To lead and manage any organizational system successfully requires an understanding of its history and management structure. This chapter, therefore, provides a brief overview of the changing role of the management and organizational structure of the National Health Service (NHS) since its inception in 1948. Also highlighted are some of the major pieces of NHS legislation implemented in Britain since that time.

THE NATIONAL HEALTH SERVICE 1948–1972

The origins of the establishment of the British National Health Service can be traced back to a series of reports made by the Ministry of Health as early as the 1920s. For example, the Dawson Report (1920) recommended the provision of a comprehensive scheme of hospitals and primary health care. Reports from the National Health Insurance (1926) and the British Medical Association (1930, 1938) all pointed to the shortcomings of the existing pattern of services and made various recommendations for change. However, it was not until 1946 and the publication of the National Health Service Bill by the Labour Party Minister of Health, Aneurin Bevin, that the NHS became a viable entity. The Bill which was to make the NHS a reality was fully enacted in 1948 after some initial objections, most...
notably from the British Medical Association (BMA). However, these were overcome through negotiations. The Act set out the Health Minister's responsibility to develop "the establishment . . . of a comprehensive health service designed to secure improvements in physical and mental health . . . and the prevention, diagnosis and treatment of illness". Under the NHS Act the Health Minister was directly responsible to Parliament for providing all hospital and specialist services (see Figure 21.1). Additionally, the Central Health Council and its Standing Advisory Committees were established. Under the new structure the council's purpose was to review developments in the NHS and to advise and make recommendations to the Minister. The resulting structure of the NHS represented a political compromise between the government and the various provider groups.

Under the Health Minister, the Permanent Secretary, and the Central Services Council the structure was divided laterally into three groups:

1. Executive Councils, which were responsible for the administration of GPs, dentists, opticians, and pharmacists. These councils were appointed partly by local professionals and partly by the Ministry of Health (MoH), which also provided their funding.

![Figure 21.1 Structure of 1948 NHS](image)

**FIGURE 21.1 Structure of 1948 NHS.**