

A system under strain: the views of NHS and social care leaders

Health and Social Care Leaders' Panel

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Survey no. 1, July 2014

About the Health and Social Care Leaders' Panel





In the run-up to the 2015 General Election, the Nuffield Trust is regularly surveying a panel of 100 health and social care leaders in England for their views on a range of issues, including the state of the NHS and social care system, and what they believe should be the priority areas for reform during the next Parliament.

The panel members are drawn from across the NHS and social care, with the majority working in hospitals, ambulance trusts, community services, general practice, local authorities, and private and voluntary sector providers. The patients' perspective is provided by individuals working in local Healthwatch bodies.

During these surveys we are asking the panellists a number of 'tracker' questions that we will return to for each survey. In addition, each survey will focus on a specific topical issue. Our first survey, the results of which are set out in this report, looks at the financial health of the NHS and social care system. These results will provide useful insights for policy-makers into the views of health and social care leaders as we approach the 2015 General Election.

Find out more and join the debate

We encourage you to comment on our survey findings and find out more about the Health Leaders' Panel. You can:

-  follow the project on Twitter via **#HealthLeaders** – tweet and tell us your views
 -  find out more about the 100 health and social care professionals who have come together to form our panel: **www.nuffieldtrust.org.uk/health-leaders-panel**
 -  read analysis and commentary on the survey findings from panel members and experts from the Nuffield Trust via our blog: **www.nuffieldtrust.org.uk/category/tags/general-election-2015**
 -  be the first to receive our latest reports, analysis and invitations to events by signing up to our monthly newsletter and email updates via: **www.nuffieldtrust.org.uk/newsletter**
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Key points

- Around a third (34 per cent) of respondents considered that the quality of NHS care for patients had improved over the last year, with 53 per cent considering it had stayed the same. Only one in eight respondents (13 per cent) thought that it had got worse. More than half (56 per cent) said that social care services had got worse.
- Health and social care leaders are deeply concerned about the financial future of the NHS and social care system. More than four in five respondents said they were concerned about the financial viability of their local NHS or social care provider(s). More than two thirds (70 per cent) believed that NHS providers will need to go into deficit in order to maintain high-quality services.
- While three quarters (76 per cent) of respondents considered that the health and social care system overall could achieve more savings without damaging care, only half agreed that it was possible for their own organisation to achieve more savings without damaging care.
- There was broad support for the idea that investing in social care would produce savings for acute hospitals, with 63 per cent of respondents agreeing that such a move could save hospitals money.
- Funding of health and social care services was the panel's top priority for the next government, with 63 per cent of respondents favouring tax rises as the best way of achieving this. Only 35 per cent of respondents wanted to see additional charges or co-payments introduced.
- The survey findings raise questions about the confidence that health and social care leaders have in the long-term sustainability of the NHS, with only half of respondents (48 per cent) believing that the NHS will be able to provide a comprehensive service, largely free at the point of use, in ten years' time.



Find out more online at:

www.nuffieldtrust.org.uk/health-leaders-panel

Introduction

One hundred leaders drawn from across the NHS and social care system have come together to form the Nuffield Trust's Health and Social Care Leaders' Panel. Although this is not a statistically representative sample, efforts have been made to ensure that panel members are selected from all parts of the NHS and social care; from across England; and from a variety of clinical and non-clinical roles. The majority of our 100 panellists work in acute and mental health trusts, ambulance trusts, community services, clinical commissioning groups (CCGs), local authority social services departments, and private and voluntary sector providers. The patients' perspective is provided by individuals working in local Healthwatch bodies. For more information on our panel members, please visit our online [project page](#).

Methods

Our first poll was conducted between 3 and 17 June 2014, via an online survey. Seventy eight of our 100 panellists responded. Of the 78 respondents, 38 are senior NHS managers, 21 are clinicians, 11 are from the social care sector, and eight are from local Healthwatch bodies. Of the managers and clinicians, 28 are from acute hospital trusts; 16 from CCGs; six from private or voluntary sector providers; four from acute mental health trusts; three from NHS ambulance trusts; and two from NHS community trusts. The panel members are named on our [website](#), but their individual responses to the survey are anonymised.

Findings and analysis

Financial sustainability of NHS and social care providers

The NHS has been required to deliver four per cent savings every year since 2010 to meet the pressures it faces. It may need to do so for the rest of this decade, even if overall funding remains steady in real terms. We asked panellists whether they had concerns about the financial viability of their local NHS or social care provider(s) and, more specifically, whether they thought NHS providers would need to go into deficit to continue to provide high-quality services.

Despite the view that more savings could be found in the system generally (as we set out below), there was an overwhelming view that local providers would struggle to meet the financial challenges ahead. More than four fifths (83 per cent) of respondents had concerns about the financial viability of their local provider. Seventy per cent thought that NHS providers would need to go into deficit on the basis of the current level of funding. Their views are a reflection of the state of NHS finances. On the basis of the provisional accounts that have been examined by the Nuffield Trust in a separate analysis (see *Into the Red? The state of the NHS' finances*), 66 NHS providers were in deficit in 2013/14, up from 45 in 2012/13. Nearly all are in the acute sector. Overall, NHS providers incurred a small net deficit in 2013/14 – a tipping point in NHS finances, particularly as commissioners found it much harder to balance their budgets.

Figure 1: Do you agree or disagree with the following statement? “I am worried about the financial viability of my local NHS or social care provider(s)”

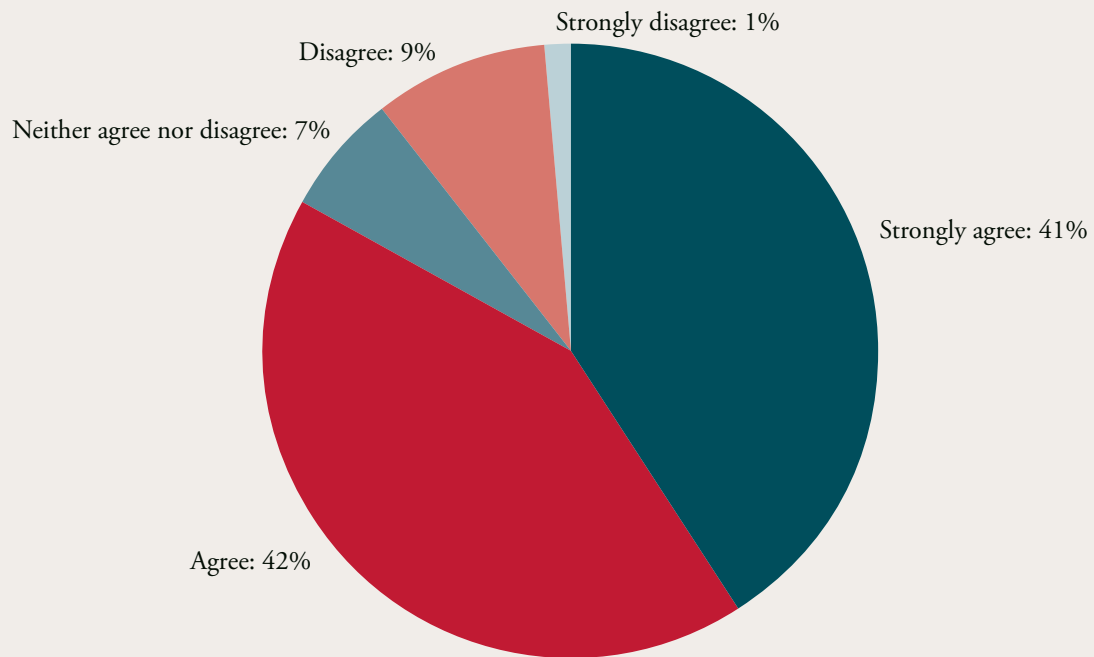
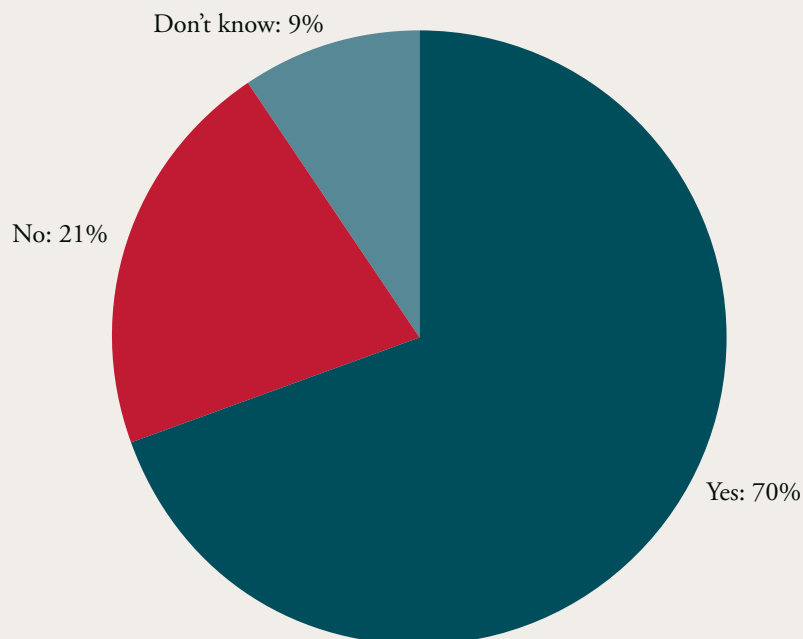


Figure 2: Based on current levels of funding, do you think NHS providers will need to go into deficit in future in order to provide a high-quality service?





Financial and demand pressures are putting great strain on all providers across primary, secondary, community and social care

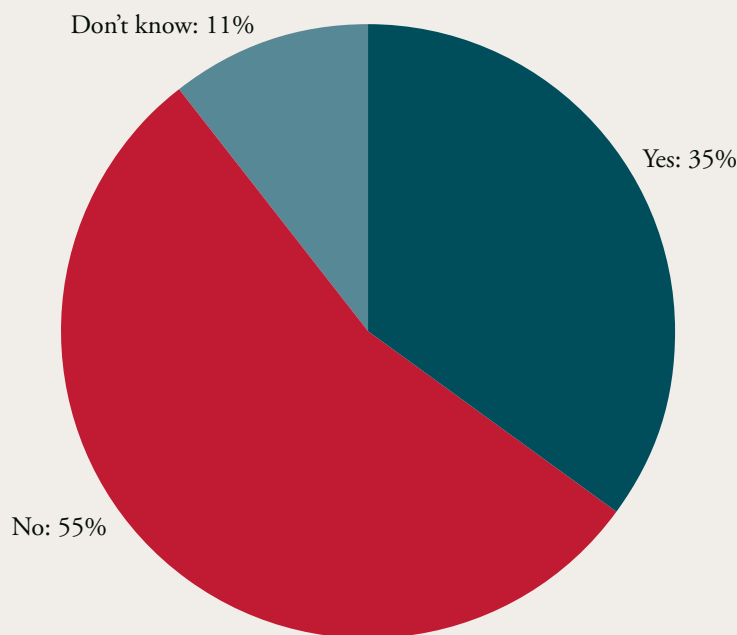
CCG panel member

As part of ongoing work with the panel, we asked for their views on what should be the incoming government's priority for health after the 2015 election. The overwhelming majority of respondents said resolving the funding of health and social care should be in the top three priorities.

How to plug the NHS funding gap

We asked whether additional funds should be raised through increased or new charges, which might also be used to curb demand. More than half (55 per cent) thought charging would not be right, with only a third (35 per cent) agreeing.

Figure 3: The idea of introducing additional charges for certain NHS services has been suggested as a way to raise income or curb demand. Do you think that further charges or co-payments should be introduced?



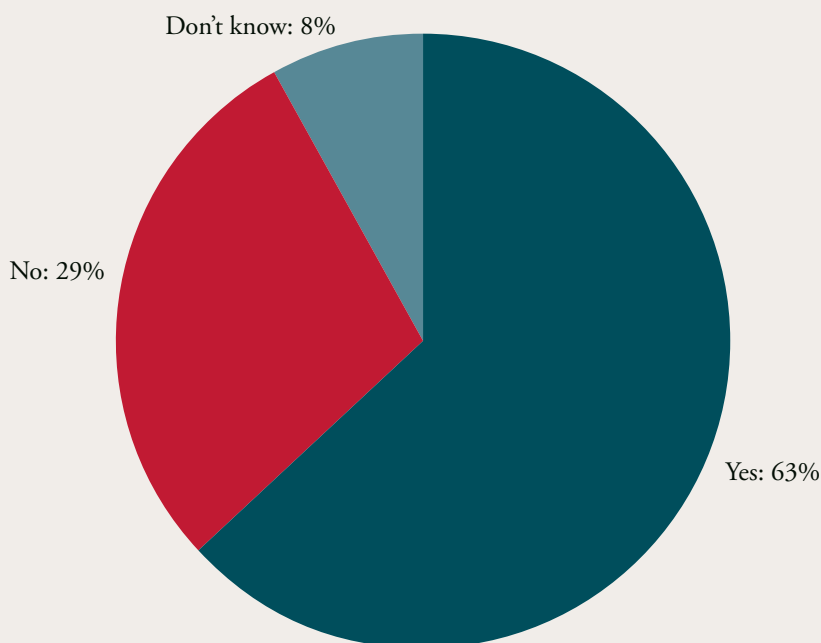
NB: Figures do not total 100% due to rounding.

We also asked those who supported the introduction of new charges what those should be. A range of ideas were suggested, most of them familiar: charging for GP appointments and for missed appointments; charging for non-urgent A&E attendances; charging for hospital 'hotel' costs; introducing different arrangements for prescription charges, including charging for high-cost drugs with limited benefit;

introducing charges for those who had played a role in their illness, for example by smoking; and charging for specific services such as IVF or NHS continuing care. However, no real consensus emerged.

We also asked whether extra funds should be raised through taxation. Almost two thirds (63 per cent) supported this. Just under a third of respondents disagreed.

Figure 4: Do you think taxes should be raised to fund the NHS?



We offered panellists the chance to give their views on the idea of a hypothecated tax¹, about which there has been recent political and media speculation. Many thought that this is an idea worth pursuing, or at least looking at, recognising that there would need to be a robust debate with the public about funding arrangements. Some also thought extra money would be needed, but the *quid pro quo* would have to be more radical reform. As one panellist put it:



Not without significant reform. Increased revenue to stretch the 1948 NHS model further is NOT needed

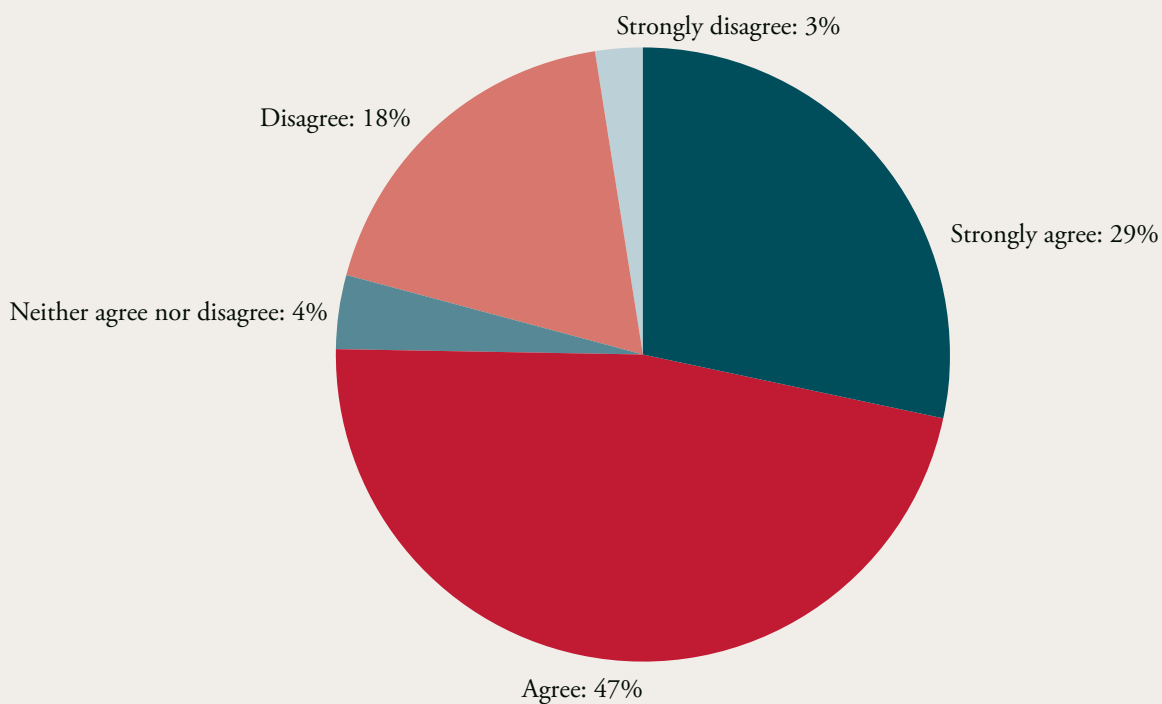
CCG panel member

¹ Tax raised for a specific use.

NHS-wide efficiencies

Turning back to whether the panel think there is scope for greater efficiencies in the NHS, we asked whether they considered further savings could be delivered across the NHS without harming patient care. Three quarters (76 per cent) thought that they could be. Our question did not set a figure on the savings, but, even so, this is a confident response, with only 21 per cent disagreeing.

Figure 5: Do you agree or disagree with the following statement? “More efficiencies could be released from the NHS without harming patient care”



NB: Figures do not total 100% due to rounding.

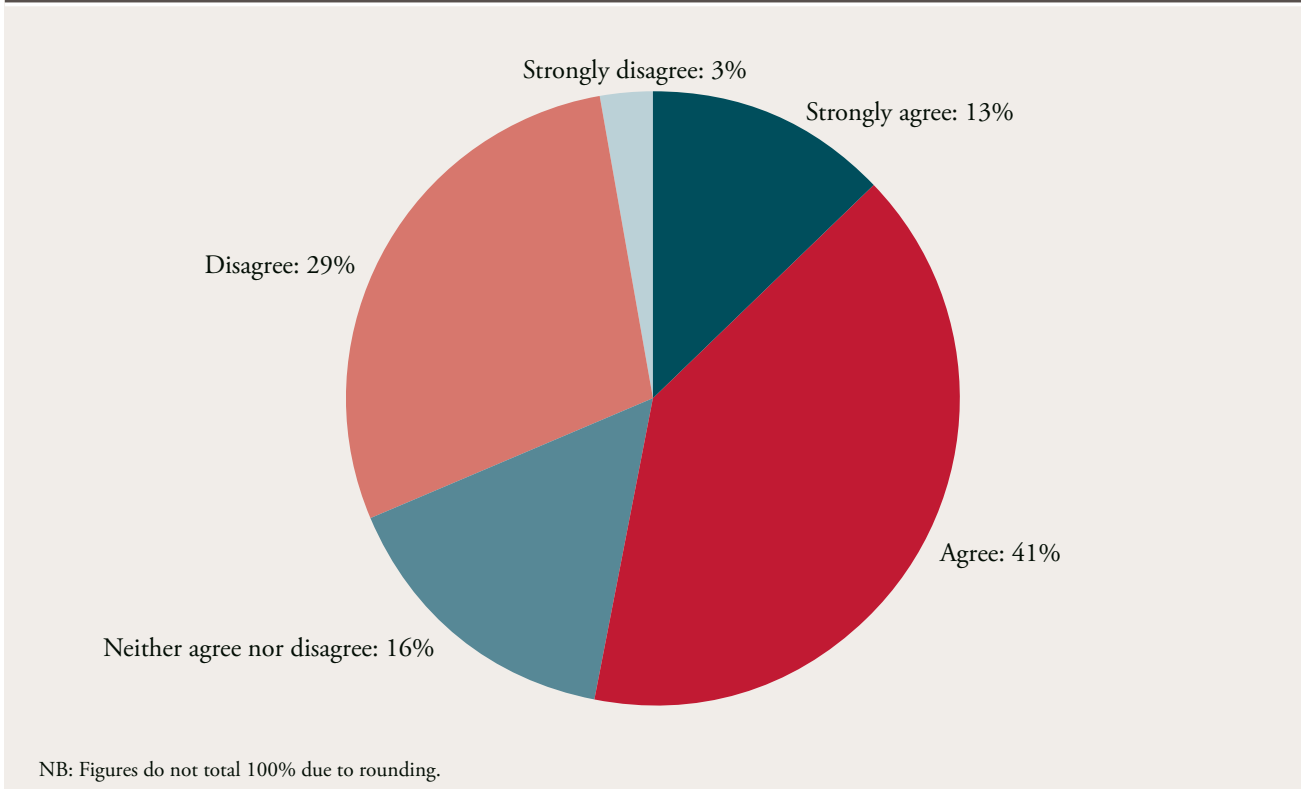
We also asked the panel where they thought savings could best be found in their local area. A range of possibilities was put forward, but popular suggestions were: integrating and rationalising services, with duplication commonly identified as unnecessary; securing earlier discharge from hospital and investing more in community services to reduce bed usage; spending more on prevention and early intervention; and reducing the burden of performance management and regulation.

There was also support for merging organisations to reduce infrastructure costs. More radical proposals on this theme included abandoning the commissioning and contracting model to reduced overhead costs, and introducing more shared decision-making or simply a lead provider model with a capitated budget. This was consistent with other suggestions that it would be more profitable to look for savings across organisations rather than within them, but current budgetary and payment arrangements, which focus on individual providers, inhibit this. Greater use of technology was noticeably absent from the list.

Organisation-level efficiencies

We also asked the panel to consider their own organisations and whether they too could find further savings without harming patients or social care users. The overall result was still positive – but much less confident. More than half (54 per cent) considered that their organisation could do this, but almost a third (32 per cent) disagreed, and a further 16 per cent were uncertain.

Figure 6: Do you agree or disagree with the following statement? “More efficiencies could be released from my organisation without harming patient care”



There were differences between organisations. Those from acute and mental health trusts were generally more confident about the possibility of finding savings without harming patient care. Perhaps not surprisingly, given the cuts that have already taken place, social services panel members were much more evenly divided. So too were panellists from CCGs, which have only recently been established on much tighter management cost budgets than those which operated for their predecessors, primary care trusts.

“ We are seeing HUGE increases in patients from all routes, A&E, GP referral, ambulance... We cannot cope with this huge increase

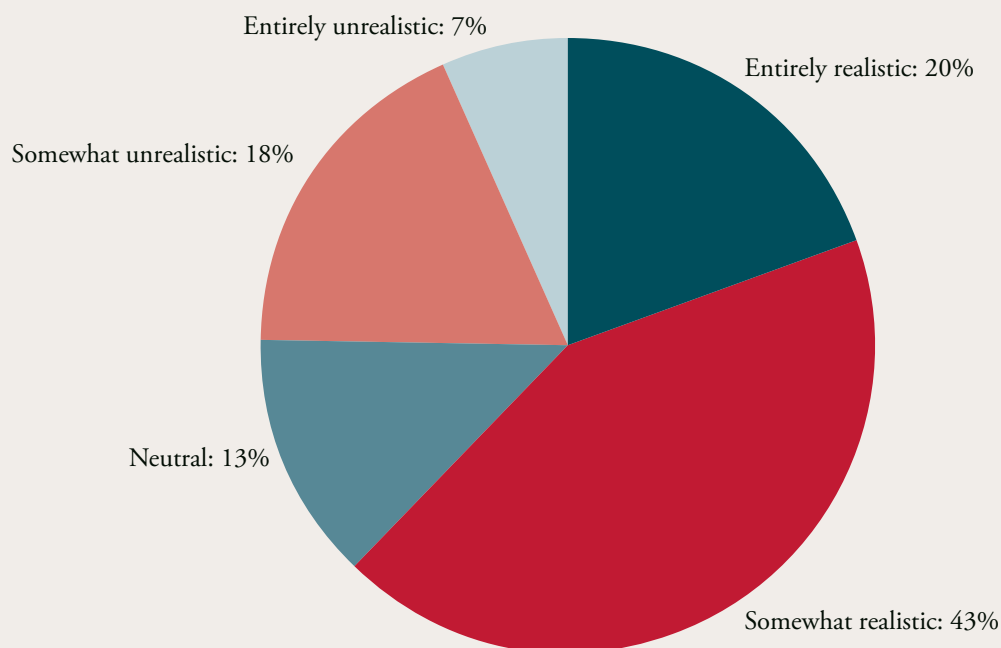
Acute trust panel member

However, some respondents representing providers felt that commissioners could be more efficient, for example through merger and greater sharing of back office functions.

Investing in social care

We asked whether the panel supported the idea that greater investment in social care would result in savings in the acute sector. Almost two thirds agreed, with a quarter disagreeing.

Figure 7: Both the Government and Opposition believe that money can be saved in the acute sector by investing in social care. How realistic do you think this is?



NB: Figures do not total 100% due to rounding.

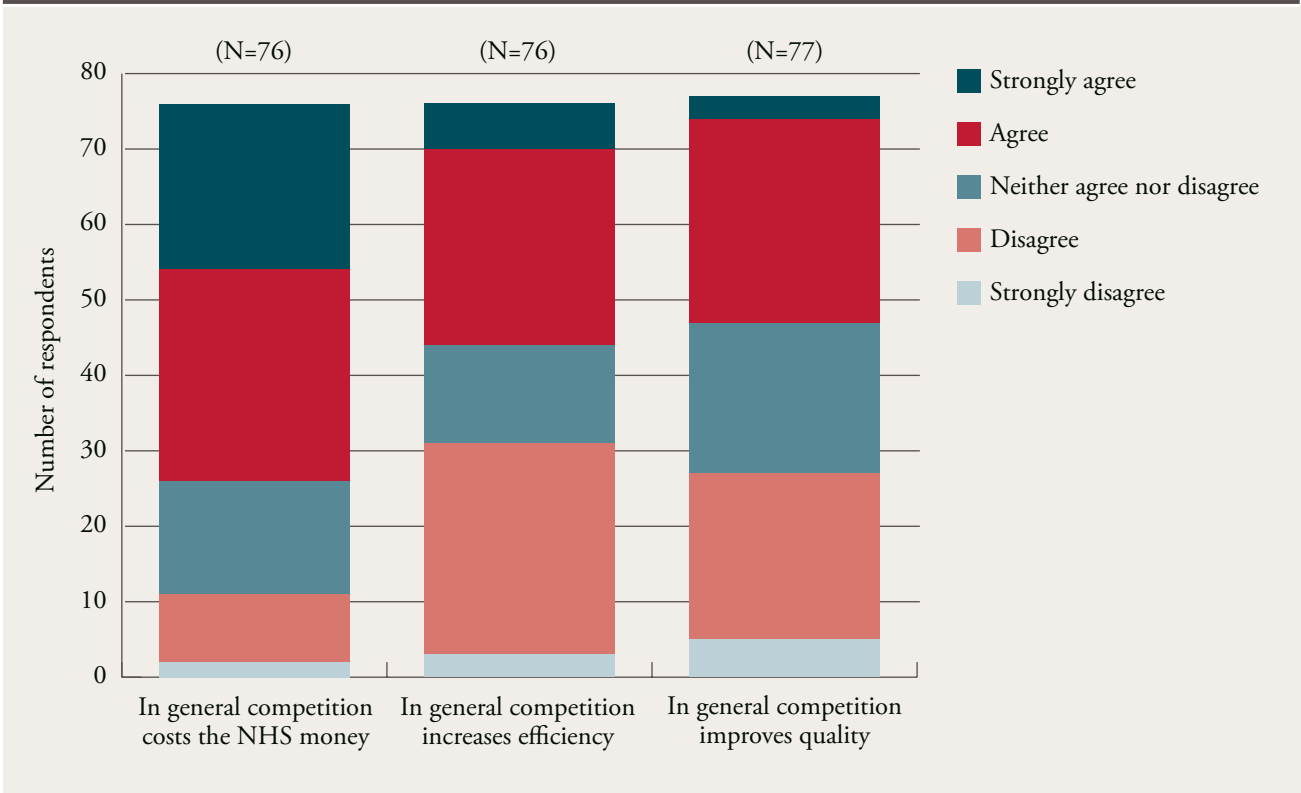
Support for the idea was reasonably well spread across all groups. But those from acute hospitals and from local Healthwatch organisations formed the core of those disagreeing, suggesting that some work still needs to be done to persuade both the public and those in hospitals that this is a practical proposition.

The government's Better Care Fund, which will start in 2015/16 with a pooled budget of £3.8 billion, mostly provided by the NHS for investment in social care and community services, is founded on this principle. However, the research evidence for this is limited: the Nuffield Trust's own evaluations (See *Evaluating Integrated and Community-based Care: How do we know what works?*) identified few pilot projects based on investment in community services that had succeeded in reducing emergency admissions. However, investment in social care and in Marie Curie nursing services has resulted in reduced spend on hospital services for end-of-life care.

Competition

The government has also introduced a much stronger emphasis on competition in the NHS through the Health and Social Care Act, with the aim of increasing the quality of NHS services, and, where prices are not fixed by the tariff (all mental health and community services, but also about a third of hospital services), their efficiency. So we asked the panel whether they thought competition costs the NHS money or whether it results in increased efficiency and quality.

Figure 8: Do you agree or disagree with the following statements?



Two thirds agreed that competition costs the NHS money, with only 15 per cent disagreeing. Respondents possibly had in mind the upfront tender and bid costs, and also those associated with mergers and acquisitions involving foundation trusts, which are now subject to approval by the Competition and Markets Authority.

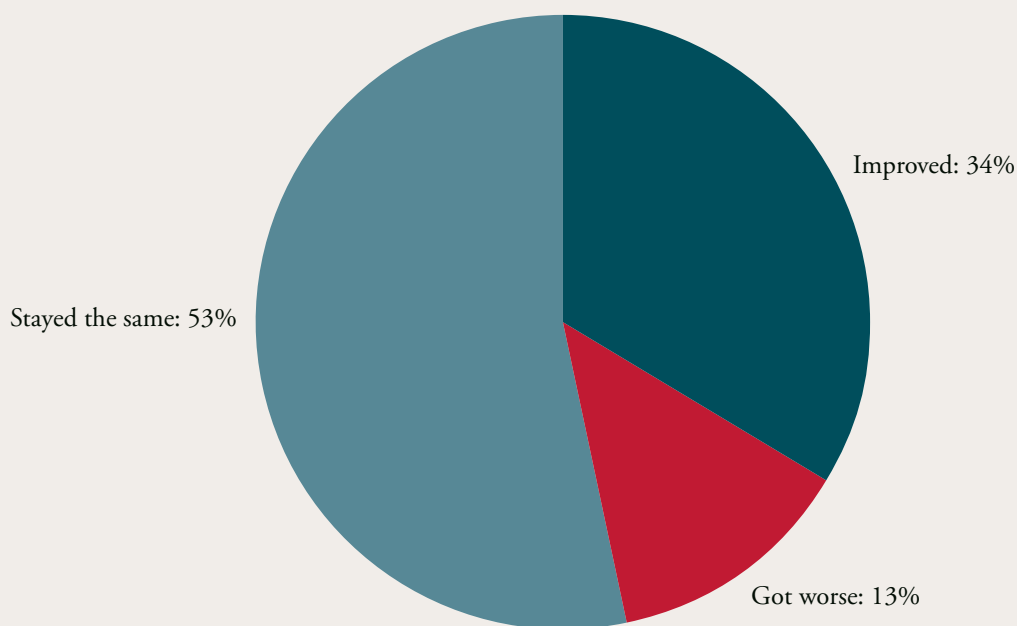
The issue is whether these costs are a price worth paying for the improvements in efficiency and quality that result. Here respondents were much more evenly divided, with near 50/50 splits on the idea of competition increasing efficiency and quality. Interestingly, those from mental health and community services were almost all against the idea that competition increases quality and efficiency. These are the areas which have seen most change over the last decade with, for example, about a third of community health services now being supplied by non-NHS providers (See *Into the Red? The state of the NHS' finances*).

What impact is this having on the quality of care?

The main part of our survey covered finances, but we also asked a series of ‘tracker’ questions that we will return to for each survey. These focus more on panellists’ views on the overall quality of care being provided to patients and service users. These results form a baseline from which we will track changing perceptions about the overall quality of health and social care, and the financial strain it is under.

Firstly, we asked panellists whether they thought the quality of NHS services had improved, stayed the same or got worse over the last year. Around a third (34 per cent) considered that the quality of NHS care for patients had improved, with 53 per cent considering it had stayed the same. Only one in eight respondents (13 per cent) considered that it had got worse.

Figure 9: Since this time last year, do you think the quality of care that patients receive from the NHS has:



Almost all those who considered services had improved came from acute trusts or CCGs, where the numbers split roughly half and half between those who considered it had stayed the same and those who thought it had improved.



Quality has improved because of increased focus post-Francis

Acute trust panel member

However, those from local Healthwatch bodies were more critical, splitting roughly 50/50 between those who thought the service had stayed the same and those who thought it had got worse.

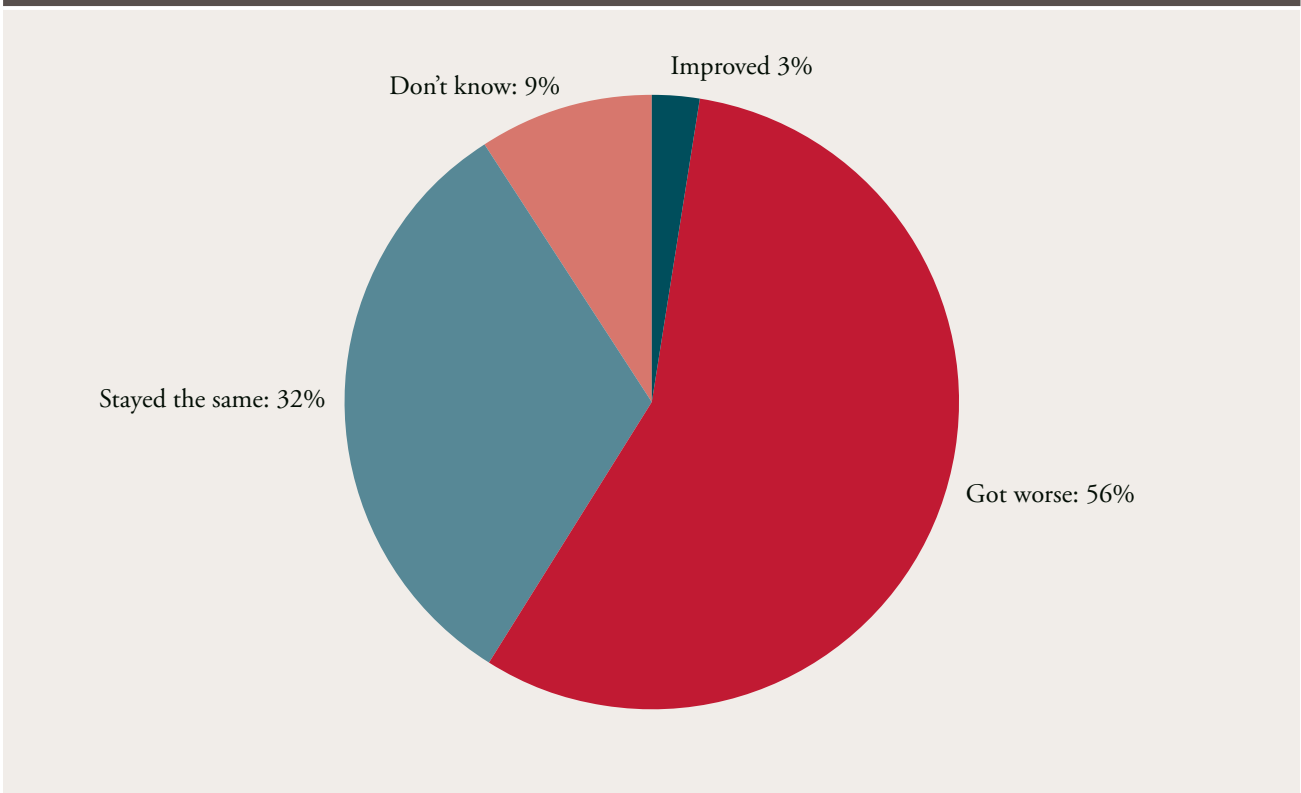
We asked the same question about social care. The picture is much less comforting. More than half (56 per cent) of respondents considered that social care services had got worse over the last year, with a third (32 per cent) considering that standards had remained broadly the same. Very few thought they had improved.



Quality provision in the social care sector is very patchy. Discharge between the NHS and community can be extremely poor and sometimes downright dangerous

Healthwatch panel member

Figure 10: Since this time last year, do you think that the quality of social care that service users receive from local authorities has:



However, the majority of social services panellists felt that there had been no deterioration in the quality of social care over the last year, and those in acute trusts and CCGs were more or less evenly divided between those thought service quality had stayed the same and those who thought it had got worse. But all other groups were almost universally of the view that the quality of service had deteriorated.

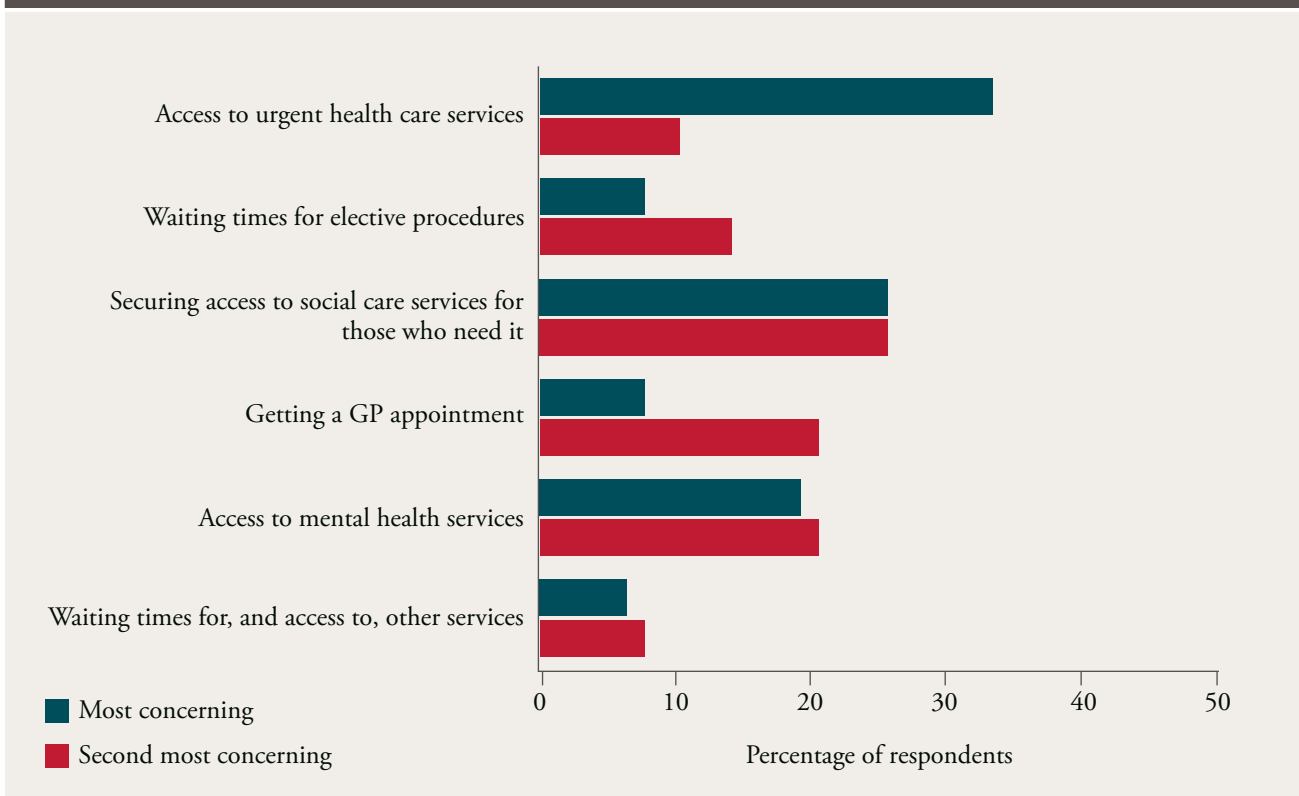


We are slower to respond than we used to be, unless it is very high priority due to risk

Social services panel member

We also asked about panellists' concerns about access to services.

Figure 11: At the present time, which TWO issues concern you most regarding access to health and social care services in your local area?



There were clear concerns about access to urgent care, with growing demand on the service, but access to social care dominated, reflecting the view that social care services have deteriorated more widely. One panellist summed the overall situation up:



Getting beds for acute patients and discharging them is becoming a challenge

Acute trust panel member

The responses to this question also point to significant concerns about access to mental health services, with one panellist expressing a particular concern about child and adolescent mental health services. And, perhaps a growing issue about access to GP appointments. Despite – or perhaps because of – the national focus on waiting times, concerns about access to elective care were relatively low amongst our respondents.

The responses to our tracker questions on the quality of care are generally not surprising as quality of care is perceived to be generally holding up, and in some

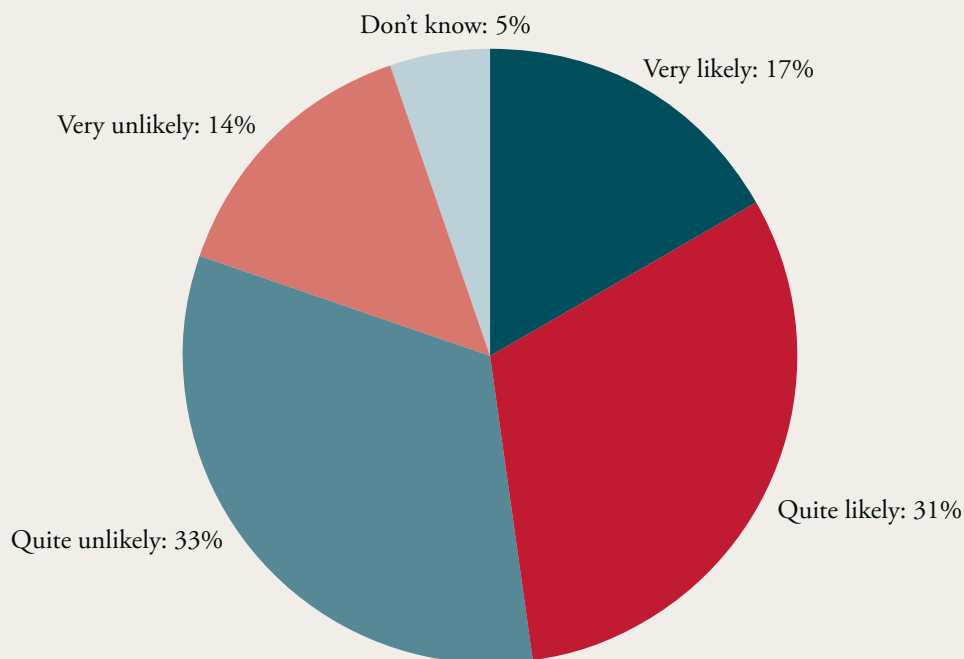
cases improving. However, urgent care services are under particular pressure. Our joint QualityWatch programme with the Health Foundation, which is providing independent scrutiny into how the quality of health and social care is changing over time, has so far reached a similar conclusion.

However, there are differences, with panellists in mental health less able to see improvements and wider concerns about access to those services. In social care, the picture is bleaker. The majority of all respondents considered these services had got worse over the last year, with the availability of good-quality services and access to them a significant issue for many.

The NHS in ten years' time

Our final question concerned the long-term future of the NHS and whether it would remain a comprehensive service substantially free at the point of use in ten years' time, as it is now. The panel divided almost exactly between those who thought it would and those who thought it wouldn't.

Figure 12: How likely do you think it is that comprehensive health care (excluding charges that already apply) will still be provided free at the point of use in England in ten years' time?



Perhaps unusually, the numbers who thought it very likely/unlikely and quite likely/unlikely also virtually matched. Few didn't have a view. It may be that there has always been this kind of division when people are asked to look ten years ahead on the future of the NHS. But this seems a less than confident answer that some of the core values of the NHS will remain in ten years' time, squeezed out by relentless austerity, and the need to meet rising numbers of (very) frail older people and people with chronic illness, and increasing expectations about what a health service can and should provide.

Conclusion

There are some clear themes running through the responses to our questions. Yes, the health and social care system can become more efficient, particularly if organisations work together and release savings across organisations rather than individually. Even if the research evidence is at best ambivalent, spending on social care and community services should produce savings in hospitals, helping with discharging people earlier and preventing admissions for end-of-life care, even if the goal of reducing the number of emergency admissions has so far proved elusive.

There was also support for bringing health and social care budgets together, which would almost certainly result in more organisational change on the commissioner side.

“ A single budget is the only answer. Huge expense, time and energy is spent on reaching agreement on expenditure

Social services panel member

Some were more radical, arguing for a complete overhaul of the purchaser/provider split.

“ The way to improve efficiency and quality whilst controlling cost is to vertically integrate acute, community and primary health care with social care provision under a single organisation and management team


Acute trust panel member

Rationalisation and reconfiguration of the provider side was also seen as essential, as was change in primary care.

But panellists were not convinced that this would be enough. The overriding message from answers to questions about the financial future of the NHS and social care was that these health and social care leaders are worried about the short- and long-term finances. The viability of local providers, and the looming and very difficult trade-off between balancing the books and providing a quality service, came across strongly in their answers.

The panel was clear that extra money will need to be found for health and social care. The latest figures for NHS finances bear this out. Savings have been made, perhaps at a rate of four per cent or so a year since 2010, but these are becoming more difficult to find – the rate is declining – and increasing numbers of NHS providers are in deficit. In social services, the budget for older people has been cut by 12 per cent in real terms since 2010 and, as a result, 246,000 people no longer receive domiciliary services.

The NHS and social care are now poorly placed to meet the demands of increasing numbers of very frail older people and those with chronic illness; new medical technologies; and rising public expectations. As one panellist put it:

 We have not faced up to having a population that lives a great deal longer – we are tinkering around the edges

Social services panel member

More generally, the survey findings relating to panellists' views on the quality of care being provided to patients and service users reflect the policy and funding priorities for health and social care. While NHS spending has held steady in real terms since 2009/10, funding for adult social care has been cut, with older peoples' services bearing the brunt. However, although the NHS has been to some extent financially protected, there are differences within it. Funding has continued to grow in real terms in the acute sector, although it is under pressure from rising demand, but funding for GP services has fallen, while for mental health it has remained more or less steady.

The national focus on quality has been much greater in the acute sector following the Francis Report and reviews of some acute trusts by Sir Bruce Keogh. For example, the acute sector has seen the fastest growth in nurse staffing, and the programme of NICE (National Institute for Health and Care Excellence) guidance on staffing levels will start with acute hospital wards. There has also been a continuing national emphasis on hospital-acquired infections, waiting times for cancer, elective care and A&E. In contrast, targets relating to access to GP services have been dropped. There is a national desire for parity of esteem for mental health, but little or nothing that matches the focus on the acute sector.

Turning to the future, our analysis has showed that the NHS in England – depending on a number of different scenarios, including how much funding it receives after 2014/15 – could face a funding gap of £28–34 billion by 2021/22. Our panel considered that how this gap could be met should be the first priority for an incoming government. They favoured tax increases over charges, although the latter had some support.

The survey findings call into question the confidence that health and social care leaders have in the long-term sustainability of the NHS, with only half of respondents believing that the NHS will be able to provide a comprehensive service largely free at the point of use in ten years' time. Therefore, the jury is out on whether the status quo can be maintained in a decade's time, or whether alternative, and perhaps less palatable, approaches will be needed.

About the author

Andy McKeon is Senior Policy Fellow at the Nuffield Trust, after being interim Chief Executive of the Nuffield Trust from September 2013 to April 2014. Previously Andy had been a trustee for five years. He is also Adjunct Professor at the Centre for Health Policy in the Institute of Global Health Innovation at Imperial College London.


Formerly a career civil servant at the Department of Health, Andy led on several major White Papers reshaping the NHS. He also had responsibility for primary care and all pharmaceutical matters.

He joined the Audit Commission in 2003, where he was responsible for all the commission's work in the NHS and on wider health matters. During his time at the commission, he undertook a review for the Secretary of State on the NHS' financial management and accounting regime, and produced a number of major studies on the NHS and public health issues more generally.

Andy is also a non-executive member of the National Institute for Health and Care Excellence (NICE) and a non-executive Director of Egton Medical Information Systems (EMIS).

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