Transforming Health in London II

The Kings Fund London Commission

Summary

The National Health Service in London faces profound challenges. Currently, services are under intense strain. Access to appropriate care for Londoners is jeopardised, and public confidence has declined. In inner London, in particular, there are high levels of deprivation and growing health inequalities. While some of the country's leading hospitals are based in central London, general practice is patchy, 'intermediate' care remains underdeveloped and there is a crisis in mental health services. In 1993 the Government set out to change health services in London. There has been real progress in establishing four main groupings for the future development of specialist medical services, teaching and research. But much remains to be done. Success depends on integrating care to meet individual and community needs. It is necessary now to continue the process of transformation, while safeguarding standards of care in the interim, and re-establishing public confidence. Substantial changes to the organisation and delivery of care are required to achieve this. Critically, this must include the creation of local alliances working within a new policy framework. Future policy must concentrate not only on the Health Service, but also on tackling poverty and unemployment and on the regeneration of the capital.

Diversity is London's most distinctive feature, with a striking variety of ethnicity, cultures, poverty and wealth within different parts of the city. Health services in the capital must address extremes of affluence and deprivation and differences of culture and race greater than anywhere else in the UK. London has a much higher proportion of people from minority ethnic groups than any other part of the country. With 12 per cent of the British population, London has 49 per cent of the nation's minority ethnic communities. This proportion is expected to increase over the next 20 years in all age-groups.

The health and life expectancy of Londoners is, if anything, slightly better than that of people living in comparable parts of other English cities. However, as elsewhere, there is a clear link between poverty, ill-health and premature death. Between 1981 and 1991 health inequalities in London increased.

Deprivation and the younger-than-average population contribute to exceptionally high rates of mental illness in the capital. Although there are relatively fewer older people living in London than in other parts of the country, their average age is higher than elsewhere, and disadvantaged groups are disproportionately represented within the capital's older population.

Modernising health services

Forces for change

A number of influences are forcing a fundamental restructuring of health service systems both internationally and within the United Kingdom. People are better informed about and more involved in their health and health care. They expect quick access to high-quality care and to influence the style of services they receive. Population structures are changing. Although the majority of older people remain fit and active, their growing numbers place demands on health and social care systems and create new requirements for continuity of care and its co-ordination.

Technological changes have increased the range of treatments available and allowed marked improvements in efficiency within acute hospitals. Much care that would formerly have taken place in hospital now happens at home, or in GP surgeries,

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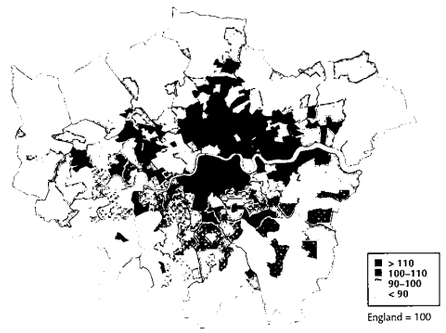

A crescent of intense deprivation linked to health need stretches across the east of the city

and there are many more choices to be made between effective treatments. Achieving quality outcomes within tightly constrained resources has become a major imperative for services. New medical workforce and training policies in the United Kingdom are driving change within the hospital service, encouraging sub-specialisation and the creation of larger clinical teams.

Changing London

In 1993 the then Secretary of State for Health announced *Making London Better*, an agenda for managed change to health services and medical education in the capital. Significant investment in primary care, increased efficiency within London's acute hospitals and the amalgamation of London's medical schools and research institutes have been achieved.

However, delivering positive change in London is a particular challenge. This is because of:

- the size and diversity of the city and its people;
- the complexity of its administrative boundaries, with the fragmentation of local government across 32 boroughs and the City of London;
- the parochialism that can result from the very strength of London's institutions;
- the potentially destructive competitiveness that comes from large numbers of similar providers within the city;
- the extent of flows of patients across the capital, which dilutes the influence of individual health authorities;
- the likelihood of conflicts being magnified by proximity to Westminster and the national media.

Recommendations

The lack of strategic direction, appropriate rules and incentives has stalled progress in London. The political culture within which health services development takes place must change to one of active negotiation between the centre and the collaborative coalitions the King's Fund London Commission has termed 'local health economies'. These would be responsible for negotiating local strategies for each of the Commission's six key service development areas.

The Commission's recommendations centre on creating the right policy framework to support this service development programme and to mobilise the contributions of local agencies, clinicians and the public. The recommendations cover:

- public health policies;
- a new strategic framework to support health services development in the capital;
- new mechanisms for allocating resources;
- human resources policies which are firmly linked to service development.

1 PUBLIC HEALTH POLICIES

1.1 The Commission recommends the creation of new public health responsibilities for the capital and specific functions for regulating health services provision within the Government Office for London.

These public health responsibilities will include:

1.2 Developing a public health strategy for London, building on community development initiatives which link local government and health services in the renewal of the urban fabric.

1.3 Undertaking a major programme to facilitate public understanding and involvement in the modernisation of health care in the capital.

1.4 Providing a monitoring and information role for health and health care in London.

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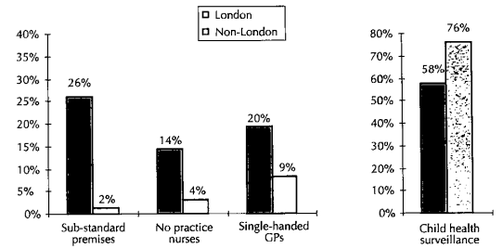

Underdeveloped general practice results in poorer performance against national targets

2 A NEW STRATEGIC FRAMEWORK FOR HEALTH SERVICES DEVELOPMENT

2.1 The Commission recommends that local progress is guided within clear development and investment frameworks established and monitored by the NHS Executive.

2.2 The Commission recommends that where local service strategies involve joint commissioning, health authorities and local government are jointly monitored on the progress they have achieved.

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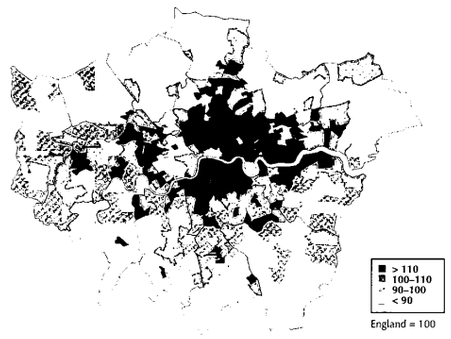

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Strains on London's services

There are clear signs of strain within London's health and social care system. Health authorities face pressing financial problems, and trusts are struggling to meet financial targets. A number of London trusts are being supported through 'transitional relief' from central funding. Although plans to reconfigure acute hospital services have caused enormous controversy, implementation has stalled because of delays in agreeing capital funding for redevelopment under the Private Finance Initiative. This, and opposition from sectional interests, has stymied the rationalisation of acute specialties.

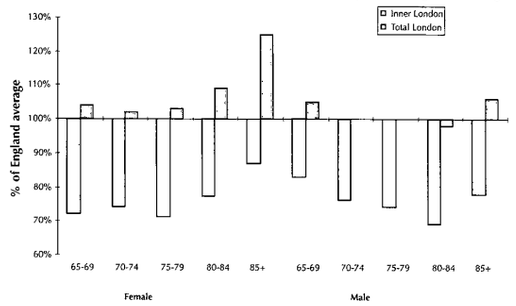
Acute bed numbers have fallen to close to the average for England, but hospital sites have not closed. Overheads are spread over a smaller service base, contributing to the high cost of care in London. Moreover, spreading a smaller number of beds across the same number of hospitals has reduced flexibility to deal with peaks in emergency admissions. This and moves to day surgery, which have reduced the number of beds which can be switched to emergency use when required, contribute to the fact that London's hospitals have coped badly with winter pressures in 1995/96 and 1996/97. These very public failures fuel resistance to change in the capital.

There is failure of co-ordination of care for older people. Shortfalls in funding for community care have meant that London's social services departments find it difficult to fund care packages and residential and nursing home placements. This has delayed discharges from hospital. At the same time, home nursing, rehabilitation, nursing homes and other forms of 'intermediate' care remain a persistent gap in the capital's service system.

The performance of general practice still lags behind that in other parts of England, and equivalent parts of other English cities. Hospitalisation rates for people in inner-deprived London have fallen well below those of comparative areas outside the capital. Older people are particularly affected by this. London's minority ethnic communities find services poorly equipped to meet their needs.

Skill shortages have deepened over the last five years. Problems with recruitment and retention in psychiatry, paediatrics and accident and emergency services are persistent in the capital, and morale within general practice and mental health services is

Occupied bed days in London as a proportion of a comparable England average



Older inner-London residents make less use of hospitals

low. Mental health services are under severe strain. There are unacceptable delays in accessing care, admission thresholds are higher than elsewhere and nowhere in the capital is a comprehensive range of psychiatric services on offer for Londoners.

In the medium term, changes to the funding of NHS research and development – upon which many inner London hospitals depend for a significant proportion of their income – could have a destabilising effect on the city's health care system.

Transforming health

This practical and policy log-jam means that it is particularly difficult for London's service system to adapt constructively to forces for change. At the same time, Londoners' ability to access appropriate care may be jeopardised. To achieve positive change requires the establishment of a new policy framework for service development.

A health services development programme for London

Integrating and ensuring continuity of care across the service system represents the fundamental challenge facing the NHS and its local government partners at the turn of the century. This means delivering treatment, care and support correctly calibrated to individual needs. Services such as emergency care need to develop as interlocking networks within which different elements work interdependently to achieve high-quality outcomes for patients. Such care must be developed locally and tap local initiative and enthusiasm: the diversity of needs in London and the complexity of patterns of provision mean that there can be no central blueprint.

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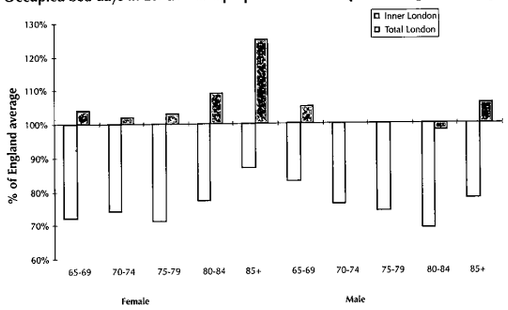

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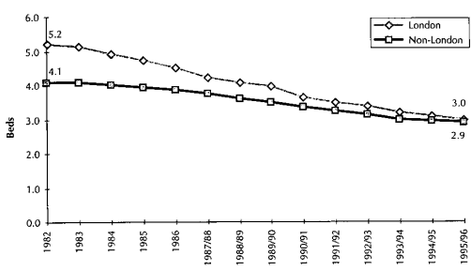
Acute and geriatric beds per 1,000 resident population



London had a similar number of hospital beds to the rest of England by 1996

A service development programme in six key areas is required.

- **The health of Londoners.** Links must be forged to connect health care for individuals and communities with a strong public health strand within modern urban planning.

- **Primary care.** The NHS (Primary Care) Act 1997 has created new opportunities for developing primary care as a coherent service. These require careful management by health authorities if London is to equal progress made in other parts of the country.

- **Rationalising London's hospital services.** Networks which link primary, secondary and tertiary services must replace the current piecemeal arrangements. University-based medical education and research centres need to collaborate effectively with health authorities and trusts to ensure a sound basis for medical education and world class research.

- **Intermediate care.** Rehabilitation, intensive home nursing, nursing homes and other 'intermediate' services need to be developed across organisational boundaries in collaboration with local government, to ensure that Londoners retain local access to care.

- **Mental health.** A sustained programme of service development is required with special emphasis on aligning the contributions of health and local government. Meeting the needs of London's deprived communities requires increased resources.

- **Older people.** The capital's health commissioners need to join with local government and with older Londoners themselves to plan more comprehensively for older citizens' well-being. This should concentrate on supporting older Londoners to remain fit, well and self-sustaining and on securing continuity of care across the service system if they become ill or disabled. Age should not be a barrier to accessing care.

The political culture of the NHS must be fundamentally recast to achieve this across London. This process must resolve the inherent tension between 'top-down' methods based on central control and 'bottom-up' approaches based on local initiative. This means negotiating a middle way, to combine the best features of both.

This requires:

- a central role for government in defining key parameters – notably finance – and setting policy directions;

- enhanced efforts by government to ensure the consistency of strategic priorities, human resources policies and access to capital;

- policy frameworks, incentive structures and monitoring arrangements which reward joint action by local agencies – in particular the NHS and local government;

- new emphasis on – and investment in – health authorities' service design and development capacities.

Success depends on moving away from both 'market' mechanisms and traditional 'command-and-control' systems to structures based on negotiation within clear policy frameworks. Health authorities, trusts and primary care agencies must collaborate effectively with other interests to develop co-ordinated service systems. This can be achieved within 'local health economies' – that is, collaborative groupings involving the statutory authorities, clinicians, service users and other interested parties within different sectors of London.

Recommendations

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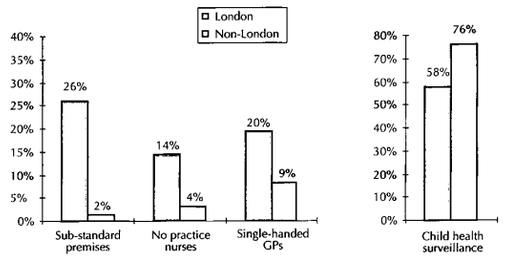

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3 MECHANISMS FOR ALLOCATING RESOURCES

3.1 The Commission recommends a reassessment of the formula for the allocation of financial resources to health authorities aimed at combining the budget for hospital and community health services with that of family health services.

3.2 The Commission recommends that resource allocation formulae nationally be adjusted to reflect the special intensity of mental health and other health needs in London and other inner cities.

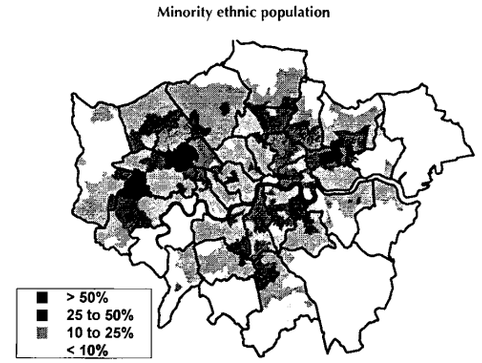
3.3 The Commission recommends the establishment of a review of the relationship between funding streams for health care and social care, with a view to their complete overhaul.

3.4 The Commission recommends that health and local authorities be empowered to pool budgets to secure clearly defined service objectives and development programmes.

3.5 The Commission recommends that an independent agency be created with public service objectives to develop an investment programme for NHS infrastructure in London.

3.6 The Commission recommends that public sector capital funds be made available to ensure the consolidation of the four merged medical education and research centres in London.

3.7 The Commission recommends that London's research and education centres collaborate actively with health authorities to design the networks of organisations and clinicians required to deliver integrated programmes of care.



There is wide variation in the distribution of minority ethnic communities across London

4 HUMAN RESOURCES POLICIES

4.1 The Commission recommends the establishment of a London-wide review to examine the impact of the 'Calman' changes to medical workforce and training policy.

4.2 The Commission recommends the development of more flexible and, where appropriate, joint training arrangements to facilitate more effective use of skills and improved understanding, co-ordination and teamworking between health and social care staff from different professional backgrounds.

The report of the King's Fund London Commission rests on a comprehensive programme of analysis of health and social services in London. This is available as five research reports to the Commission. These are intended to inform the future development of health policy in London.

The Commission presents its findings and recommendations to the Government, to the Executive of the National Health Service, and to everyone with an interest in health working within and outside health services and local government in London, as well as to Londoners themselves.

Transforming Health in London **(ISBN 1 85717 169 1) is available from Grantham Book Services Limited, price £25.00 plus p&p. Telephone orders: 01476 541 080. Fax orders: 01476 541 061.**