onhealth institutions as anchors

The NHS is not just a service that provides healthcare free at the point of need. It is a social contract with the British people to deliver well-being. Across its wide range of services, its mission extends beyond making us better when we are ill, it is also about making sure we do not fall ill in the first place – playing a key part in addressing the wider social, economic and environmental determinants of health.

Health institutions must redouble their efforts to address these wider determinants. Hospitals and clinical commissioning groups (CCGs), in particular, represent large anchor institutions - organisations that have presence and heft within the local economy, generating positive impacts for people and place. They can exert sizable influence by using their commissioning and procurement processes, their workforce and employment capacity, and their real assets such as facilities and land, to affect the economic, social and environmental wellbeing of the localities they operate within.

Enthusiasm to harness and maximise this community wealth building[1] potential is growing within the NHS, and there is emerging practice within some provider trusts and CCGs around the five pillars of community wealth building[2]. There is now growing support for the idea of health institutions as anchors in the NHS Long Term Plan[3]. There is also an opportunity to drive this agenda forward in light of the NHS working in closer partnership with local government - around the commissioning of services, for example, as well as the recent devolution settlement in Greater Manchester.

the challenge

Despite this potential, however, what is currently lacking within the NHS is a wholescale focussed and intentional mobilisation to maximise the potential of health institutions as anchors and make deeper inroads into the wider determinants of health.

Enthusiasm notwithstanding, this absence stems from some lack of knowledge around the concept of anchor institutions, as well as aspects of the prevailing policy context and NHS structure, which appear to undermine the creation of penetrative social value at scale[5].

Centre for Local Economic Strategies
info@cles.org.uk | www.cles.org.uk

onhealth institutions as anchors

CLES has undertaken two research projects recently which speak to this challenge.

The first is our recently published work on health institutions as anchors, written in collaboration with The Democracy Collaborative[2]. The second is a piece of research we completed for Greater Manchester Health and Social Care, exploring the social value potential of health and care organisations in Greater Manchester. Both pieces of work highlight the enormous potential for health institutions to be part of a community wealth building framework, as well as the challenges that will need to be overcome for this ambition to be fully realised. The key challenges for the NHS are as follows.

- **Lack of knowledge and understanding** The role of health institutions as anchors and the application of social value is not well understood.
- **Competing institutional priorities** Broadly speaking, the pursuit of an anchor approach is squeezed out by other mainstream priorities. The drive for cost and efficiency savings, in particular, appears to be taking up 'bandwidth' within some NHS trusts, meaning that there is a lack of headroom to contemplate the pursuit of anchor activity. Consequently, social value can often end up playing "second fiddle", being reduced to a mechanistic tick-box exercise or even being ignored completely.
- **No mandate to apply social value** Adding to the challenge is the fact that health institutions are not mandated to enforce social value. The Social Value Act (2012) merely requires public bodies to consider social value, rather than enforcing its application as part of purchasing decisions. As such, there are variations in how the Act has been implemented and no consistency of approach.

onhealth institutions as anchors

what needs to change

CLES believes that the following steps are needed to address the above challenges and support the amplification of a community wealth building approach within an NHS context.

1. The restoration of the NHS and its institutions as beacons of wellbeing
Over many years we have lost some national policy focus on the NHS as a public service that sits at the heart of our social contract. Designed to not only provide treatment when we are ill, but also as a physical embodiment of a good society and beacon of wellbeing. National government needs to reset the NHS on the above lines.

2. Reassert the role of the NHS as a key economic actor The notion that the NHS has a role to play with respect to its wider economic and social impact should be supported by local economic development planning. As significant employers and customers, the role of the NHS within local economies needs to be more widely recognised, with NHS trusts represented in Local Economic Partnerships (LEPs) and their impact harnessed as part of progressive local industrial strategies.

3. More effective dissemination of the role of NHS institutions as anchors and community wealth builders Given the directive in the Long Term Plan to increase awareness of where anchor practice is taking place and encourage its uptake elsewhere, NHS England regional teams all have an essential role to play in disseminating, testing and applying this directive. This is particularly important as the Long Term Plan contains no implementation guidance around the NHS' role in promoting anchor practice.

4. Establish a series of demonstrator sites Whilst dissemination will help to raise awareness and may encourage more activity, it is unlikely by itself to facilitate the widespread adoption of anchor strategies. Indeed, for this to happen, more evidence and practice is needed to both explore the implementation challenges around the adoption of anchor strategies and to generate more direct evidence about their effectiveness in an NHS context. This should be done through the establishment of demonstrator sites. The sites should include sponsorship and support from local Sustainability and Transformation Partnerships (STPs)/Integrated Care Systems (ICS), as well as NHS England and NHS Improvement in their new single integrated regional teams.

Centre for Local Economic Strategies
info@cles.org.uk | www.cles.org.uk

onhealth institutions as anchors

5. Use the potential and harness the power of clinical commissioning groups Recent research activity by CLES has revealed that CCGs have a huge potential role to play in encouraging social value behaviour within NHS trusts. By adopting a deep commitment to social value via their commissioning processes, and with rigorously applied frameworks, CCGs could become a key lever to develop and encourage NHS trusts to deliver on social value.

6. Drive social value through the Future Operating Model (FOM) The FOM is the means of leveraging the NHS's purchasing power on a national scale to aggregate demand, centralise purchasing and deliver better value for money for NHS trusts and the taxpayer. Its current focus is on achieving the best price and quality for its customers, but this could be expanded to incorporate a much greater focus on social value.

References

1. The community wealth building movement and anchor approach is a practical process which seeks to rethink local economic and place development, where greater levels of economic social and environmental justice is realised. See: cles.org.uk/community-wealth-building/what-is-community-wealth-building
2. CLES and The Democracy Collaborative (2019) Health institutions as anchors: establishing proof of concept in the NHS Available at: cles.org.uk/publications/health-institutions-as-anchors-establishing-proof-of-concept-in-the-nhs/
3. NHS England (2019) NHS Long Term Plan. Available at www.longtermplan.nhs.uk/wp-content/uploads/2019/01/nhs-long-term-plan-june-2019.pdf
4. The Social Value Act (2012) requires people who commission public services to think about how they can secure wider social, economic and environmental benefits. See: www.gov.uk/government/publications/social-value-act-information-and-resources/social-value-act-information-and-resources

Centre for Local Economic Strategies
info@cles.org.uk | www.cles.org.uk