

# STRATEGIC POLICY UPDATE

## GOVERNOR FOCUS



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Chief Executive

3 November 2020

# An extraordinary year – with more to come



**COVID-19: Past, present and near / mid future**

**Where we are now: quick run round**

**NHS Providers activity**

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# Past: COVID-19 First Phase

- An extraordinary achievement
- Innovation, commitment, problem solving
- Across NHS: community, mental health, ambulance, hospitals
- New ways of working including local health and care systems
- Providers made it happen, at pace, with collaboration
- Public support
- Staff effort required
- Impact on non-COVID care
- PPE, care homes, lockdown entry/exit timing, test and trace





## Commentary

### Context

Trusts and frontline staff are working flat out to restore those services which were necessarily interrupted to cope with the first peak of the pandemic. Our *Restoring services: NHS activity tracker* highlights detailed examples of the innovations trusts and their staff developing to improve capacity, and respond to unmet demand despite the constraints created by COVID-19, and the need to prepare for additional winter pressures.

Trust leaders are only too aware of the disruption and distress for many patients caused by the need to focus on COVID-19 at the height of the pandemic. However, recent claims that all non-COVID care came to a grinding halt are simply not true. At the peak of the pandemic, for every one COVID-19 patient in hospital, there were two non-COVID patients being treated for other conditions. Trusts continued to carry out over 41,000 emergency operations in April and find ways to safely continue cancer care in the context of COVID-19. And most mental health and ambulance, and many community services, continued to function at their pre-COVID levels of activity, or higher. Factors which continue to have a bearing on capacity levels include:

- a drop in the numbers of people seeking help during the height of the pandemic and a significant reduction in the number of GP appointments resulting in fewer referrals to secondary care
- reduced capacity across the NHS due to necessary infection control measures (such as regular deep cleaning), social distancing and additional PPE requirements
- changes in clinical practice in response to COVID-19
- changes in patient behaviour in response to COVID-19 which mean that for a range of reasons people can be less confident about seeking help or treatment.

- Recovering NHS services
- Innovation, commitment, problem solving, staff effort again
- But increasingly sceptical voices on lockdowns and wider health impact / NHS service recovery
- Government strategy:
  - Test and trace
  - Local lockdowns
- Failure to control virus spread

# Near future: Winter

## *Where we now are*

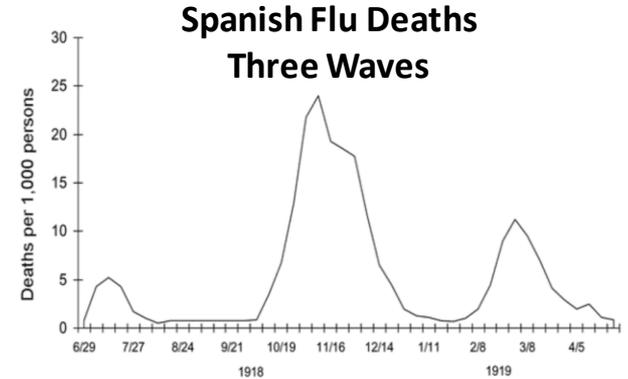
- Lost control, rapidly rising NHS admissions, lockdown 2

## *What's better*

- Knowledge of disease; better treatments & outcomes
- Mass testing – better intel on how much spread & where
- NHS escalation plans and collaborative relationships
- PPE distribution and supply
- Management of risk in care homes

## *What's challenging*

- Need to maintain full range of NHS services & recover volumes
- Winter – time of greatest capacity stretch
- Lost capacity due to infection control
- Staff fatigue, morale and danger of burnout
- Lag between lockdown and admissions falling
- Need to introduce 111 First urgent care pathway, at pace
- Short and longer term impact on health inequalities





- Escaping the repetitive lockdown cycle
- Three long term ways to combat COVID-19 now on horizon:
  - Therapeutic drugs to mitigate effects of virus
  - Vaccinations to reduce severity of infection
  - Rapid testing methodologies to cut infection rates and enable effective functioning of the economy
- Scepticism on:
  - No lockdowns, just protect the elderly
  - Herd immunity
  - “It’ll just fade away”
- Notable mid to long term optimism from the experts
- But still a lot we don’t know e.g. length of immunity

COVID-19: Past, present and near / mid future

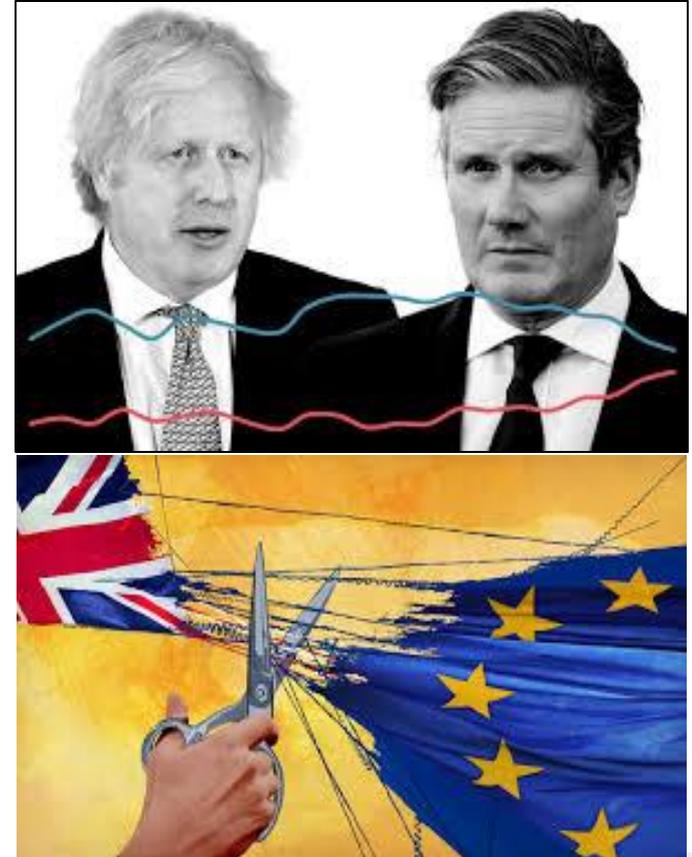
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- A backdrop of uncertainty: *no deal Brexit, recession, focus on Scottish independence but COVID-19 dominates all for some time yet*
- Government handling of COVID-19 under strong and continuing scrutiny
- Backbench rumblings and growing spotlight on Boris Johnson's leadership
- Political fightback by Labour under Keir Starmer but notable gap between leader/party poll ratings
- Four years to go till next General Election



NHS Long Term  
Plan Priorities

Manifesto  
Commitments

New pressures  
created by COVID



- Too many priorities to deliver on current funding / resources
- Need a new, take account of COVID-19, statement of priorities
- Was expected in November at Spending Review but probably now delayed

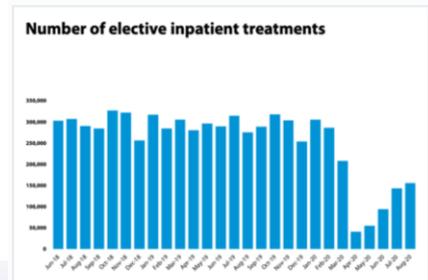
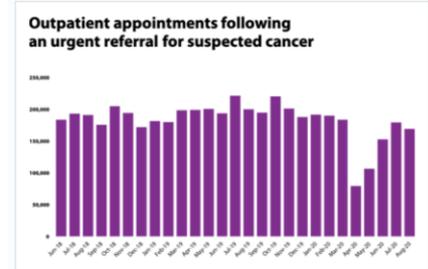
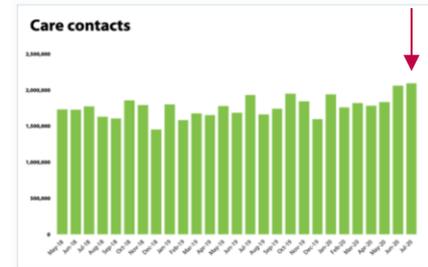
## Overview: Before COVID-19

- Rapidly growing demand
- Static capacity due to longest /deepest financial squeeze in NHS history
- Performance dropping rapidly, worst in a decade...
- ...Despite best efforts of frontline NHS staff

## COVID-19 effect

- Dramatic drop in some service volumes, depending on service
  - Drop in elective surgery / cancer referrals / A&E attendances
  - Demand for mental health services at an all-time high
  - Community services pressure (e.g. rapid hospital discharges)
- Volumes being recovered but, again, varies by service
  - A&E / ambulance demand rapid bounce back
  - Impact of Covid: capacity loss due to infection control / covid beds for phase 2
- Big longer term problems on top of underlying demand / supply mismatch
  - Elective surgery (e.g. 52 weeks+ waits now at 111,000)

### Mental health activity



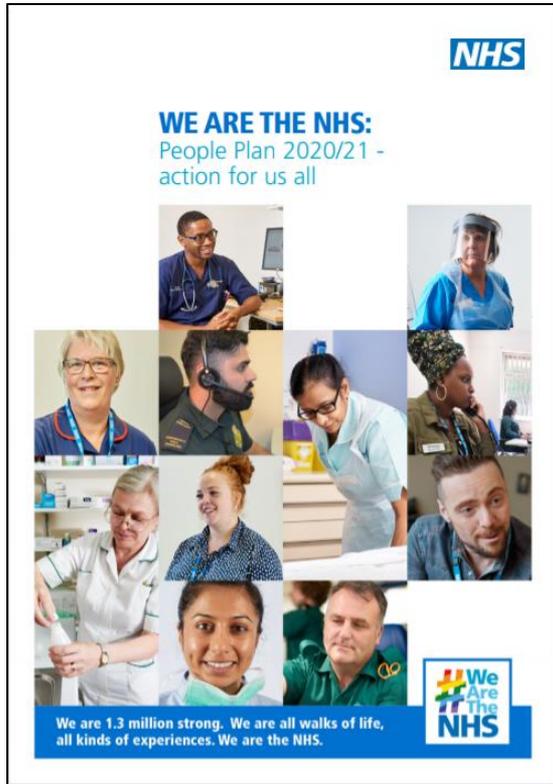
## ***Strategic level finances***

- NHS funding model under increasing strain: taxes vs demand
- COVID-19 now added significant extra cost
- “Extra NHS money” insufficient to deliver all NHS being asked for
- Difficult public expenditure context + “NHS has had its increase”

## ***Operational level finances***

- Normal financial rules suspended for 20/21: we’ll pay you what we normally pay you + Covid costs
- When do we get back to “normal finances”?
- Move from trust to system finances: governance / accountability risks





## ***Strategic level issues***

- Level of vacancies: 80,000 (c. 8% of workforce)
- Workforce shortages in certain roles / geographies
- Unsustainable load on existing staff
- NHS cultural issues: great place to work, leadership

## ***COVID-19 issues***

- Positives of heroic staff effort, flexibility and redeployment
- But...toll on staff and strain now clearly evident: burnout risk
- Disproportionate impact of COVID-19 on BAME staff (and patients)
- Tackling racism in the NHS

## ***Coming up***

- New pay deal due April 2021

## ***Health and care integration speeding up***

- Bringing health and care together at
  - Neighbourhood (10-50k population)
  - Place (e.g. local Council area)
  - System level (44 STPs / ICSs)

## ***Big changes for NHS trusts***

- Population health outcomes not just treating illness
- Working together with health and care partners
- System success as well as trust success
- Working within a system – money, governance, accountability, potential for duplication and confusion
- The law and formal accountabilities lagging long way behind

## ***Two likely spurs for faster change***

- NHS England / Improvement system by default policy
- Possible NHS Bill in 2021



## COVID-19 learning

Importance of effective place level working

Provider collaboratives = key delivery unit

Empowered local leaders due to stable funding

Strategic commissioning

## Provider collaboratives

- Emphasis on acute and mental health provider collaboratives at STP/ICS level – what does this mean for ambulance / specialist / community?
- How do collaboratives link to individual trusts, places and ICS?
- How would money work including ability to move funding across providers?
- Governance and accountability?
- Where does primary care and social care fit?

- A realistic view of how systems should work
- Appropriate focus on the central role of providers in systems
- A helpful move away from preoccupation on STPs/ICSs as a new full statutory tier
- But a huge amount of detail to work through

## The overarching duties of governors remain unchanged:

1. Representing the interests of members and the public
2. Holding the NEDs to account for the performance of the board

- We have not heard of any proposals to amend governors' core duties or the role in any NHS Bill  
The role of governor in the system context is therefore still best viewed through the lens of your existing duties
- You may wish to discuss with your trust how best to ensure the council of governors is sighted on the trust's contribution to broader system plans (some trusts have explored regional meetings for governors as one way to improve understanding and networking across a broader footprint)
- We are developing a compendium of best practice in 'the new normal' to include a focus on governors.

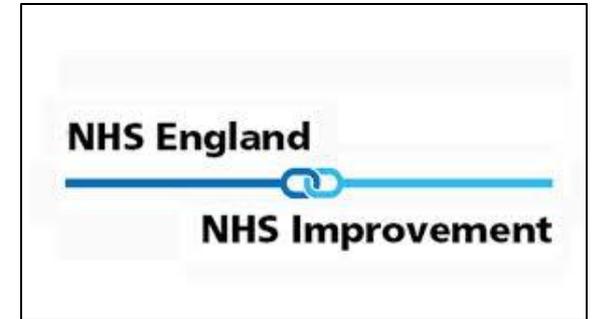
## *Increasing focus on system, not just trust, regulation*

### ***Care Quality Commission***

- Moving away from regular physical trust inspections to...
- ...Greater use of data, information and regular trust dialogue
- Concentrate physical inspections on where risk is greatest

### ***NHS England / Improvement***

- Moving towards a system oversight framework, not just trusts
- Seeking to balance support and oversight



## BREXIT



- Transition period ends Dec 31st
- Significant risks if border problems:
  - Supplies
  - Equipment
- Government is main risk manager
- Difficult to assess degree of risk but...
- ...Lot of work done, twice, for original no deal planning.

## SOCIAL CARE



- COVID reinforced dangerous fragility
- Unsustainable workforce, financial and provider market models
- Government's 'finger in dyke' approach persists
- Long term reform still in the "too difficult" box
- A real concern

## Context

- Huge logistical challenge from a standing start
- Late set up – lost three months
- Undeliverable ‘world beating’ expectation a millstone

## Learnings / issues

- National vs local control
- At scale public services take time to build!
- Good communications and expectation setting vital

## Risks

- Loss of public confidence
- Scale of challenge to be fit for purpose for winter



# In summary: Key issues to manage



**Covid second surge meets...**

**...winter and Brexit**

**Recovering services and service volumes**

**Staff fatigue and potential for burnout**

**Evolution of system working**

# Six key long term issues

- 1 Long term approach to living with COVID-19
- 2 Getting to a sustainable workforce model
- 3 Reforming social care
- 4 Matching NHS ask to its funding envelope, mid and long term
- 5 Integrating health and care properly
- 6 Shifting from treating illness to preventing it

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# Voice and influence

Focusing on the priority issues:

Need for rapid decisive action on local lockdowns

Testing

Non-COVID care and restoring services – narrative

Impact of COVID-19 on mental health services

Winter

NHS finances

Development of system working



**'Talking to NHS trust chief executives in the north of England over the past three days, they are very worried. Increasing numbers of cases have translated into more admissions.'**

Chris Hopson

Red Box THE SUNDAY TIMES



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10,000 media mentions. 400,000 individual page views on our website, with traffic at twice the levels of the same period last year

More than 40 different briefings and major reports

12 select committee submissions, three oral evidence sessions hearings and 17 parliamentary briefings

# THANK YOU: Questions and discussion

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