Political Intelligence

Transformation of National Health Service in England

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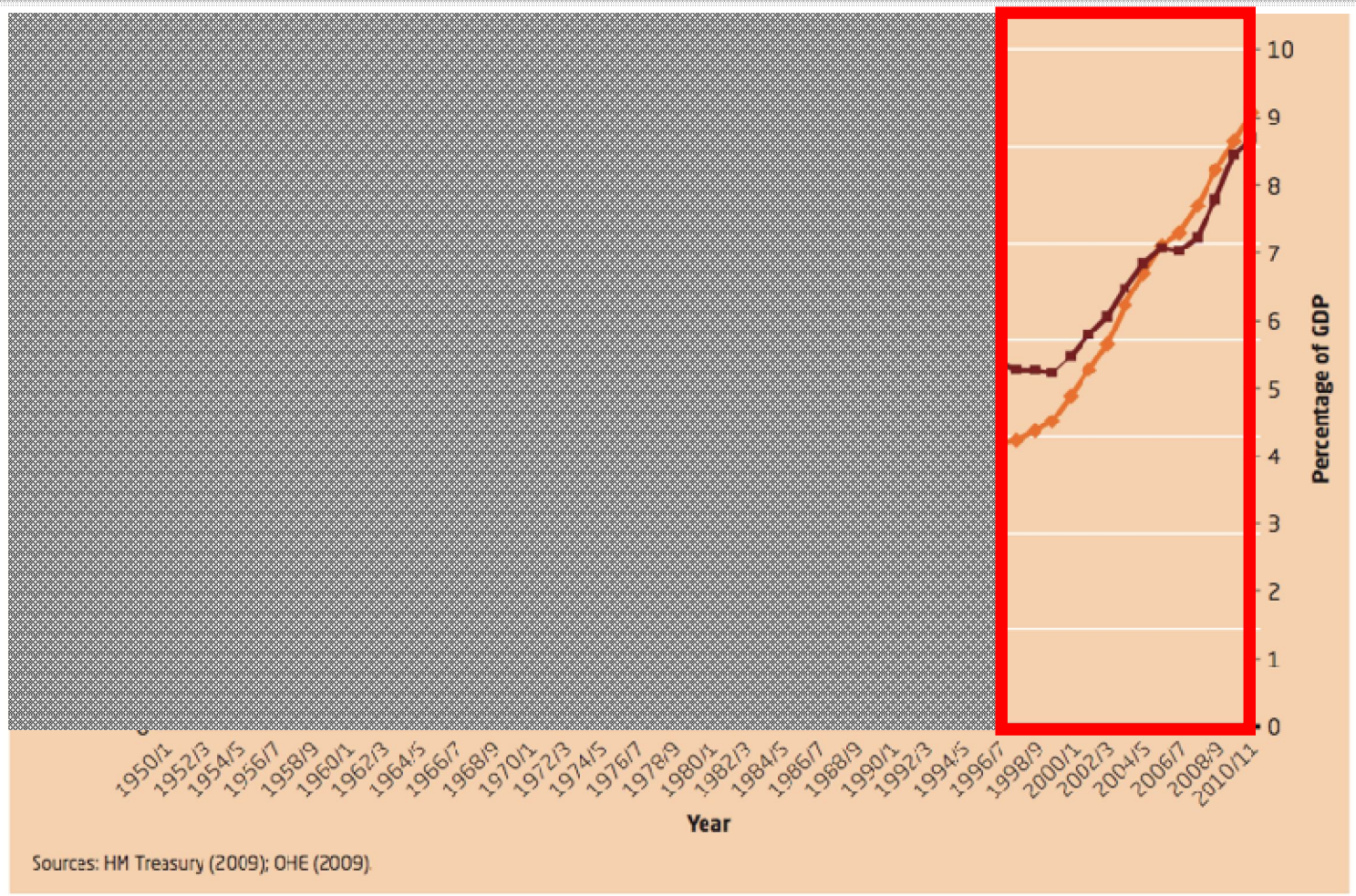
Presentation Outline

- Setting the Scene - NHS under the Labour government
- Transformation of the NHS 2010-2014
- Threats and opportunities – will it work?
- Implications for industry

NHS under Labour Government 1997-2010

- Central Government allocates the budget
- Reduction in local variability of services
- Central government control and targets
- Increase in number of all staff including managers
- High levels of investment
- National Institute for Health and Clinical Excellence (NICE) – National Health Technology Assesment

Real net spending on the UK NHS at 2010/11 prices and as a percentage of GDP



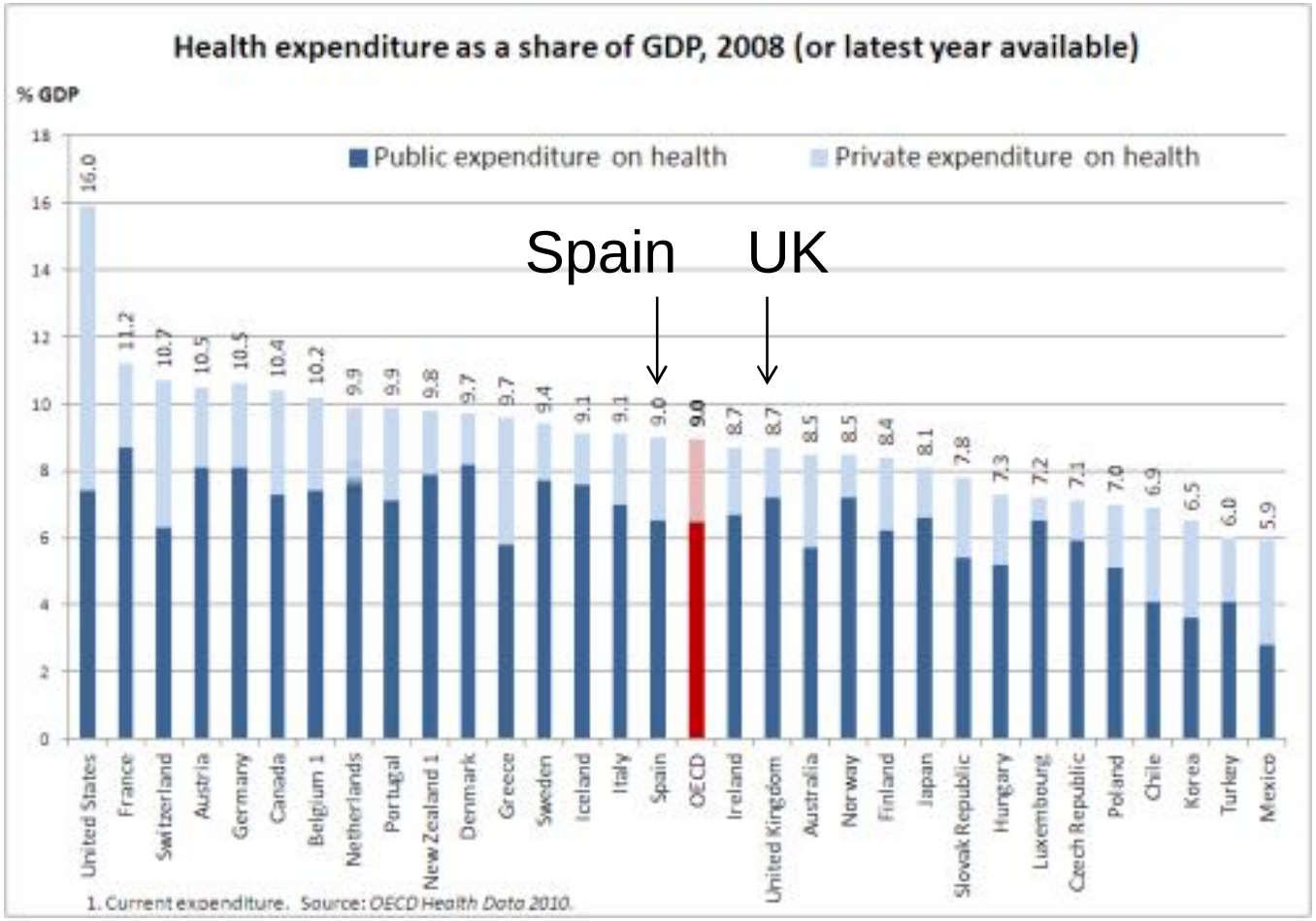
Health Spend of UK in comparison to OECD countries

Health Spend

Spain
9.0% of GDP
($2902 per capita)

UK
8.7% GDP
($3129 per capita)

OECD Average
9.0% of GDP
($3060 per capita)



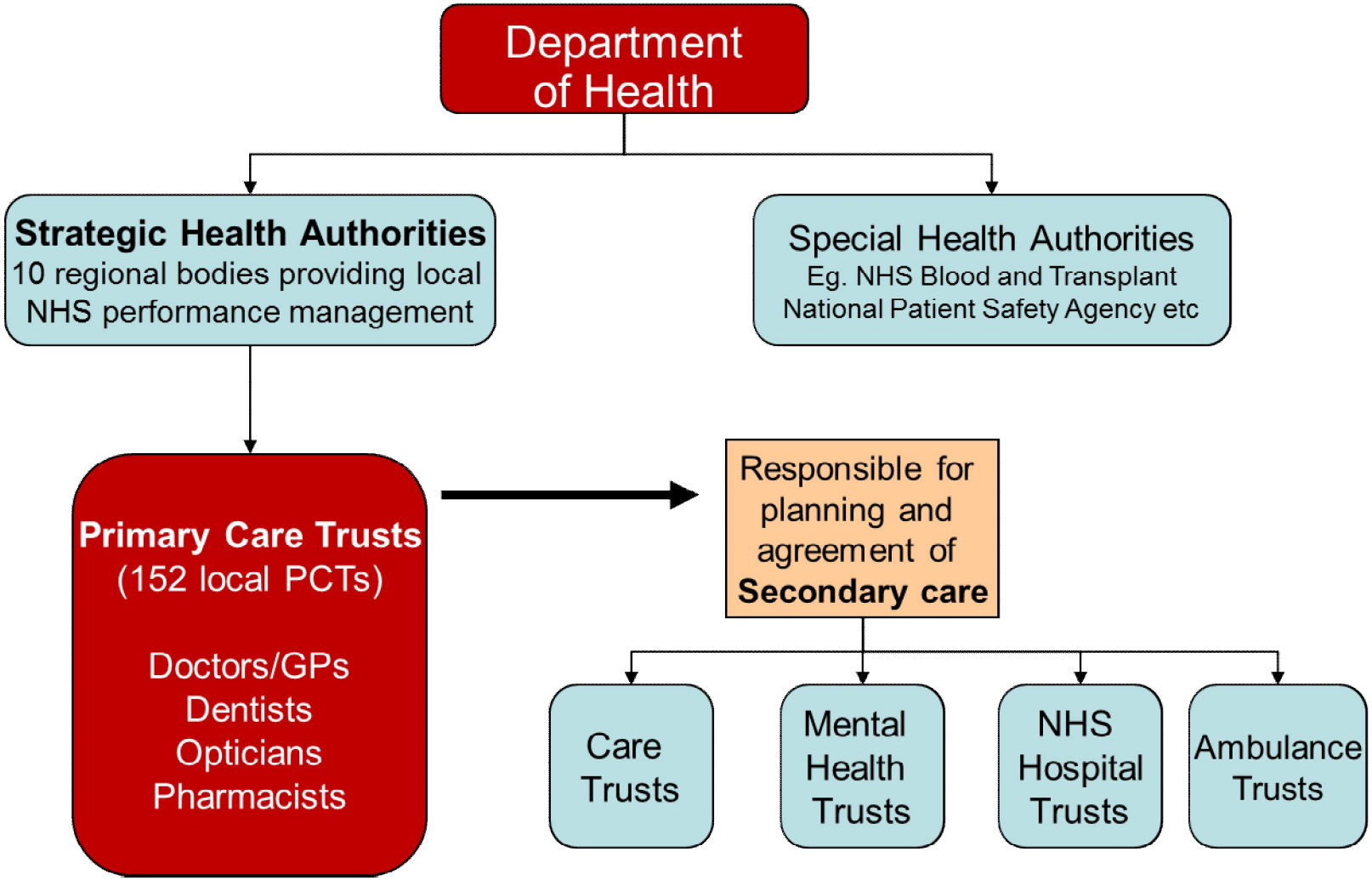
Challenges for the NHS: 2010 and beyond

- Ageing population
- Cost of long term conditions increasing
- Growing public health issues (obesity, alcohol use etc)
- New innovative healthcare technologies
- Constraints on government spending

But

- Wide public support for a publicly funded NHS
- Support from all political parties

NHS – beginning 2010



The Health White Paper 2010

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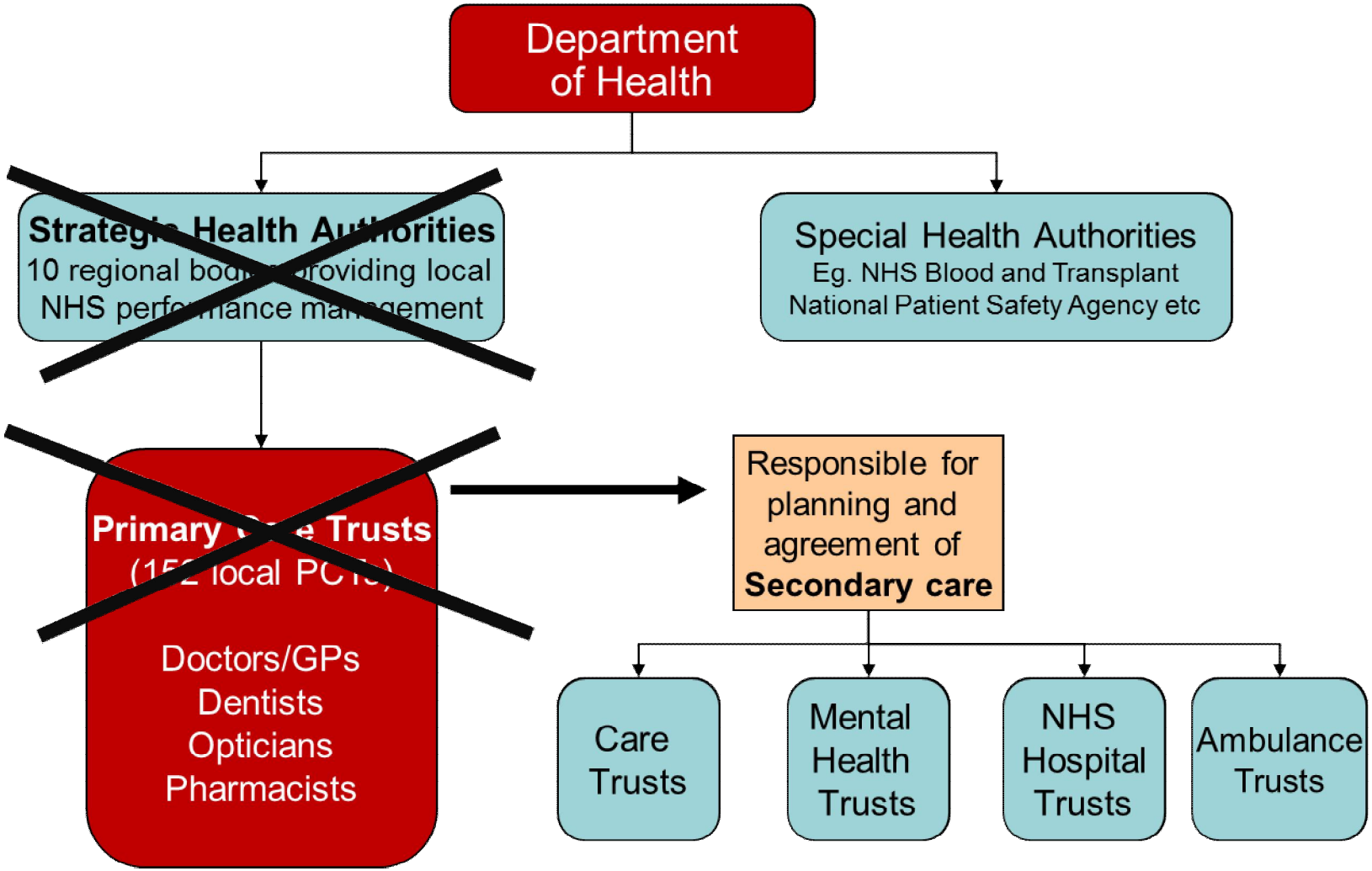
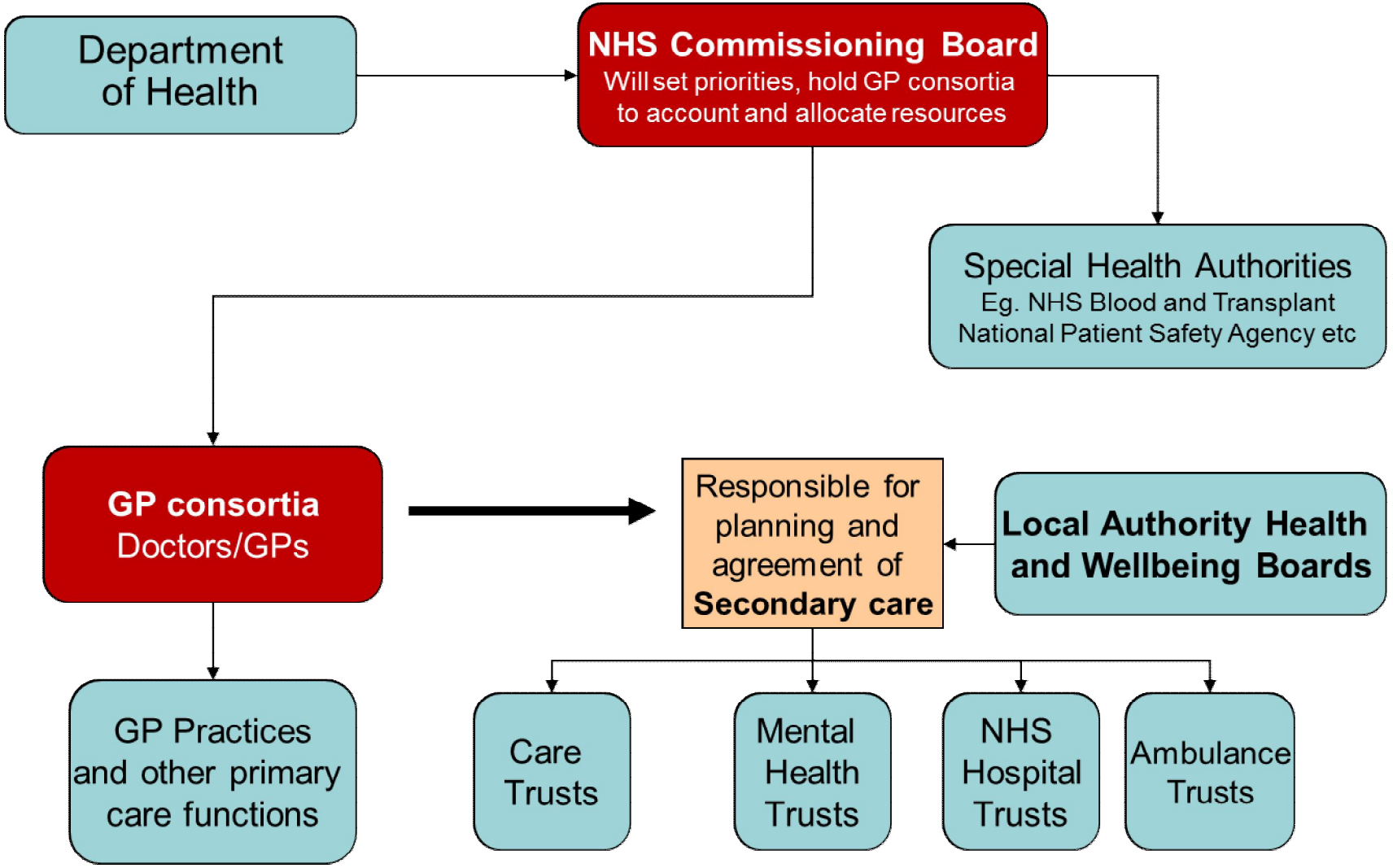


NHS by 2012


Department of Health
NHS Commissioning Board
Will set priorities, hold GP consortia to account and allocate resources
Special Health Authorities
Eg. NHS Blood and Transplant
National Patient Safety Agency etc
GP consortia
Doctors/GPs
Responsible for planning and agreement of Secondary care
Local Authority Health and Wellbeing Boards
GP Practices and other primary care functions
Care Trusts
Mental Health Trusts
NHS Hospital Trusts
Ambulance Trusts

Timescales

- NHS Commissioning Board established 2012
- GP consortia to take on responsibility for commissioning in 2012/13
- SHAs (regional bodies) are abolished 2012/13
- PCTs (local bodies) are abolished From April 2013
- All NHS trusts become, or are part of, foundation trusts 2013/14

Will it work?

- Legislation not yet published or passed through Parliament
- Speed and scale of the change
- NHS culture - need for adaptive leadership
- Needs the support of GPs – currently mixed feelings
- More local variation/postcode lottery
- Power of Secretary of State much reduced
- Lack of accountability?
- First step to privatisation?

What does it mean for industry?

- Increasing pressure to reduce cost
- NHS has to innovate – industry needs to be a partner
- New customers - new priorities
- Changing systems of procurement
- Reduce layers of medicine management (?)
- Value based pricing for pharmaceuticals in 2013

Conclusions

- Radical change in power and accountability
- Very ambitious timescales
- Many questions remain unanswered
- Leaves system open for emergent change in the future

Thank you

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