

Driving Growth Locally: *The Economic Role of Health*



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23 June 2016



Stimulating Local Growth – a healthy economy is a productive economy

- More understanding of - and involvement in - local growth plans across England can:
 - help the NHS locally **improve public services;**
 - have a greater say in **devolved strategic discussions;** and
 - **secure long-term, external funding** for the service



NHS Local Growth Advisor – my role

- **Aim**

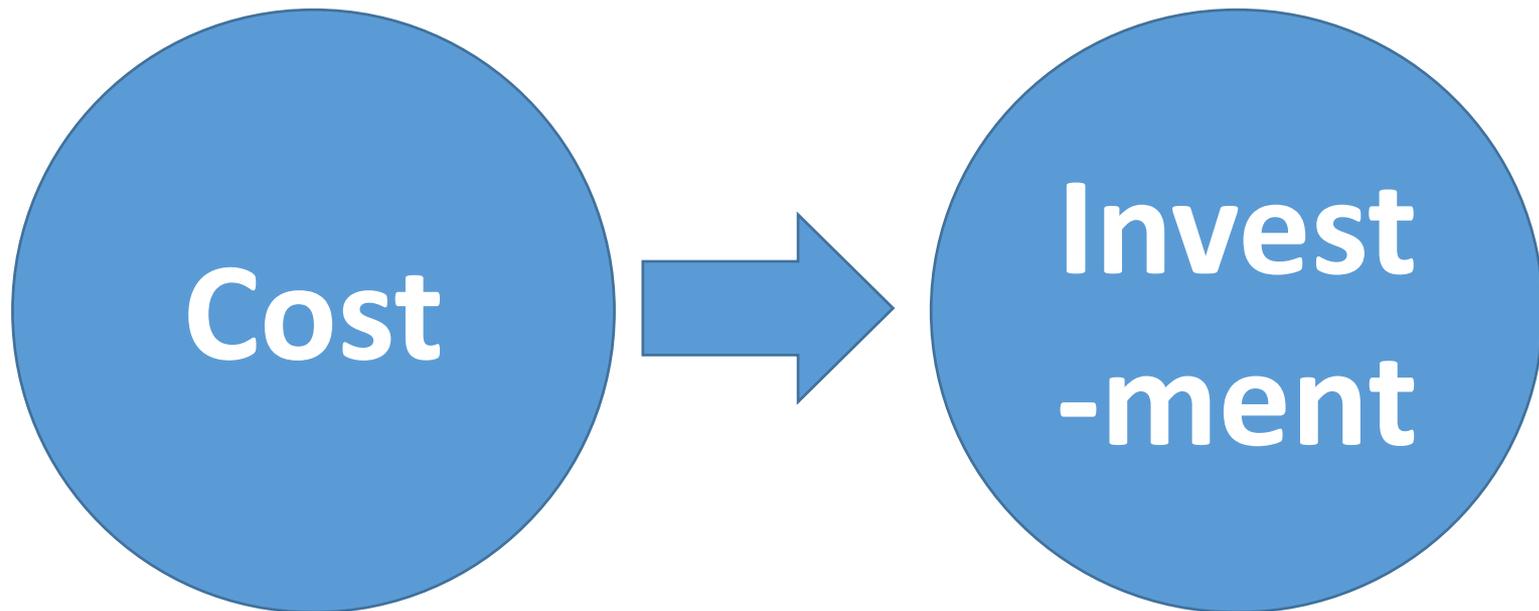
- help health economies engage with local leaders of growth – building new partnerships to drive improvements in public services for local communities

- **Outcomes**

- At national level, work with government and public, private and third sector representative bodies to demonstrate and champion NHS' role in bringing greater regional economic prosperity and to influence future policy
- Locally, support individual NHS organisations to link with their local leaders of growth to understand, develop and build common agenda, potentially bringing significant external revenues and benefits in local service design and delivery



How do your local non-NHS partners see you?





Local Growth – realising every place's potential

RDA's
scrapped
and LEPs
created

Host of new
financing
mechanisms
created

Since 2010
government shifted
economic powers
away from centre to
local communities,
businesses, citizens

Where drivers of
growth are local,
decisions around
economic planning
and strategy should
be made locally

Policy context has
developed through
into defining the
'place'

Govt
responds to
Heseltine
report

New Combined
Authority
Deals
announced

Local Growth – the next steps to realising every place's potential

New Combined
Authority
Deals
announced

Full fiscal
devolution

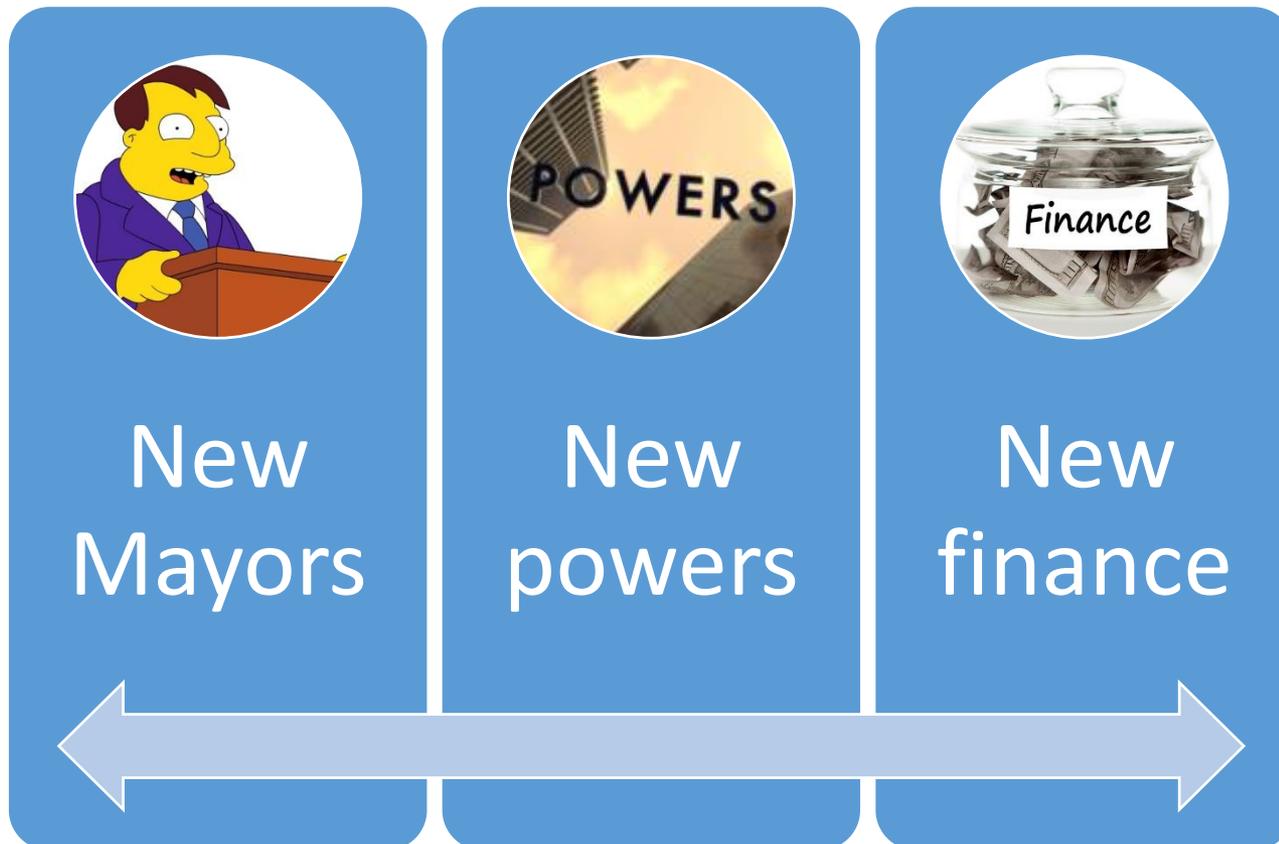
- Greater democratic link
- Enable further local revenue generated

Public service
reform

- Improved outcomes across services
- Greater efficiency

How will your NHS be involved locally?

The 'place' isn't just an abstract concept



Health Service

Key areas of NHS influence on the local economy

Social inclusion

Commercialisation
of R&D

Skills and
employment





What do my non-NHS colleagues know about me?

- How much of our spend stays local?
- Our workforce challenges?
- Our plans for expansion/moving?
- How many SMEs/Charities are dependent on us?
- How many apprenticeships we took on last year?
- Our impact on local GVA/FDI?
- How many people we kept in work?
- Why a Vanguard is important?

How the NHS brings prosperity to my area?

What does the NHS contribute to my area about

Evidence?

Data?

- How does it stay local?
- Our impact?
- Our plans for expansion/moving?
- How many GPs/clinicians dependent on us?
- How many jobs on last year?
- Our impact on the local economy?
- How many people work?
- Why a Vang?

Case studies?

How the NHS brings prosperity to my area?



What are we doing nationally to help?

- Drafting briefings for LEP Network to pitch NHS as sector for investment
- Introducing LEP leaders to health service colleagues
- Placing NHS leaders on key LEP positions
- Writing blogs for LEP Network on NHS developments
- Sharing good practice

**The NHS and local growth:
Working to ensure
a healthy economy**

The health sector is playing an increasing role in supporting local growth, with many local enterprise partnerships (LEPs) already working closely with the NHS to improve regional prosperity.

Partnering with the NHS can help you to:

- drive additional investment into your region
- enlarge and upskill your potential workforce
- combat poverty and social exclusion across your communities.

Why now for the NHS?

The NHS is facing unprecedented demand on its services. We need to balance the challenges of sustaining key public services in a tough financial climate with adapting to the health and care requirements of a significantly aging population. This presents both a challenge and an opportunity.

The NHS is placed at the very heart of the local economy. To better support the communities we serve, we need to build new partnerships to maximise the value of our clinical excellence, our workforce, our infrastructure and our local investments.

The NHS in England is also becoming more heavily involved in the 2014-2020 round of European Structural and Investment Funds (ESIF). Many of the key areas in the 2014-2020 ESIF rounds are reflected in the NHS' endearing role within local communities.





What are we doing nationally to help?

Working with UUK, HEFCE, LGA to run series of free *New Forms of Financing* sessions:

- [Making a Success of Bonds](#) 6 July, Leeds

Focus: Private, Municipal and Green Investment Bonds.

- [Integrated Finances for Strategic Infrastructures and Sites](#)

7 September, London

Focus: Enterprise Zones, UK Trade & Investment Regeneration Investment, Tax Increment Financing, Combined Authority Investment Funds, One Public Estate.

- [From Grants to Loans](#) 14 September, Sheffield

Focus: European Investment Bank, Northern Powerhouse Investment Fund, Innovate UK loans, Green Investment Bank.

What can an STP do?

- Appoint an influencer
- P/political
- Non-operational
- Long-term relationship management
- No 'in-year returns'
- Given the authority of the NHS to explore co-investment opportunities





Match-funding the 5YFV – the self-test for all our local plans

We should ask ourselves:

- Can we match-fund our resources, people and finances with public and private partners for best effect?
- Can we affect the money coming in to a region, and thus benefit from the money being spent in a region?
- Can we develop local initiatives that address community issues and that are co-funded?
- Can we support other sectors to seek out funding streams to work with the NHS?
- Who else should be in the room when we make these decisions?

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Reflections from other sectors



“The University of Wolverhampton, Birmingham City University and Coventry University are launching the West Midlands Combined Universities (WMCU) initiative, bringing together their applied research and training expertise.

Bosses say the link-up of three like-minded institutions will provide the combined authority with a powerful resource to meet ambitious plans around skills, job opportunities and productivity.

The WMCU will also support the devolved body’s desire to tackle a significant shortage of lower and higher end skills, particularly in the health and advanced manufacturing sectors. The move is part of a concerted bid to address the high level of unemployment across the region’s seven metropolitan authorities.

The announcement, which comes ahead of the official launch of the WMCA, gives a major boost to the region’s devolution deal and signals a significant development in the way higher education institutions might contribute to the West Midlands economy.”



So we know the benefits of action, but do we know the risks of inaction?

- Combined Authorities are discussing their priority areas for action now
- This will directly affect local:
 - Capital builds
 - Jobs
 - Skills
 - Investment
 - Public service provision
- Govt policy across Whitehall will be directed around 'local growth'
- How will this new 'direct democracy' affect the NHS?
- Lets not make it STP v CA as only one winner
- **Is the health sector going to be involved from a position of strength or weakness?**



Final thoughts (the inspiration)

- Local Growth agenda is about understanding how a ‘place’ can be its most productive and prosperous (whether via Devolution deals or otherwise).
- The health and care sector is a key part of the economic success of this ‘place’, whether your local leaders of growth know it or not.
- By explaining our role in driving local growth and jobs we can help shape local ‘place’-based discussions, work with others to improve our services and bring in extra funding.



Final thoughts (the challenge)

- Obstacles to mutual economic understanding often based on language; behaviour; confusion – think about skill-set needed
- The totality of our impression and influence on the local economy can only be maximised by collaboration across the health economy. Institutional views dilute our local voice.
- Everyone around the table is trying to define the story of their 'place' – this can only be done locally, what is yours?
- Think and act like an investment partner and we can co-fund our future, but this requires culture change

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