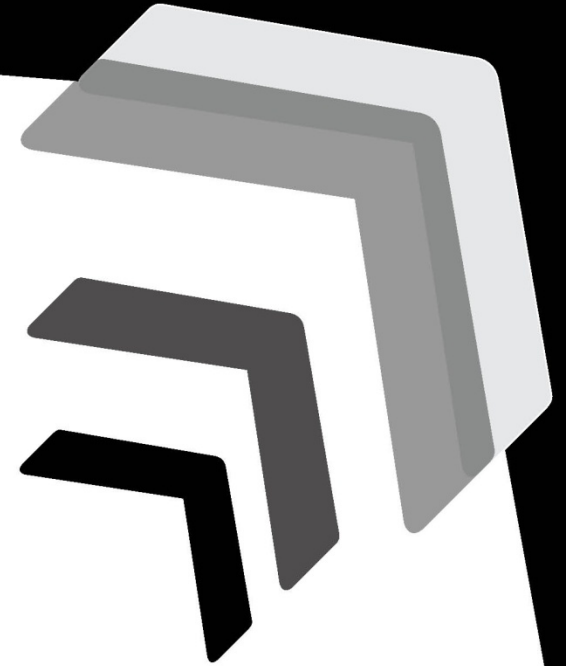


Key challenges facing the NHS

Professor Chris Ham
Chief Executive
21 September 2015



2010-15

- › NHS spending grew in cash and real terms, but much more slowly than historical trends
- › Adult social care spending was cut with c.25% fewer people receiving publicly funded care
- › NHS largely coped until 2014 when deficits emerged; in 2014/15 aggregate provider deficits were c.£800 million
- › Forecast NHS provider deficits in 2015/16 are up to £2bn

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The NHS under the coalition government

Part two: NHS performance

Authors

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March 2015



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2015-20

- › NHS budget will increase by 'at least' £8bn by 2020/21
- › ADASS estimates adult social care faces a funding gap of £4bn by 2020/21
- › NHS needs to deliver £22bn productivity improvements to bridge its funding gap of £30bn
- › This has never been achieved before

Written submission

Health and social care funding: the short, medium and long-term outlook

Overview

The period covered by this Spending Review will be the most challenging in the recent history of the health and social care system. Both services must simultaneously respond to growing pressures on services and put in place large-scale changes to ensure their future sustainability. Failure to do so will mean patients having to wait longer for diagnosis and treatment, the quality of health and social care declining, and fewer people receiving publicly funded social care.

The challenge for the Spending Review is to provide adequate resources to maintain high-quality care and to enable change to happen. The health and social care system must also re-double efforts to improve productivity. As we have argued, it takes time to realise the productivity opportunities that exist, and time is short (Appleby *et al* 2014). Extra funding is urgently needed to deal with growing deficits in the NHS and the prospect of even deeper cuts in social care.

Changes in spending plans between the budgets in March and July showed that there are choices to be made about the pace and scale of deficit reduction. These choices are not easy but they demonstrate that it is not inevitable for health and social to be put under even greater pressures as a result of five more years of austerity. If the government is serious in its commitment to health and social care, it must ensure that adequate funds are available both in this parliament and longer term.

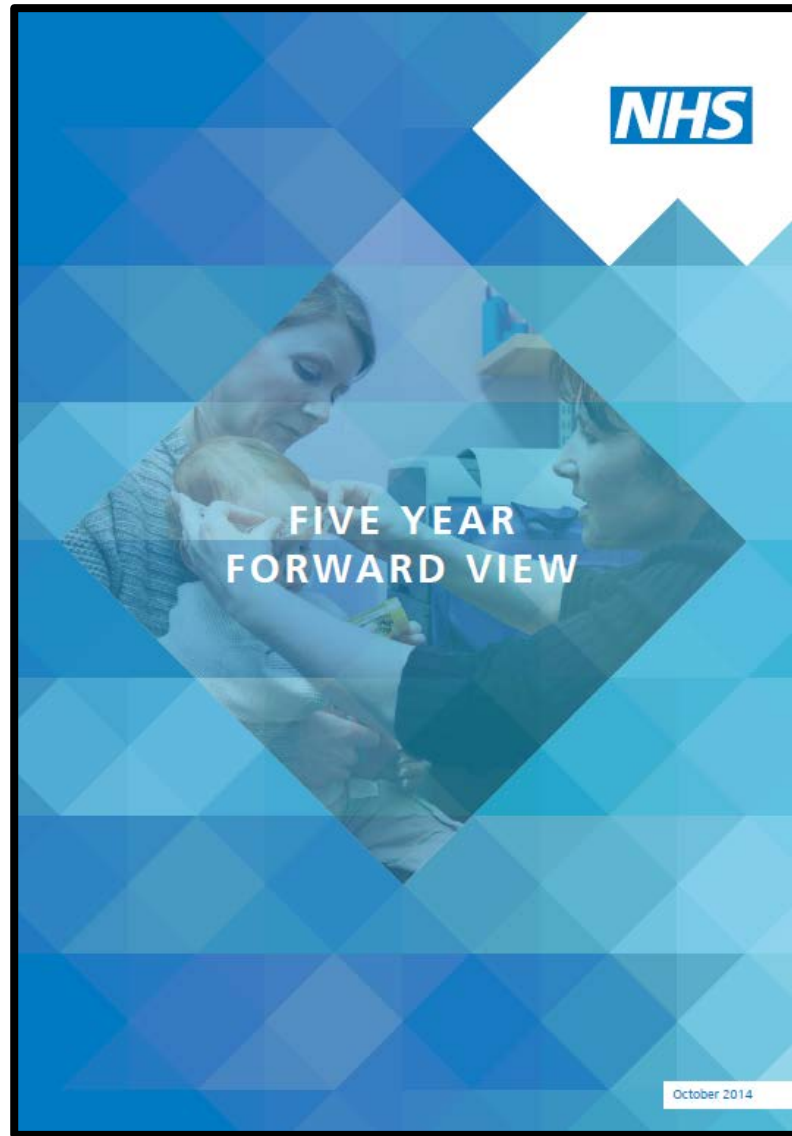
In this context, these are our key messages for the Spending Review.

Three big challenges

- › Sustaining existing services and standards of care
- › Developing new and better models of care
- › Supporting and reforming primary care

Sustaining existing services

- › Keeping the focus on quality of care and patient safety
- › Maintaining good performance on key targets like waiting times
- › Recruiting and retaining (and training) the workforce of the future
- › Balancing budgets



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Developing new models of care

- › Implementing the five year forward view and integrating care
- › Giving priority to prevention and population health improvement
- › Taking forward Devo Manc and extending to other city regions over time
- › Embracing new technologies where they bring benefits

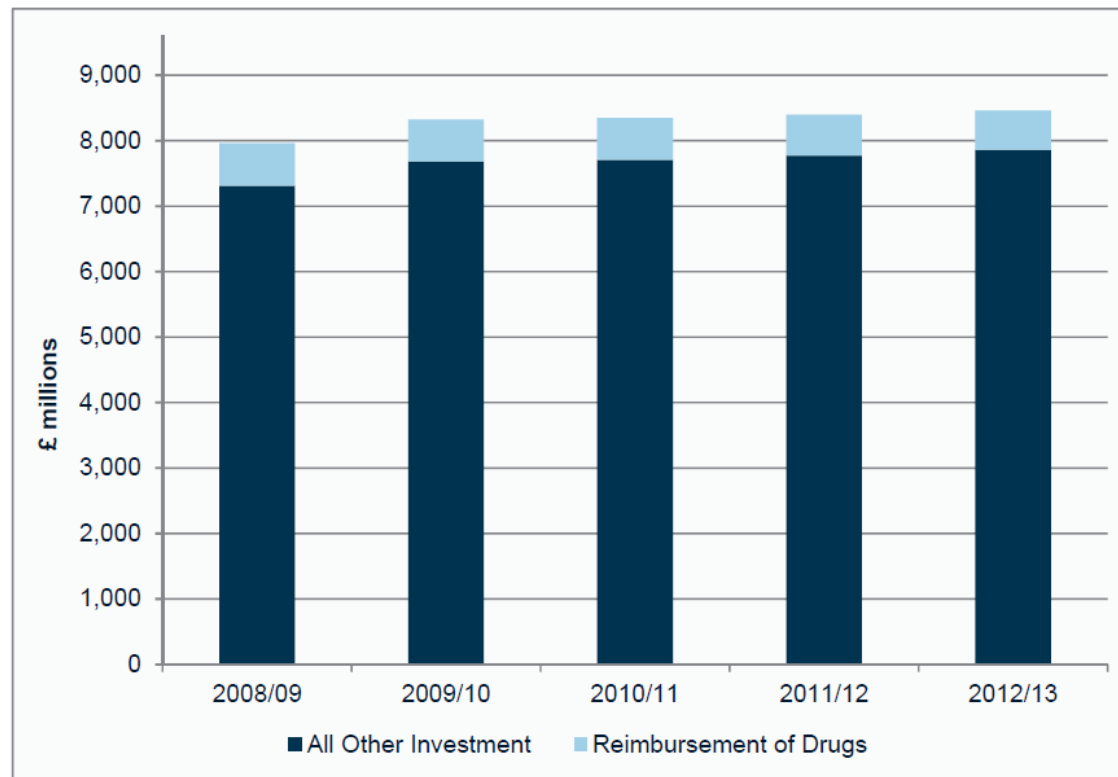
The focus of population health systems



Supporting and reforming primary care

- › A key role at the heart of new care models
- › A future where practices work in collaboration e.g. through federations
- › Federations become building block for providing integrated out of hospital services
- › Technology supports care to be delivered in different ways
- › Federations engage with specialists to provide more care out of hospital

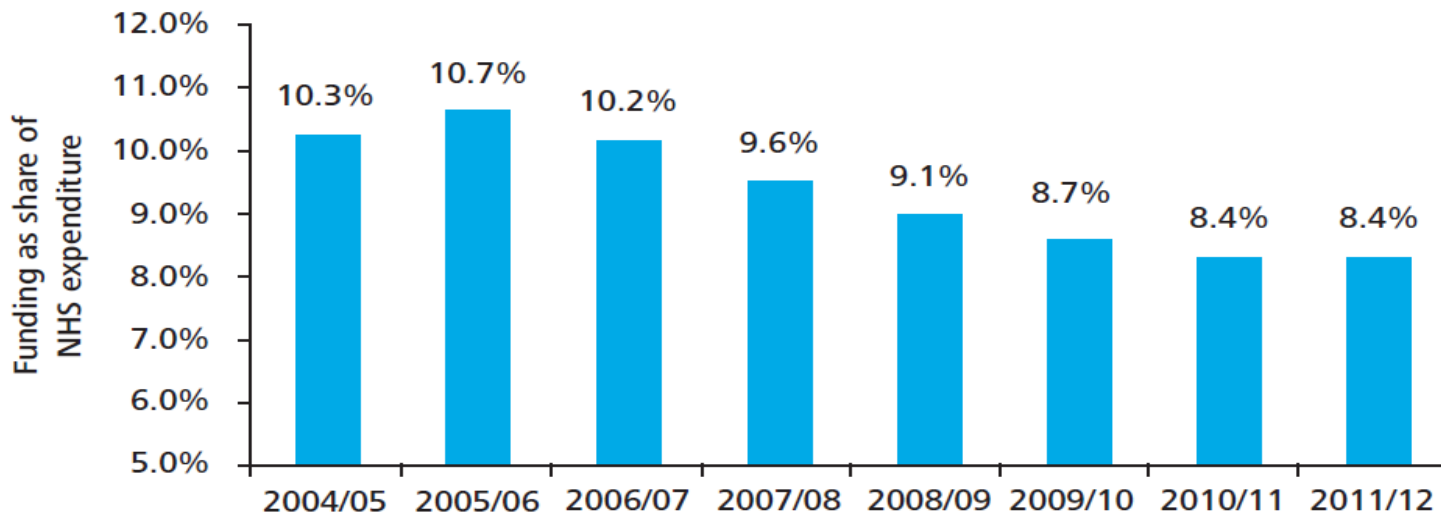
Investment in general practice in England, 2008/09—2012/13



HSCIC (2013). Investment in general practice 2008/09 to 2012/13

GP funding as a share of NHS expenditure

Figure 1: Great Britain, general practice share of NHS spend

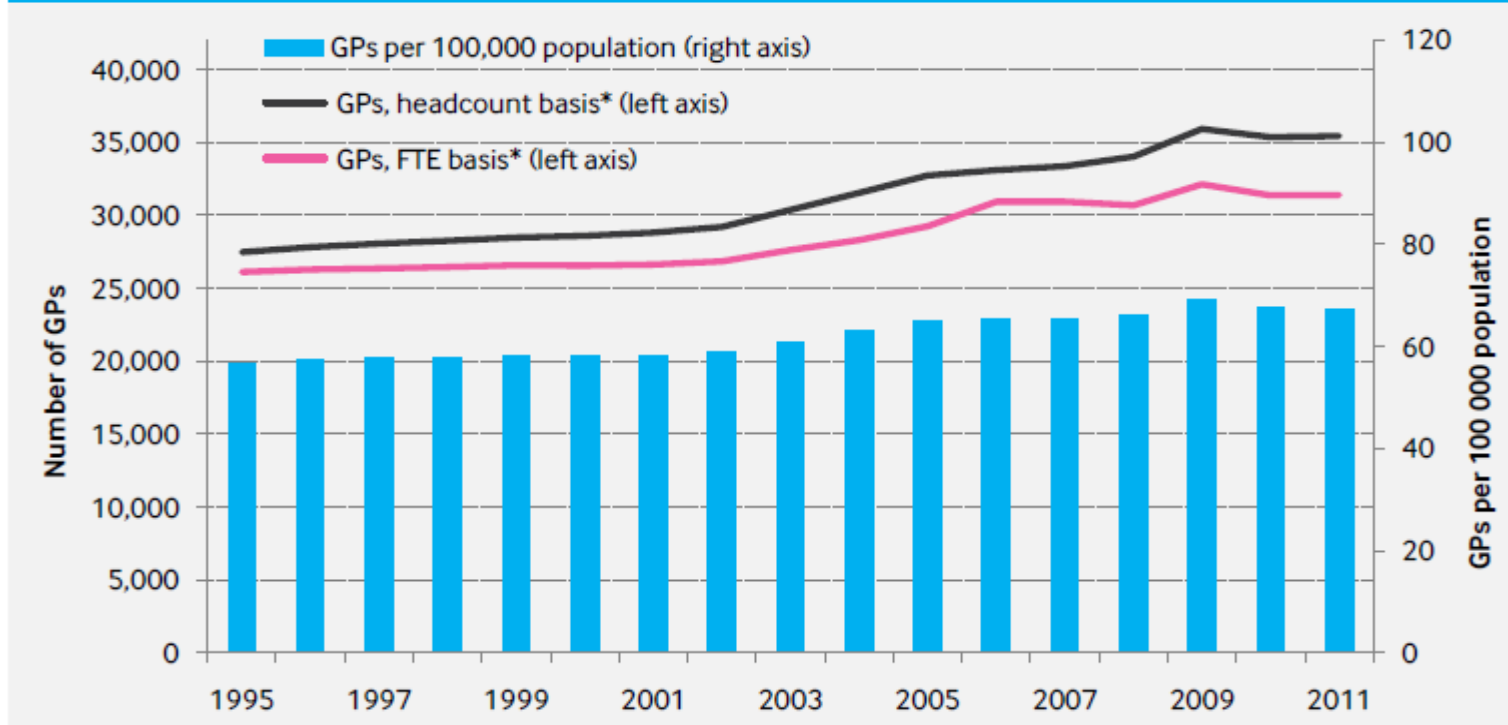


Source: HSCIC, HSCB, Department of Health (Programme Budget), ISD Scotland, NHS Wales

Deloitte (2014). Under pressure: the funding of patient care in general practice

Number of GPs in England, 1995—2011

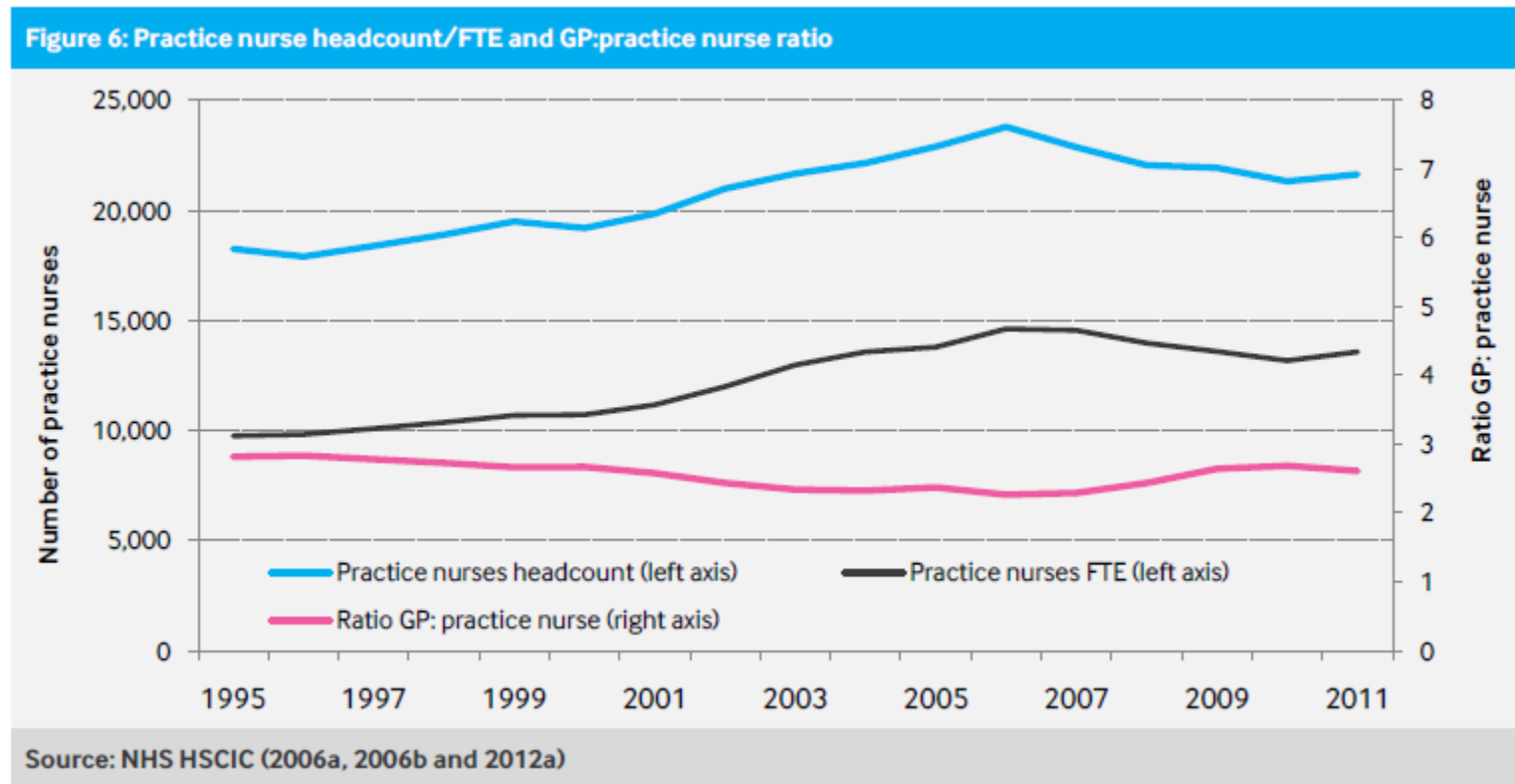
Figure 7 : Number of GPs and GPs per 100,000 population 1995 to 2011



Source: NHS HSCIC (2012a) and ONS (2012a and 2012b) *Excluding GP registrars and retainers

Centre for Workforce Intelligence (2013). GP in-depth review: Preliminary findings

Number of practice nurses and GP: practice nurse ratio



Centre for Workforce Intelligence (2013). GP in-depth review: Preliminary findings

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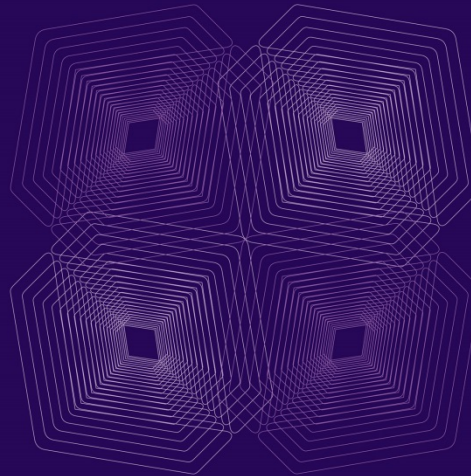
Ideas that change
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Authors

Rachael Addicott
Chris Ham

Commissioning and funding general practice

Making the case for family
care networks



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The government's mistake

- › GPs are first and foremost providers rather than commissioners
- › Too much attention has been given to CCGs and too little to new models of provision
- › Enabling GPs to strengthen their role as providers is what many GPs want
- › Just doing more of the same is not the answer

New models require different ways of organising care: Family care networks

- › Primary care should be at the core of community services
- › Practices must be aligned with and work hand in hand with other community services
- › Integrated health and social care teams able to provide a rapid response are needed
- › Intermediate care and OOH care should be part of these new models
- › Some specialist services should work alongside practices and community services

New models require different ways of funding care

- › A population based, capitated contract should be used, linked to defined outcomes
- › CCGs need to work with NHS England and local authorities to commission
- › The contract should be held by networks who choose to develop new models of care
- › Networks need a range of capabilities to manage the contract successfully
- › Savings could be re-invested e.g. to increase spending on primary care

A new deal for general practice?

- › Investment linked to reform
- › Practices and networks (or super partnerships)
- › Networks leading development of integrated services in the community
- › More flexible use of budgets to increase spending on primary care

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Specialists in out-of-hospital settings

Findings from
six case studies

Authors

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October 2014



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In summary

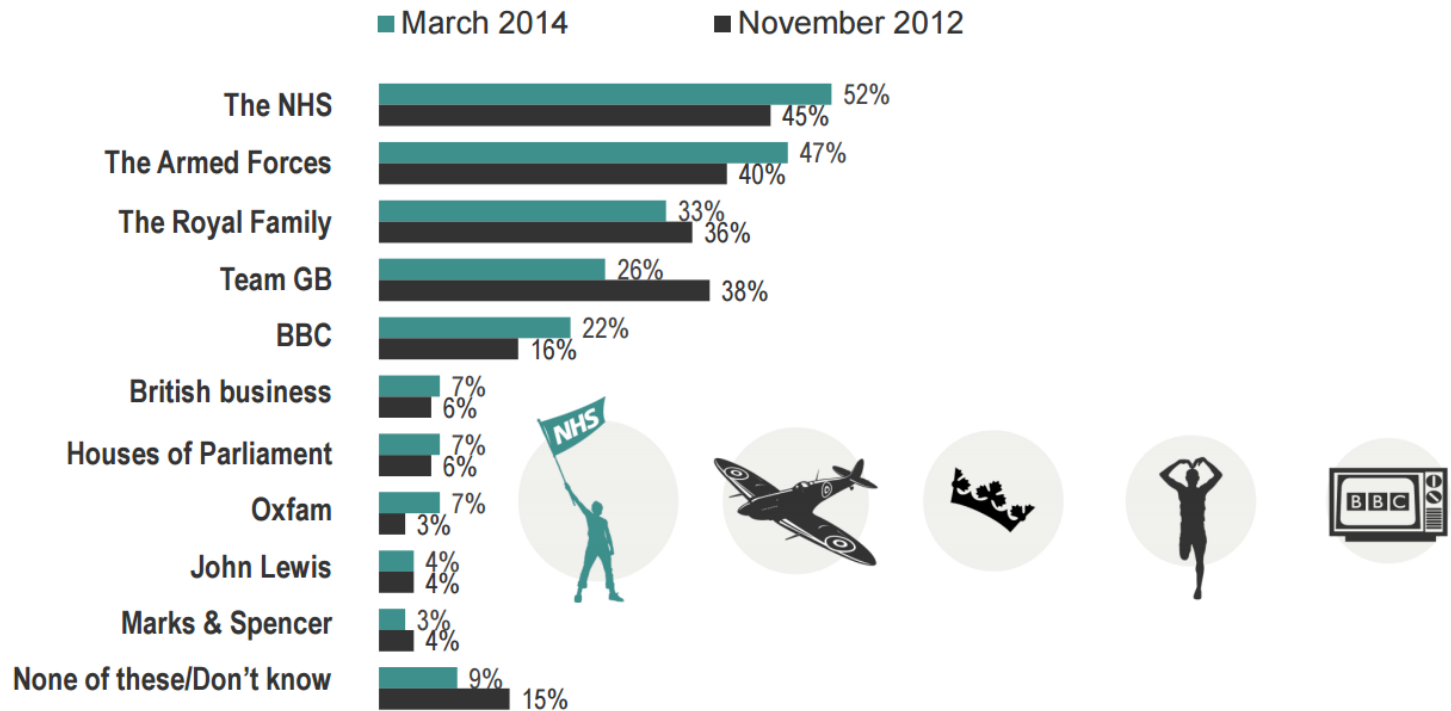
- › The government needs to provide adequate funding for health and social care in the SR
- › New models of care need to be developed to meet changing population needs
- › Primary care needs the resources and workforce to meet growing demands
- › Primary care needs to change to survive and thrive

What about the survival of the NHS?

- › The SR will shape the fate of the NHS and social care during this parliament
- › If the government does not provide adequate funding, it should be honest about the consequences
- › The politics within the government will be critical
- › On which side of the argument will the PM come down?

...the NHS remains the thing that makes people most proud to be British

Which two or three of the following, if any, would you say makes you most proud to be British?



Base: Adults aged 15+ in England: (978) March 2014; (2515) November 2012

Source: Ipsos MORI

Ipsos MORI
Social Research Institute
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