Royal United Hospitals Bath
NHS Foundation Trust

Report to:	**Public Board of Directors**	**Agenda item:**	**16**
Date of Meeting:	**6 November 2024**		

Title of Report:	**Darzi Review**
Status:	**For Discussion**
Board Sponsor:	**Cara Charles-Barks, Chief Executive**
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Appendices	**Appendix 1: Carnall Farrar 1 page Snapshot Summary**

1. Executive Summary of the Report

A rapid review 'Independent Investigation of the National Health Service in England', was commissioned from Lord Ara Darzi in July by the new Secretary of State for Health and Social Care.

The full scope of the investigation, which reported its findings in September 2024, was to:

- provide an independent and expert understanding of the performance of the NHS across England and the challenges facing the healthcare system
- ensure that a new ten-year plan for health focuses on these challenges
- stimulate and support an honest conversation with the public and staff about the level of improvement that is required, what is realistic and by when.

Whilst concluding that the core principles of the NHS remain compelling, its findings are sobering regarding the changes and challenges faced over the last 10 years and requirement for reform to address the "critical condition" the NHS currently finds itself in. 7 major themes are particularly highlighted for further exploration in the forthcoming 10 year plan due for publication in Spring 2025:

- Re-engage staffing and re-empower patients
- Lock in the shift of care closer to home by hardwiring financial flows
- Simplify and innovate care delivery for a neighbourhood NHS
- Drive productivity in hospitals
- Tilt towards technology
- Contribute to the nation's prosperity
- Reform to make the structure deliver

Whilst we will have to wait a few more months yet to understand how these findings will be formally translated into National Direction, it is clear that there are key elements upon which we must ensure we maintain focus to put ourselves in the best possible position for recovery. These will also need to be threaded through the thinking and evolution of our new *Working Together, Learning Together, Improving Together* Group Operating Model and Strategic Planning Framework. Initial areas of thinking for further discussion today are captured under recommendations below.

2.	Recommendations (Note, Approve, Discuss)

The Board are asked to note the findings of the report and discuss what this might mean for the focus of the RUH and development of the Group Model over coming months including:

- Addressing public confidence levels
    - Communicating clearly and consistently on our plans to improve performance and deliver on them
    - Focusing in on the voices of patients and our community and responding effectively to them
    - Standard work consistency and good governance - getting the basics right
- Working through the worsening health of the nation
    - Noting this metric will take time to recover and will continue as a driver of ongoing growth in acuity and demand in secondary care for some years to come. We will likely need to look to productivity to address this as future investment is prioritised to community and primary care
    - Recognising our own critical role in recovery: reducing planned care waiting lists and working alongside other anchors to help address the wider determinants of health.
- Developing leadership and management capability
    - Building a robust leadership development programme, distributed leadership culture and change capability
    - Governance review - linked to our well-led action plan and development of our group operating model
    - Focus on Improving Together as our bedrock foundation and common language of how we conduct business
    - Sharing best practice and delivering on our vision – *working together, learning together, improving together*
- Understanding our capital enablers
    - Joint infrastructure planning
    - Productivity opportunity assessment and delivery from digital including EPR and AI/estates investment
- Continuing our focus on staff engagement
    - Delivering on our Basics Matter programme
    - Positive action on EDI
    - Empowered by Improving Together
- ICS working
    - Cocreating roles, processes and leadership for the Group which adds real value
    - Eliminating duplication and building economies of scale

3.	Legal / Regulatory Implications

We anticipate future Health Policy and a National 10 year plan to follow on from the publication of this report.

4.	Risk (Threats or opportunities, link to a risk on the Risk Register, Board Assurance Framework etc)

The report highlights a state of current threat to the NHS which requires a number of urgent actions to be taken. Our discussion from the meeting will seek to identify a

number of areas of immediate focus for the RUH and Group development which will support mitigation in advance of publication of the NHS 10 year plan.

5.	Resources Implications (Financial / staffing)
A number of areas of development as described above are already underway/in plan. Further initiatives resulting from discussion will need to be resource assessed.	

6.	Equality and Diversity
Positive action on EDI and health inequalities will be core components of our action plan.	

7.	References to previous reports/Next steps
Priorities discussed and agreed by the Board will be incorporated into our future work programme.	

8.	Freedom of Information
Public	

9.	Sustainability
Environmental factors are not specifically drawn out within the Darzi report but there are likely to be opportunities to be taken to reduce carbon emissions from patient travel through left shift of services closer to home and digital developments. We will also need to assess the impact of capital infrastructure planning.	

10.	Digital
The Darzi report specifically highlights that there must be a major tilt towards technology to unlock productivity. In particular, the hundreds of thousands of NHS staff working outside hospitals urgently need the benefits of digital systems. There is enormous potential in AI to transform care and for life sciences breakthroughs to create new treatments.	

Darzi Investigation of the NHS in England

The investigation explores the challenges facing the NHS and sets the major themes for the forthcoming 10-year health plan

Context for the Independent Investigation of the National Health Service in England

- **The National Health Service is in serious trouble:** The NHS is a much-treasured public institution embedded into the national psyche but is now in critical condition and experiencing falling public confidence
- **The health of the nation is worse**: increasing long-term conditions and worsening mental health, leading to a spike in 2.8m long-term sick from 2m, while the public health grant reduced by 25% and the public health body has been split into two
- **This is not a reason to question the principles of the NHS or to blame management:** managers have been "keeping the show on the road" and there is a virtuous circle where the NHS can help people back to work and act as an engine for national prosperity

The challenges facing the NHS are interlinked…

Waiting time targets have been missed consistently for nearly a decade and satisfaction is at an all-time low

People struggle to see a GP despite more patients than ever being seen, the relative number of GPs is falling, particularly in deprived areas, leading to record low satisfaction

Community waiting lists have soared to 1million with 80% being children and young people; 345k people are waiting more than a year for **Mental Health** services

A&E is in an awful state and long waits contribute 14,000 additional deaths per year, while **elective waits have ballooned** with 15x more people waiting >1 year

People receive high quality care if they access the right service at the right time, without health deteriorating

- **Cardiovascular** mortality has rolled back as rapid access has deteriorated
- **Cancer** mortality is higher in part due to minimal improvement in detecting cancer at stage I and II
- **Dementia** has a higher mortality rate in the UK than OECD and only 65% of patients are diagnosed

Funding has been misaligned to strategy, with increased expenditure in acute driven by poor productivity

Too great a share of funding is on hospitals, increasing from 47% to 58% of the NHS budget since 2006, with 13% of beds occupied by people who could be discharged

The number of hospital staff has increased sharply, equal to a 17% since 2019, with 35% more working with adults and 75% more working with children

Patients no longer flow through hospitals properly leading to 7% fewer OP appts. per consultant, and 18% less activity for each clinician working in emergency

Four main drivers are identified…

It has been the most austere period in NHS history with revenue prioritised over capital

- 2010-2018 funding grew at 1% compared to long term average of 3.4%
- £4.3bn has been raided from capital budgets between 2014 and 2019
- £37bn shortfall of capital investment has deprived the system of funds for new hospitals, primary care, diagnostics or digital

The pandemic's legacy has been long-lasting on the health of the NHS and population

- The NHS entered the pandemic with higher bed occupancy, fewer clinical staff and capital assets than comparable systems
- NHS volume dropped more sharply than any other comparable health system, e.g. 69% UK drop vs OECD 20% in knee replacements

The voice of staff and patients is not loud enough as a vehicle to drive change

- Patients feel less empowered or secure and compensation claims stand at £3bn per year
- Priorities of patients have not been addressed, notably in maternity reviews
- Staff sickness is equal to one-month a year for each nurse or midwife
- Discretionary effort has fallen up to 15% for nursing staff since 2019

Management structures and systems have been subject to turbulence and are confused

- The 2012 Health and Social Care Act was disastrous
- The 2022 Act brought some coherence but there is a lack of clarity in responsibilities and in performance management
- Regulatory organisations employ 35 staff per trust, doubling in size in the last 20 years
- Framework of standards and financial incentives is no longer effective

Addressing these in the forthcoming 10-year health plan needs to include…

- **Re-engage staff and re-empower patients**, harnessing staff talent to deliver change and enabling patients to control their care
- **Change financial flows** to promote and **sustain the expansion of GP, MH and Community services** at a local level, embracing a **multidisciplinary neighbourhood care team model** that brings these services together
- **Improve productivity** in hospitals through improved **operational management**, **capital investment** and **empowering staff**
- Across the system, **tilt towards technology** through **digital systems**, especially for staff **outside hospitals**, and **embracing the potential of AI** for **care** and **life sciences**
- **Clarify roles and accountabilities** in NHS England and ICBs, **rebalancing management resource** with emphasis on the **capacity to deliver plans**, while **avoiding top-down reorganisation**
- **Direct effort** at aspects that will **drive national prosperity** by supporting people to **get back to work**, and **working with British biopharmaceutical** companies