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ACUTE PERSPECTIVE

David Oliver: Is the NHS really over-managed?

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In a recent speech Matt Hancock attacked excessive bureaucracy and regulation for constraining clinical leadership, agile service, and the digital innovation we've seen in the NHS during the pandemic.¹

Ten years ago another Conservative health secretary, Andrew Lansley, made it a key plank of his white paper on NHS reform to purge it of bureaucracy, reduce NHS managers and quangos, and give clinicians more control over resources and decisions.² The Health and Social Care Act 2012 was described by David Nicholson, then NHS chief, as a reorganisation “big enough to be seen from outer space.” It was subsequently estimated by the King's Fund to have cost at least £4bn (€4.44bn; \$5.26bn),³ created a far more complex organogram and quangocracy than the one it replaced,⁴ and left the NHS short of regional coordination.⁵

The organisational disruption and loss of management experience was also associated with big spending on external consultancy,⁶ which the London School of Economics recently found to offer poor value and bring inefficiency to the NHS.⁷ Hancock and Lansley's mantras are a familiar refrain from right wing politicians. Managers represent an easy target for populist soundbites, linked to pledges of more spending on doctors and nurses.

The King's Fund estimates that, during 2010-17, the number of NHS managers (as opposed to admin and support staff) fell by 18%.⁸ By 2018 they numbered 31 000, Warwick Business School reported, having fallen to a low of 24 000 in 2014.⁹ Around a third were registered clinicians doubling as managers, so not really “bureaucrats”—a disparaging term beloved of politicians and their supporters in the media.

The Warwick study also showed that, across NHS trusts, having a higher proportion of managers significantly affected performance. Even a small increase in managers, from 2% to 3% of the workforce, led to a 5% improvement in hospital efficiency and a 15% fall in infection rates. Managers may be an easy target, but the complexity of a modern health system requires excellent operational management. If they are drawn from clinical backgrounds or the NHS's own management training scheme and they understand this public service and its values, all the better. We also need key support services in estates, labs, engineering, IT, catering, transport, HR, supplies finance, and records, to give clinical staff the time to see patients and do their jobs.

There's certainly dead wood to be cut from the bewildering range of regulatory bodies that have nothing to do with essential functions but are constructs of serial, politician led reorganisation. More still from the transaction costs and profit

skimming of an internal market, the purchaser-provider split, and outsourcing, none of which is essential to the core functions of public healthcare.

Hancock is right to suggest that clinicians who are liberated from bureaucracy and empowered to make decisions can drive change in the face of pressing challenges. Nigel Edwards, Nuffield Trust chief executive, recently argued in *The BMJ* that NHS management is far more centralised and politicised than most world systems and that more local solutions are often required.¹⁰

None of this is a reason for reflexive manager bashing. Without good management and support behind the scenes our services, our care, and our patients would be worse off.

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