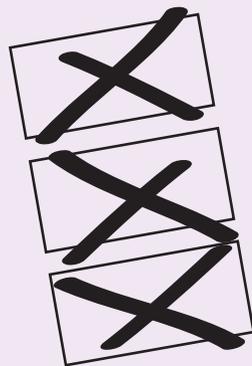


Health priorities for an incoming government

1. The financial challenge
2. Improving quality
3. Promoting well-being



The General Election: 6 May 2010

The King's Fund's priorities for an incoming government

- **Respond to the financial challenge facing the NHS:**
 - Drive productivity improvements relentlessly
 - Take a measured approach to structural reform
 - Foster a productive and engaged workforce
- **Improve the quality of health care:**
 - Strengthen the focus on patient experience
 - Intensify efforts to improve safety
 - Get smarter about measuring quality
- **Promote well-being and independence:**
 - Promote healthy lifestyles and renew the drive to tackle health inequalities
 - Improve care for those with long-term conditions
 - Introduce comprehensive reform of social care
 - Increase the priority given to end-of-life care

Introduction

With polls showing that health care is second only to the economy in the issues that will influence how people vote in the general election and over 80 per cent of people saying the NHS should be protected from public spending cuts, it is not surprising that all the main parties are fighting to be seen as 'the party of the NHS'.

The election comes at a pivotal time for the NHS. After a decade of increases in funding, health budgets – whoever forms the next government – will be squeezed for the foreseeable future. To maintain the quality of services, the NHS will need to deliver significant year-on-year productivity gains – something it has struggled to achieve in recent years. And it must do so at a time of increased demand from an ageing population, a growing public health challenge and higher public expectations.

Despite this, there is little sign of politicians scaling back their ambitions for the NHS. All the main parties talk of increasing choice, improving quality and introducing more personalised services. Indeed, many of the dividing lines between the parties on health have faded – all of them are committed to an NHS free at the point of need and to protecting spending on frontline services.

The election also comes at a critical time for the social care system. The current system is widely condemned for its unfairness and for failing to provide people with the care and support they need. With already over-stretched services coming under increased pressure as the population ages, reforming social care is one of the most pressing social policy challenges we face as a nation.

This document sets out The Kings Fund's priorities for the incoming government. In doing so, it draws on our research and policy analysis, the experience of our health care improvement projects and the insight gained through our day-to-day dialogue with health professionals through our leadership development programmes.

1. Responding to the financial challenge facing the NHS

The NHS faces one of its toughest ever periods financially. In order to meet increasing demand from an ageing population, drive up quality and respond to rising patient expectations it will have to do more with the same amount of money. It is therefore inevitable that the shape of some services will have to change.

The King's Fund's priorities for responding to the financial challenge facing the NHS

- Drive productivity improvements relentlessly
- Take a measured approach to structural reform
- Foster a productive and engaged workforce

A relentless drive to improve productivity

The King's Fund's analysis shows that, by 2013/14, current spending plans will leave a £21 billion gap between the most reliable estimates of NHS future funding needs and the money likely to be available to it. This gap could be reduced to £14 billion by looking again at the assumptions behind future spending in three key areas: staff pay and pricing (of medicines, for example); reducing waiting times; and capital investment.

Closing the remaining gap, which is essential if the NHS is to maintain services and quality, would require productivity gains of up to 4 per cent a year – a significant challenge given its past productivity record. However, there are opportunities at every level in the NHS to improve efficiency. The government should look to clinicians and managers to identify innovations that can drive up productivity and reduce variations in clinical practice – this alone could significantly reduce costs and improve quality of care. At a national level, politicians and health care leaders have to engage in an honest dialogue with the public about the scale of the challenge ahead and the implications for services locally and nationally. In the current financial climate, a relentless drive to improve productivity must be the NHS's top priority.

A measured approach to structural reform

Any new government may be tempted to make structural changes to the NHS. However, all the evidence suggests that structural change takes time to deliver savings and, in the short term, is likely to increase costs and distract attention from improving productivity and delivering high-quality services. While there may be a case for some changes to the current organisational structure of the NHS over the longer term, the immediate focus of the incoming government should be on increasing productivity from within the current system.

This should not preclude changes to the current levers and incentives in the system. Many of these levers, including Payment by Results, patient choice, and increased competition, were put in place during a period of rapid spending increases when the

focus was largely on improving care in the acute sector. These were major shifts in the way the health care system is run, and we are only now beginning to understand the impact of the reforms that have been put in place over the past 10 years. It is essential that the next government considers carefully, and learns from, the growing evidence base around these programmes as it considers the next phases of reform.

A productive and engaged workforce

The NHS in England employs 1.3 million people, and 70 per cent of the NHS budget is spent on staff costs. In such a labour-intensive service, where so much of the scope for improving efficiency lies with its staff, the workforce must be at the heart of the productivity agenda. Winning the hearts and minds of staff in confronting the challenges ahead will be vital, particularly as pay increases are likely to be held close to the rate of inflation for the foreseeable future.

Staff will need to be flexible, adapting to work in different settings, learning new skills and working in different ways. Further work is also needed to promote clinical leadership and more effective teamworking and collaboration between staff across professional boundaries. In a difficult financial climate, training and development budgets will be an easy target for cuts. However, it will be more important than ever to invest in the skills of the workforce to develop the leadership, management and financial skills needed to deliver efficiency savings, while maintaining quality. Existing contractual frameworks for NHS staff, in particular Agenda for Change and the current consultant contract, could be used more effectively to promote productivity improvements.

The King's Fund's work on the financial challenges facing the NHS

With the NHS facing the biggest financial challenge in its history, we have launched a new programme of work to help it improve productivity. Our key concern is that the NHS is able to maintain the quality of the health care it provides despite the difficult financial climate.

- Our *Quality in a cold climate* project will support the NHS in improving productivity. The project was launched with the publication of *How cold will it be?* the most authoritative analysis available of the financial challenges the NHS faces, undertaken in partnership with the Institute for Fiscal Studies.
- We have been involved in improving health care leadership for more than 30 years. Our leadership development programmes aim to develop the leaders who will drive improvement and lead change across the NHS in future. We are currently running programmes with a specific focus on clinical leadership and developing multidisciplinary team working.
- Last year, we published *NHS workforce planning*, a comprehensive analysis of how to construct an NHS workforce fit for the future. We have also recently completed *Choice at the point of referral*, a major project assessing the factors that influence patients in choosing which hospital to attend for treatment.

2. Improving the quality of health care

Improving the quality of health care - ensuring that it is safe, effective and provides a positive experience for patients - has been central to policy-making in recent years. The challenge for the NHS in the next parliament will be to maintain this focus in a much tougher financial climate.

The King's Fund's priorities for improving the quality of health care

- Strengthen the focus on patient experience
- Intensify efforts to improve safety
- Get smarter about measuring quality

Strengthen the focus on the patient's experience

Significant progress has been made in treating conditions such as cancer and heart disease, and long waiting lists for treatment are now a thing of the past. However, the NHS is still not consistently good at 'seeing the person in the patient', and listening and responding to patients' feedback about their experience of care. Feedback from patients supports this; while surveys generally show high levels of satisfaction with the NHS, more detailed research with patients reveals a more patchy picture.

All the main parties talk about developing a more 'patient-centred NHS'. At a local level, boards, managers and clinical leaders must work hard to instil a culture focused on providing a positive experience for patients, supporting and enabling staff to deliver compassionate care. The government must support this by creating a performance framework that places value on improving patient experience and delivering the outcomes that matter most to patients rather than focusing on outputs and processes.

Intensify efforts to improve safety

The rates of the most common hospital-acquired infections have been driven down in recent years, while the collection and analysis of data about patient safety has improved significantly. Nevertheless, there is still some way to go before a strong safety culture is firmly embedded in parts of the NHS, particularly in primary care.

Although the reporting of incidents has increased - an essential step towards improving safety - there is still significant under-reporting in some areas. As the report into the failures of care at Mid Staffordshire Foundation Trust showed, NHS organisations need to focus on involving patients, the public and frontline staff in reporting safety issues. There also needs to be a more systematic approach to safety across all areas of the NHS, including maternity services.

Get smarter about measuring quality

There is now far more information about performance in the public domain, and recent years have seen a strong focus on measuring quality in the NHS. This is important for understanding, monitoring and driving improvements in the quality of health care, and is central to helping patients make informed choices. While quality measurement is reasonably well developed in some areas of care, it is lacking in others and still focuses disproportionately on the outputs and processes associated with care rather than on the outcomes of care for patients and their families. Measuring quality also raises complex and sometimes contentious issues: the quality of information available across the NHS is patchy and data can be manipulated and misinterpreted.

To address these issues, the government must prioritise the development of quality measurement in areas where it is currently lacking - including community and mental health services - support best practice in the development and use of quality measures, and clarify the roles of different national, regional and local bodies involved in using them. In many ways, it is patients themselves who are in the best position to judge the quality and effectiveness of the care they receive. The routine use of patient-reported outcome measures (PROMs) is an important step forward and should be developed for use across the NHS.

The King's Fund's work on improving the quality of health care

The quality of health care is a key area of work for The King's Fund. We have undertaken extensive research and policy analysis to evaluate how to improve quality in health care. We are also closely involved in improving the delivery of high-quality services through our health care improvement programmes.

- We are currently conducting a major inquiry into the quality of general practice in England. The inquiry is due to report at the end of 2010.
- Following our independent inquiry into the safety of maternity services in 2006, we launched the *Safer Births* initiative - a partnership with a number of key bodies which is working with hospital trusts to deliver safer maternity care.
- Our *Point of Care* project works with patients, staff and boards to improve the experience of patients in hospital and ensure that hospital staff 'see the person in the patient'.
- We have also recently published reports on using patient-reported outcome measures and measuring quality.

3. Promoting well-being and independence

Although successive governments have understood the importance of preventing illness, none has been able to transform the NHS from a service that diagnoses and treats sickness, to one that predicts and prevents it. Health inequalities - the gap in health outcomes between different groups in society - also remain stubbornly persistent. And as the population ages, more people will be living longer with conditions such as diabetes, heart disease and dementia; this requires a fundamental shift in how the NHS and social services deliver care.

The King's Fund's priorities for promoting well-being and independence

- Promote healthy lifestyles and renew the drive to tackle health inequalities
- More personalised care and support for those with long-term conditions
- Introduce comprehensive reform of social care funding
- Increase the priority given to end-of-life care

Promoting healthier lifestyles and tackling health inequalities

Making the shift from treating illness to preventing it requires a long-term political commitment and a significant shift in the way the NHS works to embed health promotion at all levels of the system. Public health has been a soft target for spending cuts in the past. In a challenging economic climate, incoming ministers will need to hold their nerve and resist the temptation to sacrifice long-term gains in favour of policies that deliver short-term political dividends.

Given the scale of the challenge, a combination of strong state action (in a similar vein to the ban on smoking in public places), awareness raising and encouraging people to change their behaviour is likely to be needed. However, changing behaviour in relation to smoking, alcohol misuse, poor diet and lack of exercise is complex, and the evidence on the most effective ways of intervening to deliver sustained change is patchy. The NHS needs to do more to promote existing good practice and learn from emerging thinking from other disciplines such as behavioural economics and psychology.

Although life expectancy has risen consistently across the population, there are still significant variations between and within different geographical areas. Tackling health inequalities is not a task for the Department of Health or NHS alone. Several reports have highlighted the need to address the social and environmental causes of ill health - such as poverty, poor housing and low educational achievement - as part of a co-ordinated approach. This needs a long-term commitment across government and, at a local level, more effective co-operation between local authorities and health services so that other services such as education, leisure and housing can play their part in improving the health of local communities.

More personalised care and support for those with long-term conditions

More than 15 million people - almost one in three of the population - suffer from a long-term condition. With the majority of people over 60 suffering from one or more chronic condition and rising numbers of frail older people living for longer in ill health, the demand for services will increase as the population ages.

As financial pressures focus minds on finding the best and most cost-effective ways of delivering care to this large group in the population, the government should see the provision of more care in the community, and at home, as an opportunity to improve quality of care and to save money by reducing inappropriate hospital stays. New technology - for example, the use of sensors to detect movement or remote monitoring of blood pressure - also provides opportunities to support people with chronic conditions to live independently in their own homes.

More should also be done to enable people with long-term conditions, physical and learning disabilities and mental health problems to live independently and exercise control over their care. Personal health budgets - which allow patients to decide how funding should be spent to meet their needs - could give them much more choice over the services they receive. They must be accompanied by advice and support so that patients are able to make informed choices.

People's needs, understanding and expectations of health and social care services do not correspond with organisational structures. For example, people with long-term conditions, physical and learning disabilities and mental health problems often require co-ordinated services that straddle health and social care.

The incoming government should create a policy framework that encourages local authorities and primary care trusts to work together in looking at needs across their local population and to jointly commission services that meet those needs. This will enable a broader focus on the health and well-being of local communities.

Comprehensive reform of social care

The current system for providing care and support to older people is widely regarded as unfair, often falls short of meeting the needs of those who rely on it and will not be able to cope with the increasing demands placed on it as the population ages. The King's Fund has proposed a partnership-based approach to reforming social care funding, with responsibility for the costs of care shared fairly between the individual and the state. This would guarantee everyone some help in meeting their care costs, benefit those with moderate incomes who are penalised by the current system, and give people an incentive to save for their old age.

The incoming government must make social care reform an early priority for action and build a cross-party consensus on the key elements of a new settlement that will stand the test of time. The prize for doing so - a fair and affordable care system that provides older people with independence, dignity and security - is a significant one.

Priority for end-of-life care

A patient who is dying should be free of pain, treated with dignity and respect and, wherever possible, should die at home if they wish to do so. Yet, the quality of end-of-life care remains variable - hospitals receive more complaints about this than any other aspect of their care - and, although two-thirds of people say they would prefer to die at home, on current trends, only 1 in 10 will do so by 2030. The number of deaths is set to rise by nearly a fifth between 2012 and 2030, with more people dying at an older age and with a complex range of illnesses and disabilities.

With budgets likely to be squeezed for the foreseeable future and pressure on services set to grow, the incoming government must ensure that end-of-life care an early priority. Patients at the end of life should have access to support 24 hours a day and, wherever possible, die at home if they wish to, rather than being admitted to hospital.

The King's Fund's work on promoting well-being and independence

The King's Fund has an extensive programme of research, policy and health care improvement work covering public health, the social care system and end of life care.

- In 2006, we published the most authoritative analysis of social care undertaken in recent years, following a review led by Sir Derek Wanless. We recently launched a new report updating this analysis and setting out a blueprint for reforming social care.
- Our award-winning *Enhancing the Healing Environment* programme works with staff and patients to improve the environment in which health care is delivered. It has recently launched a number of new projects in dementia services and prisons.
- We are currently working with Marie Curie to evaluate services to deliver choice at the end of life and recently hosted a summit with leading policy-makers and stakeholders to identify the critical actions needed to improve end of life care.
- To support the NHS in helping people to become healthier, our *Kicking Bad Habits* programme developed recommendations and good practice in changing people's behaviour and encouraging them to adopt healthier lifestyles.

