

NHS: New report reveals marketisation is failing

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The [FT has reported this morning that](#):

A government-commissioned report has painted a damning picture of a health service where bullying and harassment of staff is rife and there is little attempt to harness the NHS's huge collective buying power.

Enormous variations in everything from sickness absence to the costs of hip prostheses were uncovered by the inquiry, led by Lord Carter of Coles.

There will be a lot of nonsense written about this as a result but as far as I can see just two real issues emerge. One is concern about a bullying culture: it does exist. It is an issue. I accept that. I have seen its consequences.

The other will be much hand wringing about supposed inefficiency. So let me be clear: it does exist. It is an issue. I accept that.

But let's not for a minute confuse the two issues. I am not an expert in addressing a culture of bullying. But I do know something about markets, quasi-markets and organisation structures and what I can say, beyond a shadow of a doubt, is that if there are buying and other management inefficiencies in the NHS then they can be blamed fairly and squarely at successive governments who have thought that introducing market practices would help its efficiency.

They were wrong. Markets do not drive everyone to efficiency, especially when NHS organisations cannot, ultimately, fail. All they can do is create division.

That results in learning and best practice not only not being shared, but in that sharing being discouraged.

And it results in a loss of buying power.

And duplication of systems.

And vastly too much accounting.

And excessive costs in managing all this as a result.

The fact is that you can have an efficient NHS. It would be National and its job would be to concentrate on supplying Health Services.

Or you can have a divided and distracted NHS, as we have. There the aim is Local and it is Empire Building.

I know what I want.

I know which one is cheaper.

I know which one the country needs.

I doubt that the change required to deliver it will happen. Because market dogma comes first. At cost to us all.