Ensuring that policy making is more joined up and strategic
- Making sure that public service users are the focus
- Delivering public services that are high quality and efficient particularly by using new technology

The use of new technology in Government Departments to meet the needs of citizens and businesses will transform government through the way in which it provides services and products. The increased use of the Internet as the main channel of communication with government will have a similar impact. This reform agenda will have a significant impact on all government departments and agencies

6.1.7 **Relocation** Sir Michael Lyons published his report following his Independent Review of public sector relocation in 2004 (*Well Placed to Deliver? Shaping the Pattern of Government Service*). In the 2004 Spending Review the Government accepted all of his recommendations, primarily that the pattern of government needed to be reshaped and that the concentration of national public sector activity in and around London is no longer consistent with Government objectives and that there would be considerable benefits from dispersal both for the efficient delivery of government business and for regional economies. In total 20, 000 jobs will move out of London.

6.2 **Selection criteria** As stated in Paragraph 4.2 records relating to these reforms and changes will be selected from those departments which took the lead in developing, introducing and monitoring them. However, appraisers in “non-lead” departments should consider records concerned with the reforms for permanent preservation using the following criteria:

- Is the issue adequately covered in the records of the management boards or boards which report to Ministers?

- Do the departmental records relate only to the implementation aspects of the scrutiny, reform or change?
- How significant was the impact on the department?

The Operational Selection Policy *OSP35, Board and Committee Records* provides guidance on their selection.

<http://www.nationalarchives.gov.uk/recordsmanagement/selection/pdf/osp35.pdf>

6.3 ***Future developments in the Civil Service*** The above list of key reforms is not intended to be definitive and can be supplemented following any major change or reform.

7 Records created following the general delegation of some internal administration functions

7.1 ***Background*** From the mid 1990s responsibility for the operation of certain internal administration functions was delegated to departments: pay and grading in 1996 so that by 1997 there were no longer any service wide grades apart from the new Senior Civil Service grades and property management in 1995 following the abolition of Property Holdings.

7.2 ***Selection policy*** Policy on these activities is therefore transferred to departments and will be captured at a departmental strategic level through the records of the department's management board decision-making processes. See Paragraph 6.2 above.

8 Selection of records using current Operational Selection Policies

8.1 ***Relevant Operational Selection Policies*** Appraisers should be aware that a number of current Operational Selection Policies contain guidance on the selection of certain types of internal administration records. This guidance should not be overlooked in the consideration of these records for permanent preservation.

Links are provided below to the following:

Guidance on the selection of departmental policy records relating to Operational Selection Policy *OSP15, Control of Central Government Expenditure 1969-1997*, Appendix 1:

http://www.nationalarchives.gov.uk/recordsmanagement/selection/pdf/osp15_appendix_1.pdf

General guidance on records of the built environment including property management is to be found throughout the following Operational Selection Policy *OSP17 Preservation of the Built Environment 1970-1999*:

<http://www.nationalarchives.gov.uk/recordsmanagement/selection/pdf/osp17.pdf>

Operational Selection Policy *OSP24*, *Records relating to the Machinery of Government and the Management of the Civil Service, March 1974 to 2000*:
<http://www.nationalarchives.gov.uk/recordsmanagement/selection/pdf/osp24.pdf>

ANNEX A

TABLE OF FUNCTIONS AND ACTIVITIES

Functions	Activities/subjects
The Management of the Civil Service	Conduct and Civil Service Pay and Conditions of Service Code Personnel management/human resources Senior staff development Security Equal opportunities/diversity Occupational health Recruitment and development of civil servants Management systems/operational research Consultancy and inspection
Organisation of the Civil Service	Next Steps projects Citizens Charter Management and efficiency Efficiency studies eg Rayner srutinies Machinery of Government Modernising Government Competing for Quality Location reviews
Financial Management	Accounting and audit Fees and charges Internal audit/assurance, control and risk Running costs controls Financial Management Initiative Pay, grading, superannuation, pensions, retirement, redundancy and numbers of civil servants Travel and subsistence allowances
Industrial relations	National Whitley Council General Whitley Council (NHS) Trade Union consultation
Procurement	Procurement practice, monitoring and reporting Value for money Quality standards Capital works projects
Information technology (IT)	Development and use of IT in government and in business Development of citizen-centred online services

	Development of common infrastructure across government
Property management	Provision of office accommodation including standards Major office building and improvement (design and execution projects) Supply of furniture and equipment Rationalisation and disposal of the government estate Management and use of the civil estate

ANNEX B

TABLE OF FUNCTIONS, CREATING AND LEAD DEPARTMENTS

Function	Lead department (current lead department in bold)	Dates
Management of the Civil Service	CABINET OFFICE	
	Management and Personnel Office (absorbed in Cabinet Office, 1983)	1981-1987
	Renamed Office of the Minister for the Civil Service	1988
	Renamed Office of Public Service and Science	1992
	Office of Science and Technology moved to Department of Trade and Industry, Office of Public Service remained in Cabinet Office	1995
	Office of Public Service merged with rest of Cabinet Office	1998 to date
Organisation of the Civil Service	CABINET OFFICE	1981 to date
Financial Management	HM TREASURY	1981 to date
Industrial relations (Civil Service) (National Health Service)	HM TREASURY	1981 to date
	Department of Health and Social Security DEPARTMENT OF HEALTH	1968-1988 1988 to date
Procurement	OFFICE OF GOVERNMENT COMMERCE	
	HM Treasury Office of Government Commerce	1981-2000 2000 to date
Information technology	CABINET OFFICE <i>Central Computer and Telecommunications Agency (CCTA)</i>	

	HM Treasury	1981-1992
	Office of Public Service and Science	1992-1995
	CCTA an agency (provided support to government departments)	1995-2000
	CCTA subsumed within the Office of Government Commerce	2000 to date
	<i>Central IT Unit</i> - part of Cabinet Office (developed strategy in use of IT)	1995-2000
	Incorporated in Office of the e-Envoy (part of Cabinet Office)	2000-2004
	Office of the e-Envoy reconstituted as the e-Government Unit	2004 to date
Property management	OFFICE OF GOVERNMENT COMMERCE	
	Property Services Agency	1972-1990
	Property Services Agency Services within Property Holdings (part of the Department of the Environment)	1990-1996
	Property Advisers to the Civil Estate (PACE) (Executive Agency of the Office of Public Service)	1996-2000
	Office of Government Commerce	2000-to date