

Federation of Specialist Hospitals response to the 10-Year Health Plan consultation

Q1. What does your organisation want to see included in the 10-Year Health Plan and why?

The Federation of Specialist Hospitals (FSH) is a coalition of some of the country's best known and most highly regarded hospitals, providing excellent clinical care, the highest levels of patient and staff satisfaction, and cutting-edge innovation to patients drawn from all parts of the UK.

Our specialist hospital members have unique clinical and cultural strengths that are difficult to replicate. They are:

- Renowned for their expertise and leadership in a particular specialty or discipline, both at home and abroad
- Operating as standalone, embedded and networked specialist hospitals
- Firmly rooted in their local systems whilst serving populations on a broader geography
- Providers of specialist care, often alongside routine services
- Focused on driving increased productivity and reducing NHS waiting lists, whilst addressing the challenges of a complex case mix
- Training the specialist workforce of tomorrow
- At the forefront of research and innovation, with strong relationships and models for collaborating with life science companies
- Uniquely placed to generate additional income streams to supplement NHS taxpayer funding.

The FSH is fully supportive of the three shifts that the 10-Year Health Plan is seeking to ignite. The FSH has identified a small number of policy and financial reforms which would ensure that the unique strengths of specialist hospitals could be fully leveraged to deliver these ambitions for the NHS.

We are aware that the 10-Year Health Plan will need to address the wider modernisation of the NHS and we are keen to ensure that excellent patient care and specialism are integral to these plans. Clarifying the role of specialist hospitals as part of the vision for the future NHS would be welcomed, as this has understandably been deprioritised in recent years while more locally focused health policy has been bedding in.

Specialist hospitals play a unique role in the broader health system, supporting both local priorities and national ambitions. It would be helpful to ensure that this is well understood across the health system in the coming years, and that policy evolves to unlock some of the opportunities that specialist hospitals are well placed to deliver, including in relation to life science-driven economic growth.

1. We should celebrate what is working well in the NHS

The NHS is not all broken, and it is certainly not beaten, so we should collectively take pride in all the amazing things that the NHS delivers for patients, its staff and UK plc on a daily basis. A positive dialogue about the NHS is vital for rebuilding staff morale, motivation and

aspiration; enabling the delivery of government ambitions related to the life sciences sector; and providing a solid foundation for driving change and progress towards the three shifts.

Specialist hospital members of the FSH have a wealth of examples that encapsulate the NHS at its best:

- **Patients:** our members are renowned for delivering excellent patient outcomes and they occupy the top 11 spots of the recent Care Quality Commission inpatient survey¹.
- **NHS staff:** the 2023 NHS staff survey of over 700,000 respondents found much higher staff satisfaction rates at specialist hospitals compared to the average across all trust types².
- **Research and development:** our members are at the forefront of global developments such as genomics, cell and gene therapies, and robotics. For example, the Royal Marsden led the PACE trial, which has proven that radiotherapy treatments in prostate cancer can be reduced from 20 to 5, without reducing efficacy, improving patient experience and driving significant efficiencies for the NHS. The Royal Orthopaedic Hospital is at the forefront of international chondrosarcoma bone cancer research, including advanced therapies to regenerate diseased bone tissue.
- **Partnership with life science companies:** specialist hospitals have decades of experience working with life science companies, including attracting commercial clinical trials to the UK and working in partnership to deliver cutting-edge approaches to patients. For example, Liverpool Heart and Chest Hospital established a commercial partnership to support capital expenditure and deliver a state-of-the-art cath. lab for patients. The Royal Marsden, in partnership with Guardant Health, has deployed a liquid biopsy test which can identify genetic changes in circulating DNA more rapidly than conventional tissue-based testing, allowing cancer patients to be matched to targeted treatments much earlier in their clinical pathway without the need for traditional pathology.
- **NHS Innovation:** Innovation initiated in specialist centres can transform care and drive savings for the wider NHS. For example, Royal Papworth developed a perfusion device to increase affordability for the NHS, compared to the commercial version, and double the number of hearts available for transplant, as well as spearheading the development of a risk stratification model that is now used across the globe to assess cardiac surgery. Moorfields has worked with partners in North Central London on implementing a single point of access that draws on AI to be a tool for better access, outcomes, experience and population health management.
- **Mutual Aid:** As integral members of integrated care systems, specialist hospitals offer mutual aid at times when the rest of the acute sector is under most pressure. Furthermore, specialist hospitals act as supporting partners to non-specialist providers in the adoption of best practice.

2. Excellent care should be the guiding principle for the NHS – it can be supercharged and used as a lever for change

¹ HSJ: [Revealed: the best and worst trusts for inpatient experience](#), accessed 25 Nov 2024

² HSJ: [Staff survey: community ambulance and specialist providers recommended by staff](#), accessed Nov 2025

Cementing a national commitment to excellent care in the 10-Year Health Plan will pay dividends on multiple fronts. As well as enhancing patient outcomes, reducing costs and driving staff satisfaction, it will make it easier to deliver change.

Providing consistent, high quality care improves patient outcomes by reducing complications and the need for revision surgeries and/or repeated treatment. This not only benefits patients but also ensures value for money for taxpayers. To achieve this efficiency, it is crucial to deliver the right care, at the right place, and at the right time.

In terms of care for rare and complex conditions, the Getting It Right First Time (GIRFT) programme³ has found that by centralising specialist care, it is easier to standardise best practices, reduce variations, and improve overall patient outcomes. This inevitably drives patient satisfaction too.

High levels of patient satisfaction often correlate with high staff satisfaction scores, a trend commonly observed in specialist hospitals. We believe that high quality care creates a virtuous cycle of positive patient outcomes and staff satisfaction. Specialist hospitals, synonymous with excellent care, typically enjoy high staff retention rates and find it easier to recruit.

The FSH considers there is potential to further leverage the strong brands of specialist hospitals to amplify their positive impact across the NHS. Specialist hospitals are no longer ensconced in ivory towers and are continuously working to ensure equitable access to their services.

Specialist hospitals typically work in hub and spoke formation to spread their clinical expertise and reach far beyond the main hospital site. This is often done “under the radar”, for example, Queen Victoria Hospital specialises in life-changing reconstructive surgery, burns care and rehabilitation services, and has been sending its consultants into different hospitals for decades, without prominent branding. The Walton Centre, a leading hospital in the treatment and care of neurology and neurosurgery, has also followed a similar model for many years when its neurologists visit all the other hospitals in Cheshire and Merseyside, North Wales and Isle of Man. Neurology nurses also do clinics in primary care and secondary care settings around the region to support chronic disease management.

Moorfields, on the other hand, treats people over 21 sites in and around London. Each site typically has Moorfields’ name and brand attached, for example, “Moorfields at Croydon”. We consider that the Moorfields approach could be extended and would work well in other specialties, helping to spread the positive patient and staff sentiment associated with specialist hospitals and easing some of the challenges facing the wider NHS, such as staff retention.

An excellence-centred vision for the NHS will also be a key enabler in attracting investment from the life science industry. Implementing such a vision will ensure that highly mobile, leading research clinicians continue to want to work in the NHS, and that the standard of care in NHS hospitals does not fall behind international comparators. This will allow the NHS to compete successfully on the global stage. Branding also matters in this international arena. Already, specialist hospital brands bolster the attractiveness of the UK for life science investments due to recognition of the individual hospital brands, leadership in their specialties, and the world-leading clinicians that work within them.

³ GIRFT: [About the GIRFT programme at NHS England](#), accessed Nov 2024

Committing to excellence will act as a powerful catalyst for change and ensure that each decision taken within the NHS has patient care at its heart.

Measuring the delivery of an excellence-centred vision should be linked to the “value-add”, including quality of care and the outcomes, that the health system can deliver to patients. A more nuanced approach to measurement should focus on what the health system is trying to achieve, such as keeping patients healthier for longer, rather than too many isolated components. Such an approach would help to guide decision making based on where activity can deliver the greatest value and would give a more accurate indication of impact on patients. As part of this, it is essential that systems are held accountable for prevention through systematic measurement or progress will continue to disappoint.

3. Specialism will continue to be an important component of NHS care and this needs to be clearly articulated, including the role of specialist hospitals

We welcome the shift from sickness to prevention and from hospital to community care and the changes these shifts will demand across a patient's pathway, but we also recognise that some care will always need to be provided in a hospital.

If the NHS can successfully shift significant numbers of patients from secondary to community and primary care the need for specialist trusts may increase as complex activity currently carried out alongside secondary care may need to be consolidated to ensure adequate activity volume for a safe, efficient service.

For those with rare and complex conditions, including children and young people, specialist hospitals play a crucial role providing the specialist expertise and advanced equipment that are essential for diagnosing and treating these conditions effectively. Access to specialist hospitals often comes at the end of a diagnostic odyssey, providing expert care from specialist clinicians and multi-disciplinary teams, and the promise of exemplary patient outcomes.

Specialist hospitals have unique characteristics that lend themselves to research and innovation from both a clinical and “NHS commercial” perspective. The strong therapeutic focus of specialist hospitals engenders a deep understanding of patient needs, and strong relationships and good access to hard to find (rare) patient cohorts. The ability to attract and retain clinical leaders from around the world brings a network of potentially lucrative connections with life science companies and expertise that compares favourably to other healthcare systems around the world. These attributes are amplified by the fact that clinical and management colleagues are united on a shared mission to work collaboratively, with academia, industry and others to drive continuous improvement and breakthrough change.

These characteristics put specialist hospitals in a strong position to generate additional income streams with the potential to support wider NHS funding. In particular,

- Specialised care is where a lot of commercial clinical trials take place, so it is essential that we invest in the infrastructure which makes the UK the destination of choice for clinical trials and innovation.
- Many of our members, such as The Marsden, The Christie, Moorfields, the Royal Brompton and Harefield and Great Ormond Street Hospital, have thriving private patient units that have multiple benefits to the NHS. As well as generating income for NHS trusts, these enable consultants to choose to deliver their private services within the NHS estate, rather than travelling to independent providers. This increases staff

satisfaction due to the ease of transition between NHS and non-NHS work, and also benefits NHS patients, as consultants remain on site and can more easily check in on their care. Support services can often be shared by the NHS and private patient units, which provides added resilience and economies of scale. Moorfields runs international services in the UAE which supports the development and resourcing of NHS services.

- Our members also have experience of testing different types of commercial models, including intellectual property value share agreements and equity shares in commercial ventures. We would welcome the opportunity to further explore new ways of working that benefit the NHS.

However, there are a number of challenges putting specialism, and the unique characteristics of specialist hospitals, at risk.

Local approach to health: In recent years, health policy has been focused on more local geographies and the ongoing delegation of specialised commissioning has brought this into even sharper focus for specialist hospitals. The rationale for these policy changes is clear and well understood, with the potential for more integrated patient care.

However, these changes have dominated health policy debate and a broader vision for specialism and specialist hospitals, neither of which align perfectly with ICB borders, has been lacking. This lack of vision, combined with pressing local priorities and the relatively strong performance of specialist hospitals has led to a reduced focus on their strategic potential and an unsupportive policy environment (see below) has emerged. This has constrained the potential of specialist hospitals and risks challenging their stability if not addressed.

Policy challenges: Specialist hospitals are struggling to get reimbursed for the services they provide and to secure the capital investment they require. This is driven by a range of factors, which are compounding to put undue pressure on specialist trusts.

- An increasingly standardised approach to reimbursement, including increased reliance on block contracts, struggles to reflect the delivery of complex care adequately, which disproportionately affects specialist hospitals, or growth in specialist activity.
- Specialist hospitals often provide mutual aid in their specialities, taking on complex work from other trusts, which often reside in different ICBs. There are a range of challenges linked to this, but specialist hospitals are increasingly finding themselves subject to extreme bureaucratic delays or underpayment for the work they have delivered.
- The current system level approach to NHS capital funding is particularly challenging for trusts that treat patients from multiple ICBs, including specialist hospitals, as recognised by Richard Murray⁴, and Patricia Hewitt⁵ who both called for a review into the challenges facing cross-border trusts due to patient flows both between ICSs and between the devolved nations. Our members struggle to access their fair share of capital when faced with pressing local priorities.
- National capital programmes have also been less likely to address specialist requirements. For example, in the last few years NHSE has provided capital for pathology, but not genomics; for CT but not PET CT; for LINACs but not MR LINACs.

⁴ NHS England: [Review of the current capital allocation methodology for system envelopes](#), March 2022

⁵ Gov.uk: [The Hewitt Review: an independent review of integrated care systems](#), April 2023

- With the delegation of specialised commissioning, there is also a disconnect between where capital and commissioning decisions are made for highly specialised services and services with a national footprint. These services are typically delivered at specialist centres and can find themselves deprioritised in an ICB setting, given the few local patients who benefit, risking the viability of these services over time. The delegation of specialised commissioning is also creating challenges regarding transformation revenue, which is increasingly passed from NHSE to ICBs.
- Complex work at specialist hospitals is typically balanced with more routine work to ensure theatre lists can be optimised, sufficient training opportunities can be offered to junior doctors, and the pressures of highly complex surgery can be eased through varied workloads. Siphoning high volume low complexity procedures into the private sector at too great a rate has started to disturb this balance in some specialties. Further specialty-specific thought is required on the engineering of patient flows to ensure that the pace and scale of independent sector reliance does not have negative unintended consequences with respect to case-mix and staff migration to the private sector.

Provider consolidation: The FSH strongly advocates for specialist trusts staying independent, which confers a certain agility and management focus that underpins the unique characteristics that are set out earlier in this response. These qualities are vital to support excellent patient outcomes and high levels of staff satisfaction.

However, where dictated by local circumstances, there are examples of consolidation of trusts into bigger group models. The most recent announcement linked to Liverpool⁶ includes four specialist trusts, The Walton Centre, the Clatterbridge Cancer Centre, Liverpool Heart and Chest Hospital, and Liverpool Women and Children's Hospital.

Whilst we fully recognise some of the drivers supporting this kind of transformation in certain scenarios, maintaining specialist brands and some of the unique qualities of specialist hospitals through the transition will deliver significant value to the larger group and maximise the chances of successful consolidation and a "levelling up", rather than "levelling down" of quality.

For example, the National Hospital for Neurology and Neurosurgery, often referred to as Queen Square, is part of the UCLH Specialist Hospitals' Board. UCLH has recognised the value of allowing ongoing freedoms to specialist hospitals in its group, whilst also enjoying potential efficiencies from sitting within a bigger operation. Separately, the Royal Brompton and Harefield merger with GSTT has focused on leadership culture to manage a successful transition and has sought to deliver a slim and efficient structure, whilst continuing to focus on safety and efficacy.

As mentioned previously, we have a selection of specialist brands that are highly regarded by NHS patients across the country, and we could do more to harness to the benefit of the NHS and UK Plc. It is important we don't unnecessarily dispose of them when hospital mergers do take place, as it will be impossible to resurrect them if we do. We should also be open to new opportunities for developing and growing specialist brands within large organisations.

⁶ HSJ: [City's five trusts to form £2bn "group"](#), Accessed November 2024

The ICS led model is critical to delivering the Government's "three shifts" but the FSH believes a few tweaks to policy and financial frameworks are needed to ensure that excellent specialist care is available to all NHS patients, irrespective of the postcode in which they live:

- Reform to the capital finance system for cross border Trusts to ensure equitable provision for NHS patients irrespective of postcode
- Reform to payment models to secure excellence in complex care provision for all NHS patients
- Commissioners to ensure a flow of work to specialist providers which allows the NHS to maximise the productivity benefits from their infrastructure and in training the clinicians of the future.

Q2. What does your organisation see as the biggest challenges and enablers to move more care from hospitals to communities?

Specialist hospitals deliver a range of innovative models of care that support the shift to move more care from hospitals to communities. These include:

- Community outreach services, such as those deployed by the National Hospital of Neurology and Neurosurgery and Royal National Orthopaedic Hospital.
- Leading approaches to diagnostics in a range of care settings, often closer to patient's homes, e.g. Clatterbridge Cancer Centre
- Digital solutions to share specialist advice with GPs to ensure an improved quality of referrals, e.g. The Christie's Gateway C training programme for primary care professionals that includes courses, webinars and videos on early cancer diagnosis
- Digital solutions to keep patients at home when they do not need to be in hospital, such as the Children's Hospital Alliance's "Little Hearts at Home" initiative that supports effective MDT management of congenital heart patients at home via a digital platform.
- Personalised follow up programmes that uses patient education, support and remote monitoring to reduce long term hospital follow up appointments, such as the Empower pathway that The Royal Marsden have introduced in testicular cancer
- A virtual A&E run by Moorfields using the Attend Anywhere platform, which has helped promote access to care across London, linked to the 111 service. This use of remote triage has reduced on the day hospital attendances by 50%.

All of these models have distinct benefits but have typically been rolled out in a piecemeal way due to the challenge of accessing capital to drive forward strategic change plans and the lack of clear clinical leadership. Funding for new ways of working has often not kept pace with the rate of change in remote service delivery and presents revenue challenges to early adopters. The 10 Year Health Plan provides an opportunity to replicate these successful approaches, that specialist hospitals have pioneered, at scale to deliver on the government's "shifts".

The FSH supports the concept of a lead provider model whereby one organisation holds the contract with commissioners for all services and then subcontracts to the other providers. National support for lead provider models would drive more efficient change and the systematic roll out of initiatives to support the shift from hospital to community care wherever possible and appropriate. Specialist hospitals could successfully take on lead provider roles within their specialties, given their deep understanding of the entire patient pathway and

desire to reduce referrals into hospital. It should be noted that the quality of referrals to specialist hospitals has deteriorated significantly since the pandemic, with some members noting a 50% increase since pre-COVID.

Q3. What does your organisation see as the biggest challenges and enablers to making better use of technology in health and care?

Establishing a shared digital foundation for all trusts is important and this work has already begun. However, optimising the impact of the shift from analogue to digital will require a data-first approach to be embedded across the NHS. This will be vital to support high quality data collection and appropriate management and use of that data in driving service improvements.

After the missed opportunities of the last decade clearly set out by Lord Darzi, the FSH sees an opportunity in the 10 Year Health Plan to deliver a coherent, funded change programme to expedite the NHS transition from analogue to digital, including:

- Training for staff
- Guidance on digital expectations the whole NHS can work towards
- Multi-year consistent funding, policy and governance to deliver on those ambitions
- Revenue and policy support to ensure staff are involved and trained in the use of digital technologies so the NHS changes how services are provided rather than just installing kit
- Insights into the digital driven changes that can deliver the greatest impacts in terms of patient outcomes, efficiency and productivity
- A systematic approach to considering the potential of artificial intelligence for the NHS, with a focus on specialty specific opportunities and risks

Specialist hospitals typically enjoy high degrees of patient trust and take their data stewardship responsibilities very seriously. There may be scope to use specialist hospitals as a testbed for data driven innovations that may have broader applicability in the NHS at large. This approach has been deployed over many years in terms of testing out innovative care models, which later translate into routine practice, and there is no reason why the same approach wouldn't work for data. Working with specialist hospitals in this way would lead to findings that resonated across all key specialties. The approach is particularly relevant in terms of AI as it would allow a relatively rapid path for testing out potential applications. Key enablers from the centre would be:

- Greater clarity on the ownership / right to use patient data where specialist services are provided for a wider network (e.g. diagnostic imaging networks or genomic laboratory hubs)
- A team with specialist regulatory experience to advise trusts engaged in their own or co-development of AI solutions within hospitals to ensure such innovations can be scaled rapidly and safely once proven.

Q4. What does your organisation see as the biggest challenges and enablers to spotting illnesses earlier and tackling the causes of ill health?

From a specialist hospital perspective, there are a number of activities that our members are focused on to ensure that illnesses can be spotted earlier, and to tackle the causes of ill health, including:

- Commitment to the mantra, “Right care, right place, right time”, which underpins efforts to support higher quality referrals, freeing up capacity to shorten waits for diagnosis and treatment for those patients that most need it.
- Continued efforts to address health inequalities, particularly in terms of ensuring equitable access to specialist care. One key challenge in this regard is access to high quality data to show the extent of health inequalities being experienced. This needs to be addressed but requires time and resources, which are currently scarce. One key enabler for addressing health inequalities affecting those with rare diseases would be to add rare diseases to the Core20PlusFive health inequalities framework, as recommended by the Rare Disease Action Plan.
- Specialist hospitals make extensive use of medicines and medical devices to help patients manage their conditions and would be concerned if the current national process for seeking reimbursement for high cost medicines and devices was delegated to ICBs. The NHS should embrace advanced and specialist treatments to ensure that patient outcomes keep pace with those in comparable nations across all conditions.
- Engaging beyond the specialist hospital site to drive awareness of prevention initiatives. For example, in schools (Royal Orthopaedic Hospital) and care homes (Moorfields)

These activities all play a helpful contribution in the prevention agenda but would benefit from being part of a coordinated national prevention strategy.

For children, who make up 25% of the population, all healthcare investment is preventative, as healthier children become healthier adults. The Children’s Hospital Alliance points out that children’s services are too often overlooked in NHS policy. The FSH would also like to see children as an integral part of the 10 Year Health Plan, driving increased investment in children’s health and care to ensure that we are intervening, diagnosing and treating our youngest patients earlier.

Q5. Please use this box to share specific policy ideas for change. Please include how you would prioritise these and what timeframe you would expect to see this delivered in, for example:

Quick to do, that is in the next year or so

- **Clarify how the strengths of specialist hospitals** will be harnessed to support the strategic vision for the NHS, given their unique strengths in delivering excellent patient outcomes, high rates of staff satisfaction and a strong contribution to ensuring a vibrant life sciences sector, attracting investment into the NHS
- **Optimise the NHS approach to capital** to ensure the NHS can deliver on strategic ambitions for patients and UK Plc by:
 - DHSC allocating £100m-£300m per annum over the next five years to allow NHS patients to benefit from opportunities for trusts to generate commercial income and use “dormant cash” to improve NHS infrastructure (without drawing on taxpayer funds), particularly when this will enhance the UK’s

- ability to attract life sciences investment (e.g. by investing in clinical trial units or equipment to fuel growth of research activity)
- Ensuring that increased capital budgets, planning horizons and year-end flexibilities are cascaded down to system and provider level to secure the speedier and more efficient development of infrastructure for patient services
- Aligning revenue and capital spending decisions for highly specialised services to ensure all NHS patients benefit, irrespective of which postcode they live in
- Stipulating that patients from inside and beyond ICB borders must benefit equally from NHS capital investment
- Launching a robust review into the approach to allocating capital to cross-border trusts, as called for by Richard Murray and Patricia Hewitt
- Review the **approach to managing complexity in the NHS** and ensure that complex work is fully funded to secure the continued availability of these services for all NHS patients
- Identify **specialist hospital data and AI testbeds** to explore the use of AI in different specialties, with a view to supporting AI-readiness across different specialties and rolling out transformative developments over the longer term, including close collaboration with regulatory and legal experts.
- Establish a working group to conduct a deeper, **more strategic exploration of commercial opportunities** facing the NHS – specialist hospitals would welcome collaboration in this regard

In the middle, that is in the next 2 to 5 years

- Develop **clearer national policy on lead provider models** to improve health prevention and ensure more services are moved into community settings -and ensure that these are in place for different specialities
- **Develop a brand strategy to leverage the value of specialist hospital brands** to provide excellence to patients across the NHS (e.g. Moorfields in Croydon), and maximise the commercial opportunities for NHS patients to benefit from clinical trials and commercial partnerships

Long term change, that will take more than 5 years

- **Roll out AI interventions across clinical specialties** when they have been proven to be transformative through work in specialist hospital testbeds alongside a nationally agreed AI governance framework.
- **Introduce national specialist networks** to ensure that specialism is firmly embedded across the NHS