

Press release

UNDER EMBARGO

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NHS CONFEDERATION CHIEF ISSUES WAKE-UP CALL OVER THE IMMEDIATE PRESSURES ON HEALTHCARE FINANCES AND QUALITY OF CARE

The head of the organisation that speaks for the NHS will today (Wednesday) issue a wake-up call over the immediate and growing financial pressures facing England's health services.

Mike Farrar, the new Chief Executive of the NHS Confederation, will say that the decisions taken over the next 18 months will be pivotal for the quality of services.

He will make the comments when he opens the organisation's national conference in Manchester, the biggest annual gathering of NHS leaders.

In what is his first big speech since taking up the post, Mr Farrar will highlight the results of a major survey of NHS chairs and chief executives also published today. He will say that the results should represent "a loud wake-up call rather than a counsel of despair".

Mr Farrar will urge NHS leaders to have the confidence to shape their own destiny, innovate from within, and challenge the outdated business models they know exist.

He will call on policy makers to help the NHS soften the impact on patients, urging them to

- stop attacking and start valuing managers, who are essential to the delivery of high quality care;
- support NHS leaders to make the tough decisions on service reconfigurations that deliver the right thing for patients;
- recognise that most of NHS reforms kick in from 2013 so it will be the decisions and support provided in the next 18 months that will determine if the NHS is a going concern for the future organisations to inherit;
- provide more clarity sooner on NHS reform, with practical resolution to the outstanding questions.

He plans to tell some 1,500 delegates:

"I can't think of a more important NHS Confederation conference than this one. It comes at a time of unprecedented financial challenge, unprecedented and unwarranted attacks on managers, unprecedented confusion over policy and unprecedented nervousness about how we can deliver what's asked of us. The NHS is desperate for certainty and clarity. We need recognition of the enormous job we face and action to help, rather than hinder us, in delivering it."

On the survey results, he says:

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"People will overlook these worrying results at their peril. This is the view of those who run the service, who will implement the reforms, and on whom the immediate future of the NHS depends. They are unconcerned with the political knockabout and they don't have the luxury of the armchair commentators. The picture they paint is of pressure on money now and of pressure on money mounting down the line. It is getting harder to maintain the great progress we have made on the quality of care, and there is now real concern about the speed of access to services. The NHS also feels pressure as a consequence of the difficult financial settlement for social care. This highlights that the NHS is not an island. The health and social care system has got to work together or it won't work at all."

On the next 18 months, he says:

"We have to act now and that means sheer hard work, an ability to deal with the ambiguity yet take brave decisions, and to do today's day job while safely bringing the new system into place. I have seen throughout the country people leading and taking responsibility even when uncertain about their personal future. I fear that we may have lost considerable time over the past 12 months as a consequence of the policy uncertainty and the drain of senior management we have also seen around us."

On the NHS reforms, he says:

"There are many things that are good in principle about the reforms such as the increasing role of clinicians. And I have no doubt that we are in better place as a result of 'the pause'. But, despite this progress, there is still much to worry about. We are concerned about excessive centralisation, bureaucratic restrictions on the freedom to act of local commissioning groups, the continued attack on management, and the lack of political courage when reconfiguration of services is justified on quality, safety, and, let's name it, on cost grounds."

"We need reform that helps us deal with the complexity of competition and collaboration, not a political fix. We need reform that balances the need for national consistency and local flexibility. We need proper governance but freedom to act swiftly without burdensome bureaucracy. And we need a proper assessment of the resources needed for the effective management of the NHS."

On NHS management, he says:

"The time has come to move away from a simplistic and crass management cost target with all the perverse incentives it entails. No one disagrees with the need to find efficiencies. But an organisation the size of the NHS, with £110bn of expenditure, needs a proper level of management to succeed. Most other comparable countries spend more on management than we do, without getting the outcomes and services. That's recognised by reputable bodies like the Commonwealth Fund. The latest management reductions bring us dangerously close to undermining the advantages we have."

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On the challenge for NHS leaders locally, he says:

"We need the confidence to shape our own destiny, to innovate from within, to not wait for others to do it, but to challenge our own outdated business models that we know exist. There are many examples all over the country where NHS organisations have developed new approaches to tackling major service and financial challenges and not sat waiting for the solution from above. We should be more confident in finding these local solutions and promoting those that work."

Additional briefing material:

[Survey findings report by Picker Institute](#)

[Responses broken down by region](#)

[NHS Confederation Annual Conference Programme](#)

[Anonymous quotes from respondents](#)

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Notes for editors

1. The NHS Confederation is the only body to bring together the full range of organisations that make up the modern NHS. We are an independent membership organisation that represents all types of providers and commissioners of NHS services in England. We also represent trusts and health care boards in Wales; and health and social service trusts and boards in Northern Ireland.
2. Survey carried out for the NHS Confederation by the Picker Institute Europe
3. Contact Francesca Reville 020 7074 3312, 07884 473086 or Niall Smith 020 7074 3304, 07767 770309 or James Pritchard 020 7074 3306, 07525 681567. For out of hours media enquiries, please call the Duty Press Officer on 07880 500726.