

**Managers in Partnership Conference**

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**Introduction**

It's a real pleasure to be here, and I feel honoured you've given me the opportunity to address your conference today.

NHS managers have faced an extremely tough time over the last two years.

You've had to deal with the biggest re-organisation in the history of the NHS, and the biggest financial challenge of its life.

You've had to hold the whole NHS together through the bewildering and contradictory changes, at the same time as keeping up service performance and balancing the books.

You've been asked to do all this when many of your own jobs have been abolished or put at risk; in the face of regular criticism from politicians and the media alike.

With over £100 billion of public money spent on the NHS every year, it needs great managers just as it needs great doctors, nurses, physios, therapists, porters, cleaners and care workers.

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You are motivated the same values, and share the same passion for your patients and services, and you should be supported not denigrated for your work.

Unfortunately, the pain you've been through isn't over yet.

We're still not clear about the roles of all the new bodies the Government has created, like the 4 regional outposts and 27 local offices of the NHS Commissioning Board.

Or how all the different parts of the system will work together: the NHS Board, Clinical Commissioning Groups, Commissioning Support Units, local council Health and Wellbeing Boards, Clinical Senates, Clinical Networks, the National Institute for Health and Clinical Excellence, Monitor, the Care Quality Commission, Public Health England and local and national HealthWatch.

Back in the service, staff face a daily struggle of ever tighter budgets and ever increasing demand.

And the NHS as a whole will face some very difficult questions when the Francis Inquiry into Mid Staffordshire Hospital reports in the new year.

### **NHS reform: a top priority for Labour**

Yet through all this, we must never lose sight of benefits of our National Health Service.

We saw in the Olympic opening ceremony – our showcase to the world – that the NHS isn't only loved, but one of the key things that makes us proud to be British.

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The reason why is its underlying principles: that the NHS is there for us no matter what our background, need or income; one of the few organisations that genuinely binds us together; the embodiment of 'One Nation' Britain.

We've been handed this precious set of values by our parents and grandparents, and it's the task of this generation to ensure they are safe to hand on to our children. We will only achieve this by making these values endure in the modern world.

That means real change in the NHS is essential.

Last week, the Kings Fund launched a new programme of work called '*Time to think differently*'.

The accompanying report says: "the reforms embedded in the Health and Social Care Act 2012 fail to address the longer-term underlying trends and pressures affecting health and social care services."

The Kings Fund is right, because this Government's reforms are all about how the NHS is organised, not about how care is delivered.

The truth is that far more fundamental reform is vital if we're going to meet the challenges of demographic and social change.

Because despite the huge improvements and hard won gains you've helped achieve over recent years, we're still not providing the best possible care, particularly for older people and those with long-term conditions.

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And because whichever party is in Government and however much growth we get back into the economy, we've got to get far more out of the billions of pounds spent in the NHS into the foreseeable future.

The NHS accounts for almost quarter of all public service spending.

What happens to this money is vital for the millions of people who use the NHS, and for the money that's left to spend on every other public service too.

### **Our vision for 21<sup>st</sup> century care**

You know the choice isn't between this Government's distracting and damaging reforms and no reform.

It's a choice between continuing down the wrong road and building the right path to a better future.

A 21<sup>st</sup> century care system must meet people's physical, mental and social care needs together - integrating care and support so we improve health and make better use of taxpayers' money.

It must help people of all backgrounds live longer, healthier and more independent lives - by radically shifting the focus of services away from last minute crisis interventions in hospitals towards preventive care and support in the community and people's homes.

And a 21<sup>st</sup> century care system must see users and their families as genuine partners, giving them more say and greater responsibility and control over their own health and the services they use.

## **Lessons learnt**

At this point I'm pretty sure you're thinking: "tell me something I don't know. We've been talking about this for years."

You're right, we have.

I've been thinking long and hard about why these changes have been so difficult to achieve

And I want to share with you some of the lessons I've learnt from my time as an adviser in the Department of Health, as a Director at the NHS Confederation, and in think-tanks like the King's Fund and IPPR.

The first lesson is that constantly re-organising NHS structures won't achieve the changes we need.

Einstein said the definition of insanity is to keep doing the same thing over and over again and expecting a different result.

Yet that's precisely what successive Governments have done.

If Labour wins the next election we will repeal the 2012 Health and Social Care Act but we will not force the NHS through another major re-organisation.

We don't need new NHS organisations, we'll simply ask those we inherit to work differently.

We'll keep Clinical Commissioning Groups and Health and Wellbeing Boards, but ensure they work within a properly accountable national health service.

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Of course structures make a difference, but changing the culture of services is often far more important in achieving better outcomes and more efficient care.

This requires leadership. Team work. Proper training and professional development. Genuinely involving users. Backed by good quality information, and decent IT.

Not sexy, headline grabbing stuff. But crucial nevertheless.

The second lesson is that despite repeated attempts to promote integration, raise the status of mental health and social care, and shift the focus of care towards prevention and early intervention, services are still too often delivered in silos and hospitals still dominate.

Much of this is due to historic cultures and hierarchies, within the medical profession, between physical and mental health and between NHS and social care. All of which are entrenched and amplified in the Department of Health.

It's also about the way incentives are structured, like how money flows around the system.

And yes, it's about political opposition to change too.

Whilst changes to local hospital services will always be difficult, Labour will not have a policy of blanket opposition to hospital reconfigurations like the Conservatives did at the last election.

That might be easy politics. But it wouldn't be right in principle or in practice.

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We will judge every proposal on its merits: whether it saves more lives, reduces disabilities, and improves the quality of care. The clinical case must be made and supported by the evidence, if the public as well as local MPs are to be convinced.

The third lesson is about how you get real innovation in the system.

For all the criticism you hear, there's actually a huge desire and talent for innovation amongst NHS staff.

What they need is the encouragement, freedom and space to innovate. They need backing to experiment and take sensible risks, not rigid performance management from on high.

The private and voluntary sectors also have a vital role to play in bringing innovation and challenge into the system.

Of course private and voluntary providers must be effectively commissioned and regulated, within a properly managed system - not the free market, free-for-all that this Government is putting in place.

But it would be a real mistake to slip back into old ways of thinking, and attempt to block rather than encourage the benefits these services can bring.

The fourth lesson is that we can't address the challenges the NHS faces until we finally tackle the crisis in social care.

Labour made real improvements in social care, introducing new rights for family carers, pioneering integration through Care Trusts, and championing

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personalised services with Direct Payments and Personal Budgets.

But we did not deliver lasting reform to the way social care is funded, although Andy Burnham deserves huge credit for grasping this issue and putting forward bold proposals when he was Secretary of State.

This Government shows no signs of understanding either the scale or urgency of the problem. They point blank refuse to accept the shortfall in current social care funding, and they've kicked Andrew Dilnot's proposals for long-term reform into the long grass.

Yet in an ageing society, any Government that is serious about improving care for older people – and securing the future of the NHS - must deliver a lasting settlement on the future funding of social care.

### **The right reforms for the future**

If previous attempts at reform haven't delivered the scale or pace of change of we need, what should be done in future?

Take a moment to imagine the difference having one budget for all the relevant health and care services in a local area would make: ensuring councils and community services share the savings, rather than simply bearing the costs of investing in housing, care and support services that help older people stay living in their own homes.

Think about how a properly reformed payment system in the NHS, perhaps with a 'year of care'

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budget, could help secure a fundamental shift in services out of hospitals, into the community and more towards prevention.

Or how older and disabled people and their families would benefit from one point of access to co-ordinated health and social care - instead of struggling to get different services to work together to meet their needs.

Picture a health and care system where good quality information is available to users and staff in every service, driving improvements in clinical standards, patient experience and productivity too.

A system where primary and community services – where 80% of consultations take place, and which account for almost a quarter of the NHS budget – are as much a focus of attention and reform as hospitals.

Where education, training and professional development give NHS and social care staff the skills they really need to care for the very old and ensure users become genuine partners in their care.

And where politicians finally grasp the nettle of reforming long-term care funding, putting in place a new partnership between individuals and the state.

Think about how this would transform people's lives, relieve pressures on the NHS, and help everyone properly plan for the future.

### **Conclusion**

These are the key ideas, issues and challenges Labour is exploring in our policy review.

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We don't yet have all the answers about how they can be achieved.

But with your help - your knowledge, experience and expertise – Labour will develop the right priorities and policies, and the right reforms, to secure a health and care system that's fit for the future.

**Ends**