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# Shared Insights

## Rising to the challenges and opportunities of 2025

### Panel of speakers

**Gerard Hanratty**, Partner – Browne Jacobson

**Carly Caton**, Partner – Browne Jacobson

**Helen Badger**, Partner – Browne Jacobson



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# Introduction

We explored some of the biggest challenges and opportunities facing the health and care sector in the year ahead.

Three of our specialist partners, Carly Caton, Gerard Hanratty and Helen Badger share their insights into how organisations can tackle 2025's challenges while maintaining high quality care.

One big announcement is the new 10-Year Health Plan which is part of an aim to build a health service fit for the future.

## The Department of Health is focusing on three areas in 2025:

**Moving patients from hospital to home** – a long-term objective of the NHS is moving patients to a more comfortable and less risky environment at home.

**Analogue to digital.** The Prime Minister wants the UK to become an AI powerhouse. Countries across the world want to take a lead in AI and number of countries are getting ahead. We need to understand how we are going to regulate AI and start to think about how we can open up large data warehouses and make them work in an AI environment.

**Moving from a culture of treatment to culture of prevention.** Helping people stay fitter and healthier for longer and preventing health challenges before they occur and require hospital treatment.

## Some of the challenges faced are:

- Increased demand for health services.
- Long-term financial and workforce challenges.
- A number of organisations in triple lock and there is a large estate backlog.

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# How we can help

## Commercial Health

Our specialist commercial health team provides expert legal and practical advice on ways NHS Trusts can help tackle financial challenges by maximising commercial revenue.

## Employment

Our employment team has a wealth of experience advising NHS Trusts on workforce challenges and can help you identify opportunities to innovate and support you in managing workforce change effectively and in a way that minimises risk for the organisation.

## Inquiries

Browne Jacobson has a very experienced inquiries team and would be happy to discuss your needs on dealing with inquiries/investigations and their recommendations. Our team have worked with clients on establishing effective and efficient processes to implement inquiry recommendations and through all of our work we aim to provide strategic solutions.

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# Financial challenges and how to reduce waiting times

**Carly Caton,**  
Partner – Browne Jacobson

## Financial challenges

In October 2024 the government increased the NHS budget by £22.6 billion, to be spent over the next two years, but funding is still incredibly tight across the health service. The 10-Year Health Plan is partially designed to help with these challenges.

There are numerous and multi-faceted financial challenges including:

- Ageing population.
- Recruiting and retaining staff.
- Investment needs for infrastructure and technology.
- Rising co-morbidities in the UK population.
- COVID-19 aftermath and cost recovery plans.
- Inflation and cost of living pressures.

Solutions to financial challenges are split between immediate actions and long-term strategies to bridge the gap between rising demand and resource.

It's clear that increased budgets and efficiency savings will not be enough to solve the NHS's financial challenges and Trusts will need to maximise their commercial revenues in ways such as:

- Exporting expertise overseas.
- Using knowledge and expertise for developing commercial training initiatives.
- Developing technology solutions.
- Increasing revenue from private patients.
- Innovative ways of working.

Other ways to deal with financial challenges include:

- Continuing aim of transformational digital advances.
- Workforce development.
- Having a preventative healthcare system.
- Public/private partnerships.

## Government 18 weeks' target for planned care.

- There is an interim national target to have 65% patients waiting fewer than 18 weeks for elective treatment by March 2026
- Every Trust is expected to achieve at least a 5% improvement by March 2026.

## Is this achievable?

It will take a herculean effort and there is a risk it would come at the expense of worsening outcomes in other areas. There is a desperate need to inject capital funding given the NHS's ageing infrastructure and the 10-Year Health Plan should consider this closely. Public private partnerships are one way that the NHS can look to achieve such challenging targets through innovative methods.



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# Setting the scene for 2025

**Gerard Hanratty,**  
Partner – Browne Jacobson

Gerard discussed learning from inquiries and the practical steps that are needed to improve quality whilst protecting efficiency.

## Ensuring that recommendations from inquiries are implemented

The Thirlwall inquiry is moving at pace and has produced a large report which considers recommendations from previous inquiries.

It's crucial organisations have a mechanism for ensuring that recommendations from previous inquiries have been implemented. These can be overwhelming but organisations should ensure that they have a clear process and someone has designated responsibility for implementing recommendations.

The Board of an organisation should also be aware of what is being done in terms of implementation and have clear systems and lines of accountability which will improve care quality and efficiency.

It is clear from the Thirlwall inquiry is that there will be greater scrutiny of senior managers in the NHS, especially those not linked to a regulator.

There are a lot of recent investigations and inquiries that have a national context including:

- COVID-19
- Thirlwall
- The Lampard Mental Health Inquiry in Essex
- Infected blood
- Child Sexual Abuse
- Nottingham and Valdo Calocane
- Maternity services investigations from Dr Bill Kirkup and Donna Ockenden
- Inquiry into the issues raised by David Fuller

Organisations will need to rate the recommendations, they cannot all be implemented at the same time, but you need to consider what is important for your organisation.

Within the Board of an organisation there should be a Non-Executive Director who should challenge the Board on the status of recommendations and where an organisation is at in terms of implementation.

Organisations should also be looking at their governance model, to not only look at recommendations from inquiries but also guidance from NICE, the Colleges and other regulators, and ensuring you have a clear process.

It will take time and some resource investment, but it will help you deal with these things much more effectively.



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# Workforce issues

**Helen Badger,**  
Partner – Browne Jacobson

Helen discussed workforce challenges and ways that NHS Trusts can identify opportunities, innovate, and produce a workforce that is streamlined and fit for purpose.

It is very much easier to identify the workforce challenges than opportunities. But with austerity, financial pressure and increased demand comes opportunity to innovate, embrace technology, collaborate and build a workforce which is streamlined, efficient and fit for purpose.

## Challenges

It is quite clear that 2025 is going to be a year of severe financial pressure with a pressing need to reduce costs and achieve efficiencies. Nowhere is that likely to be more keenly felt than by the NHS workforce.

Options to achieve efficiencies includes role redesign, streamlining management levels and reducing reliance on expensive shift working. But this has to be in the right areas as the demand for services continues to grow at a rapid pace.

Over the next 15 years, the population of England is projected to increase by 4.2%, but the number of people aged over 85 will grow by 55%. By 2037, it is expected that that two-thirds of those over 65 will have multiple health conditions and a third of those people will also have mental health needs.

All this comes in a landscape of significant anticipated change in employment rights and a generation coming into the workforce that sees things very differently and has much greater expectation of a work/life balance.

## Workforce change

Carrying out workforce change processes is nothing new for NHS employers, but to achieve the required efficiencies, changes are taking place on an unprecedented scale. Employers will be keen to redesign the way work is done rather than to reduce employee numbers, but redundancies are likely to be inevitable.

Identifying where there are opportunities to retain and develop employees reduces redundancy costs, reduces impact on employees and provides a better long-term workforce.

What can be done now to improve the processes:

- **Policies** - It is really important that employers review their organisational change policies to identify and iron out the anomalies that can add expense or cause delay.
- **Training** - Do those who will have to manage workforce change processes have the required knowledge and experience to carry them through? Do managers have a good understanding of policy, do they know how to draft consultation documents and carry out a consultation process? Think about training and shadowing opportunities to ensure managers have the skills when they come to need them. Mapping out the workforce change programmes over the course of the year will enable you to identify opportunities for managers who may be involved in a process later in the year.

## Recruitment

The use of temporary staffing makes the NHS exposed to high marginal costs of labour and given the growing global demand for skilled healthcare staff, the costs are only likely to grow. As well as recruitment, holding on to existing staff is an issue, with 10.7% (154,000) leaving their NHS role in the year ending September 2023.

Employers should explore flexible working solutions, redeploying staff, promoting “retire and return” given the vast pool of expertise that lies with NHS workers.



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# Questions

The session sparked discussions around:

- **Private Finance Initiatives** to fund infrastructure projects to complement the 10 Year Health Plan. It was acknowledged it would be difficult to tackle financial challenges in the NHS without some sort of public private partnership. This was done a lot in COVID and the Prime Minister has been saying that the government would be using more private resources.
- **Thirlwall and impact on managers** to be significant. There have been issues with problematic people being moved around the system. There will be more demand on making sure there are appropriate appraisal and review processes and this fits with other new law on fit and proper persons and bad employees being moved from one NHS Trust to another.
- **Does the effectiveness of public inquiries suffer from a 'top down', 'command and control' ethos, rather than 'ground up' solutions?** Gerard Hanratty felt yes. The larger the campaign group pushing for a public inquiry, the more it is determined by the government. The problem is the government is quite far removed from what is happening on the ground. You have seen this in the child abuse arguments on social media.

The COVID-19 inquiry also focussed on a political review of what went wrong. We need to make sure inquiries look at other areas with a clear focus on the likelihood we will face other pandemics. There are often large political elements of inquiries. There is a good argument that local authorities have better understanding of issues like this.

- **Workplace culture** and ensuring that when managers get promotions they get trained on being leaders. It was agreed it's important to recognise talent early on and take the time and effort to focus on managers' roles in creating a positive culture, develop talent and people management skills to create a better workplace moving forward.
- **Creating commercial value.** Looking at PPU's within organisations and ways to expand revenues. Example being the Christie Project to create a world-class cancer research building. When developing partnerships with the private sector can develop innovations which normally wouldn't get done without a private sector driving force. Aim is to create innovation that both parties can benefit from.



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