



NHS Modernisation Bill

Second Reading Briefing

Managers in Partnership (MiP)

Introduction

The [NHS Modernisation Bill](#) provides the legal framework for the largest reorganisation of the NHS in over a decade. It abolishes NHS England (Clause 1), expands the role of Integrated Care Boards (ICBs), and changes how parts of the health service are run.

MiP supports the aim of modernising the NHS, and our members back reform of the system in principle. But reform on this scale can only be delivered if the NHS has the management capability to carry it out, and the Bill is silent on this throughout. It treats management as a cost to cut, rather than the function the NHS depends on to run services and deliver reform.

Management is a core NHS function. By cutting it without a plan, and legislating in this bill, for yet further upheaval, the government is playing fast and loose with the NHS delivery capability and putting its own reforms at risk. What is needed is a more planned, evidence-led approach that treats management capability as essential to delivery.

Management capability is critical to successful NHS reform

Managers commission services, run hospitals, manage budgets and rotas, oversee patient safety, and deliver the digital change the reforms depend on. Their work is vital in helping cut waiting lists, keep patients moving, and turn national policy into working local services.

Despite this:

- NHS managers make up just **2%** of the workforce, compared with a UK private sector average of **9.5%**. The NHS also spends only **2p in every £1** on management, compared with **4p in France** and **8p in the United States**.
- Lord Darzi's [independent investigation](#) found that the NHS has "**too few managers with the right skills and capabilities**", not too many, and that anyone who believes NHS management has caused NHS failure is "categorically wrong".
- [Institute for Government](#) research found that increasing managers from **2% to 3%** of the workforce is associated with a **1% rise in patient satisfaction**, a **5% rise in hospital efficiency**, and a **15% fall in infection rates**.
- The [Institute for Fiscal Studies](#) concluded that "**a shortage of managers could be contributing to weak NHS performance**".

When managers are in short supply, the work does not disappear. It falls on clinicians, taking them away from patients, or is delivered by consultants at a much higher cost.



NHS reforms to date

The government's NHS restructuring is already underway. In March 2025, ICBs were asked to halve their headcount, alongside cuts to other services. These changes have added additional costs to providers, are harming service delivery, and are seriously impacting staff morale:

- NHS England's CFO Julian Kelly told the [Public Accounts Committee](#) that these cuts mean around **12,500 ICB job losses** and a further **7,500 from NHS England**. Because ICBs are largely commissioning and management organisations, and the savings are designed to come primarily from Band 8a and above, these losses fall overwhelmingly on the NHS's management capacity. Once trust-level cuts are added, total **NHS job losses could exceed 100,000**.
- [NHS Confederation and NHS Providers](#) put the redundancy bill alone at over **£1 billion for 2025/26**, a cost not funded in the NHS budget.
- MiP's London ICB Reality Check survey (May 2026) found that **92% of staff reported these changes had a negative impact on their work** and **46% have considered leaving**, a loss of experience the NHS cannot afford. Very few staff believe the changes, as they are being implemented, are workable and safe.

The Bill asks managers to do more, with even less

The Bill legislates further change on top of these cuts. It expands what the system is expected to do while saying nothing about the management capacity needed to do it:

- **It abolishes NHS England (Clause 1) and provides for the transfer of its functions (Clause 2)**, but with no plan for transferring the skills, expertise and institutional knowledge held within it. The loss of institutional knowledge is already a major concern for NHS staff. MiP's London ICB Reality Check survey found that 97% of staff had already seen experienced colleagues leave, with the loss of organisational memory a recurring concern. By driving further upheaval without any plan to retain this expertise, the Bill will only deepen those concerns.
- **It expands ICB commissioning responsibilities (Clauses 12 to 16)**, including primary care, dentistry, ophthalmology and pharmacy. ICBs already commission almost all the services patients use day to day, from GP appointments and mental health care to planned hospital treatment, and run the safeguarding teams that protect vulnerable people. The Bill asks ICBs to take on more without addressing the management capacity they will need, all while their workforces are being halved. That Commissioning Support Units, which previously provided vital capacity and support to ICBs, are also being abolished means ICBs will likely take much longer to find their feet as strategic commissioners.
- **It introduces annual performance assessments of ICBs (Clause 20)**, but these assess only how well an ICB has discharged its functions, not whether it has the management and operational capacity to do so safely in the first place.
- **It reforms ICB membership (Clause 21)** to require mayoral nominees, but says nothing about the managerial and operational expertise those boards need to function.



- **It contains no requirement, anywhere, to assess how much management capability the reforms will demand**, or what removing it will cost, financially and operationally, before the changes take effect. The Bill's only impact assessment provision relates to the NHS payment scheme, not to restructuring.

In short, the Bill hands the system more to do, with fewer managers to do it, and no mechanism to check whether the capacity to deliver – safely and effectively – exists. This is the same mistake made in the last top-down reorganisation. Lord Darzi described the 2012 Lansley reforms as "a calamity without international precedent" that caused "a permanent loss of capability from the NHS".

What the Bill needs to address

MiP believes the Bill can be strengthened, during its passage, to ensure reform is deliverable, operationally sustainable and safe, and properly assessed before implementation. In particular, it should provide for:

- **A requirement to publish workforce and operational resilience assessments before major restructuring proceeds**, covering management capacity, organisational risk, and the impact on service delivery and patient safety.
- **Protection of organisational knowledge and expertise** as NHS England is abolished and functions transfer, including plans to identify and retain critical specialist capability before staff leave.
- **Stronger parliamentary oversight**, with regular reporting to Parliament on the workforce, equality and service-resilience impacts of restructuring, so that the changes remain subject to scrutiny as they are implemented.

How can you help?

MiP is asking Members to use the Second Reading debate to highlight concerns and seek reassurances around:

- Why a Bill that reorganises the entire NHS contains no provision for the management and workforce capability needed to deliver that reorganisation.
- Why ICBs are being given new responsibilities while their workforces are halved, with no assessment of the capacity they will need.
- How the government will ensure these reforms are deliverable, given the loss of management capability already underway in NHS trusts, ICBs and NHS England.

About MiP

[Managers in Partnership](#) (MiP) is the specialist union for managers and other senior staff working in health and care services: we offer personal support, collective representation, a public voice and career development to more than 10,000 members – UK-wide, and across the public, private and voluntary sectors. We exist to represent and further the interests of healthcare managers throughout the UK.