

## Driving Recovery

*Leveraging the union between  
education, research, innovation and health care in the economic downturn*

A paper written jointly by  
The Medical Schools Council and the Association of UK University Hospitals

The economic impact of the global recession on hospitals and universities will be significant. Future success lies in making sure that the core businesses of teaching, research and health care delivery are aligned to each other and to the common interest in weathering the changes in the financial climate. 'Collaborative working' not 'competitive vying' for resources is the way forward. "Knock for knock" must not de-generate into "kick for kick".

Four broad areas have been identified for positive action:

- **Focus health research:** Guide and incentivise so that it supports the recovery process by contributing solutions rather than adding costs
- **Build innovation and capacity:** Existing structures and resources dedicated to stimulating innovation need to be harnessed and refocused around the translational end of the R&D spectrum
- **Improve industry links** to improve the flow of ideas and resources into both health care delivery and research
- **Drive efficiency through vertical integration** and better coordination between primary, secondary and tertiary care. These efforts are also key to improving patient experience

These action areas need to be considered against a backdrop where:

- Demand for health care is continuing to rise. Demand for mental health care in a particular will increase as a consequence of the psychological impacts of rising unemployment and financial uncertainty
- The shift from health care in hospital to a wider range and larger volume of care delivered in patients' homes and in community settings may mean real losses of income for Teaching Hospitals
- Shorter working times and the reduction in the time available for training for doctors means that more health professionals need to be employed to cover required activity
- PCTs are typically less aware of the consequences that commissioning decisions have for education and research or of the timescales needed to recalibrate these activities in the event of changes in the pattern of healthcare
- People rightly want healthcare to be more responsive to their needs and circumstances but they can also be conservative; suggestions for change are often met with patient and political opposition. Given the scale of change required, the processes used to consult with the public and patients will need to be very different from those suited to a period of growth

- The close connections between healthcare, education and research create major opportunities for synergy in responding to the economic downturn but there are real risks that as universities and healthcare institutions feel the squeeze, the spirit of collaboration will evaporate.
- Policies that promote choice, competition, contestability and innovation are incompatible with caps on private patient income and on the number of medical school places that can be allocated to overseas medical students

Given this context, the UK's Medical Schools and their partner Trusts have agreed to consider the following activities:

- Establish shared goals between Trusts , Medical Schools and other local partners for increasing efficiency and reducing costs
- Identify the questions that need to be addressed at a local level in order to deliver better quality, productivity and improved patient experiences and share these needs with local research networks
- Broaden the links that Trusts have with their universities beyond the departments that have responsibility for educating clinicians
- Improve local knowledge of, and responsiveness to, industry research requirements.
- Identify shared goals for wealth creation and then identify the business tools, and any opportunities to transfer knowledge from other sectors to support the generation of additional revenue
- Establish formal hub and spoke networks between smaller hospitals and teaching hospitals and between hospitals and primary and community services in order to: make best use of the medical workforce; provide enhanced opportunities for joint education and research; reduce duplication in diagnostic tests; speed up communications and reduce unnecessary patient journeys
- Where appropriate integrate vertically. A single organisational leadership can help to drive improvements across primary, community and mental health services, secondary and tertiary care
- Rationalise surplus estate and capital costs by exploring joint use of facilities and improved space utilisation e.g. for teaching, meetings and conferences
- Collaborate in high cost investments that improve the efficiency of teaching and learning e.g. simulation suites
- Integrate or outsource back office functions such as transactional finance and human resources
- Rationalise research and development management across Universities and Trusts, and create effective joint research support offices
- Share in the procurement of larger items of medical or diagnostic equipment across networks
- Create 'Joined up' information systems to facilitate efficient electronic communication between Trusts and Universities
- Maximize the application of technological solutions to support more integrated working. Expand the application of tele-health solutions that enable shared care, and real time communications between consultants and primary care clinicians.

The following actions are required at a National level:

- An aligned research strategy between the DH and the Department for Business Innovation and Skills would help to align goals for research, innovation and wealth creation
- Greater attention should be given to supporting the sharing of knowledge and the adoption of evidence based practice at a national level, as well as supporting the translation of research into practice locally
- Create an inventory of national research capacity across the medical technologies sector in order to help in attract research funding; prospective funders need to know the spread of expertise across universities
- Establish national research and development networks around areas of strength
- In conjunction with local efforts, identify national goals for wealth creation and then identify the business tools, and any opportunities to transfer knowledge from other sectors to support the generation of additional revenue

Reducing public sector debt and expenditure while enhancing the responsiveness of services to patients cannot be achieved simply through further efficiency savings. It will require risks to be taken and considerable imagination and determined leadership by managers, clinicians, educationalists and researchers.

Leaders of Medical Schools and Trusts must balance leading their organisations, leading with local partners and increasingly forging national and international partnerships to create opportunities for excellence and wealth creation.

The mantra of the Obama administration 'never waste a good crisis' may have some lessons for the UK. If we handle this well the economic situation could be a catalyst for a new union between healthcare, research and education. This is a union that connects primary, secondary and social care, physical and mental health, local, national and international networks for education and research and which balances cooperation with productive competition.