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Three new leadership priorities for NHS CEOs

As we close in on the end of the 2020/21 financial year NHS chief executives will be thinking about the year ahead, surveying the damage the pandemic has wrought but also assessing the opportunities that it has created.

Over the last few weeks GGI has been talking to a broad range of chief executives and here we share with you some of the themes that have emerged, as well as a call to action, as CEOs move into a new age of being judged on population health outcomes rather than number of patients treated in hospital.

The NHS went into 2020/21 in a pretty decent place. Performance across the constitutional standards wasn't great but neither had it deteriorated significantly, except in A&E where the four-hour wait was again proving to be beyond the capabilities of most trusts.

The financial position had stabilised and some of the massive overspends of recent years had been brought back under control. There were still some worrying and largely unaddressed – and partially unacknowledged – underlying issues. Among them were critical workforce shortages, ageing and inadequate infrastructure, a continued burgeoning of demand and many services that were struggling to remain clinically viable as the realities of recruitment and retention coupled with the vagaries of Payment By Results combined to make life very difficult for some. There were emerging signs that NHSE was genuinely serious in its intention to simplify the system architecture and pursue a policy more focused on collaboration than competition.

Covid impact

Then came the pandemic and nearly everything changed. Waiting lists and times have spiralled as set out in a recent GGI illumination. There's a tsunami of demand for mental health services arriving. Staff are tired, some are exhausted. The financial framework for next year hasn't been set for the whole year, but in his budget the chancellor has confirmed that £9bn of Covid funding spent in 2020/21 will not be available in 2021/22.

After a year off, cost improvement programmes are coming back with vengeance. There is no sign of a coherent policy on the future of social care. The white paper, while promising some much-needed and arguably long-overdue changes, will also bring a measure of uncertainty and disruption to relationships, many of which have actually improved through the pandemic as leaders and organisations united behind a common cause like never before.

Opportunities now

It's important to keep an overview of what is happening while working on what is possible. In this challenging context, why should chief executives feel positive? We would like to offer three reasons:

1. **A new orthodoxy.** After decades of reducing capacity in the pursuit of efficiency and of under-investment in critical infrastructure the pandemic has shown that the NHS can deliver, but it has also thrown into stark relief how much more investment is needed in the workforce, in capacity (critical care in particular) and in infrastructure if the NHS is going to be able to respond effectively to future national emergencies. The orthodoxy of reducing particularly bed capacity has been shattered. What is clear now is that investment is needed right across pathways, including primary care, community and specialist services. There are some hopeful early signs that some politicians are coming round to this way of thinking. Now would be a good time for boards and chief executives to speak with one voice on the need for a new approach.

2. **It was always about collaboration.** If you think competing is hard you should try collaborating. And yet most senior leaders have always known that despite the regulatory framework the best results for patients are usually delivered when they and their organisations work together to deliver a shared objective. Well now is your chance – provider collaboratives have huge potential to tackle some of those underlying challenges of workforce, infrastructure and service viability. What are you waiting for? You know what to do and waiting for national guidance is a sure-fire way to ensure that you have to run to catch up. See the recent GGI illumination on symbiotic relationships to help inform your thinking.

3. **The ICS isn't them, it's you.** While there is a lot of imaginative talk about 'place' and the potential to make progress on health inequalities, for instance, which is true and important, be in no doubt that ICSs are also about asserting control on money and performance. Expect the NHSE regions to transfer many of their functions and people to ICSs. So now is the time to exert influence on the operating model of the ICSs in which you have an interest and on the people who lead them. Sitting back with folded arms and pursed lips isn't an option as ICSs take shape and leadership appointments are made – use your influence and get involved now before it's too late.

In our work with boards GGI focuses on building confidence and capability to engage with stakeholders and drive collaborative strategies to improve performance and tackle 'wicked problems'.

Our view is that the best boards are ambitious for themselves and for their institutions and that now is a great time to be embracing a radically different future. Board that aren't actively developing themselves are likely to be missing a trick.

Illuminations

- A new orthodoxy for the NHS is emerging that is about equipping services for an uncertain future.
- Collaboration is harder than competition but the prize is greater.
- ICSs will assert control – now is the time to influence how they work and who leads them.

If you have any questions or comments about this briefing, please call us on 07732 681120 or email **advice@good-governance.org.uk**