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With Compliments

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THE PRIME MINISTER

THE HEALTH SERVICE

The latest "working to contract" (strike action by another name) is a further sign that the present NHS is not going to work. Despite the huge pay and funding increase recently announced, hospital employee morale is low and NUPE and COHSE are continuing to create trouble. Managers in many parts of the country do not seem to be able to handle it and middle and junior managers are often sympathising with or even encouraging the protests of the staff.

The NHS is ripe for reform. Your government has achieved so much in changing union attitudes and improving manager/employee relations in the industrial and commercial sector and in the nationalised industries. There has been no such advance in the welfare services, which are now the last hope of the Labour Party, representing the new elite shock troops of the union movement following the defeat of Arthur Scargill.

What can be done?

There can be no substitute for a major streamlining of the management and for creating choice within the system. Managers in individual hospitals

and districts need clear responsibilities with the necessary clout to carry through the management task needed.

Too many managers and administrators in the Service at the moment have excuses. If something goes wrong the hospital manager blames the district manager, the district manager blames the regional manager, the regional manager blames the DHSS and in the end all can agree to campaign against the government as being the easy way out.

The 50,000 acre property estate is badly run and offers many opportunities. Manpower is even less well handled. 19% of all operations are now performed in the private sector, using only 6% of the nurses. Even allowing for the extra complexity of some of the operations performed by the NHS, and for the NHS teaching role, this difference is excessive.

If you pursue a course of allowing money to follow the patient then hospitals will have a direct interest in providing a good, timely and efficient service as the future of their hospital will depend upon it. In order to give them a chance to succeed the regional level of administration should be removed and the skilled medical and managerial people from the regions deployed at the hospital or district level, preferably where those with medical skills can carry out operations to help cut the waiting lists. The good regional general managers could be given larger districts to run as and when vacancies occur.

It is also important that a major move forward is made in collaboration with the private sector with choice between private, public and

public/private joint venture medical services. Treasury rules are still likely to block the good collaborative projects which could otherwise provide new energy, new management and new capital for the hospital services. Why not announce that private companies coming up with good schemes to redevelop, extend and build hospital facilities on NHS sites in collaboration with the NHS will be considered on their merits? If the private sector is carrying a reasonable degree of risk and if the bid has been competitive their plans should be accepted. At the moment the private sector is reluctant to spend time and money on plans because they expect to encounter a brick wall both with the Districts and Regions and more especially with the DH whose hand will be guided by the Treasury. In many parts of the country it would be possible to provide an entirely new district general hospital with as many beds as the old one for nothing: the only thing the private company would want is the development rights on the old site. In other parts of the country it would be possible to refurbish an existing NHS hospital for nothing in return for the construction of a private wing adjacent to the hospital on the NHS site and the use of some shared facilities between the two facilities. The NHS cannot afford to let go these type of opportunities.

Finally, it is important that the system of remuneration both of the districts and hospitals through the payments from the DH and for the consultants, managers and doctors within the hospital should reward good practice rather than penalise it. In a recent meeting with consultants I was told the story by one of them of how he had set to and cleared his waiting list by working longer hours and making his practice more efficient, only to be told that he would then no longer have access to the

bed spaces and nurses he had been using because he no longer had any need! These resources were then re-allocated to those consultants who had not bothered to clear their waiting lists, on the grounds that they needed them. With this type of disincentive in the system it is not surprising that many consultants take the precaution of keeping very long waiting lists so that they can carry on campaigning for more money.

Action is urgently required. We are not going to win the health argument by claiming that we are spending enough and that we are good at running the NHS. There will never be enough money for the NHS on the current rules, as we are facing a concerted union attack on government policy. Instead the government needs to be more robust and to introduce choice and greater private provision into the system to call the bluff of the unions.

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