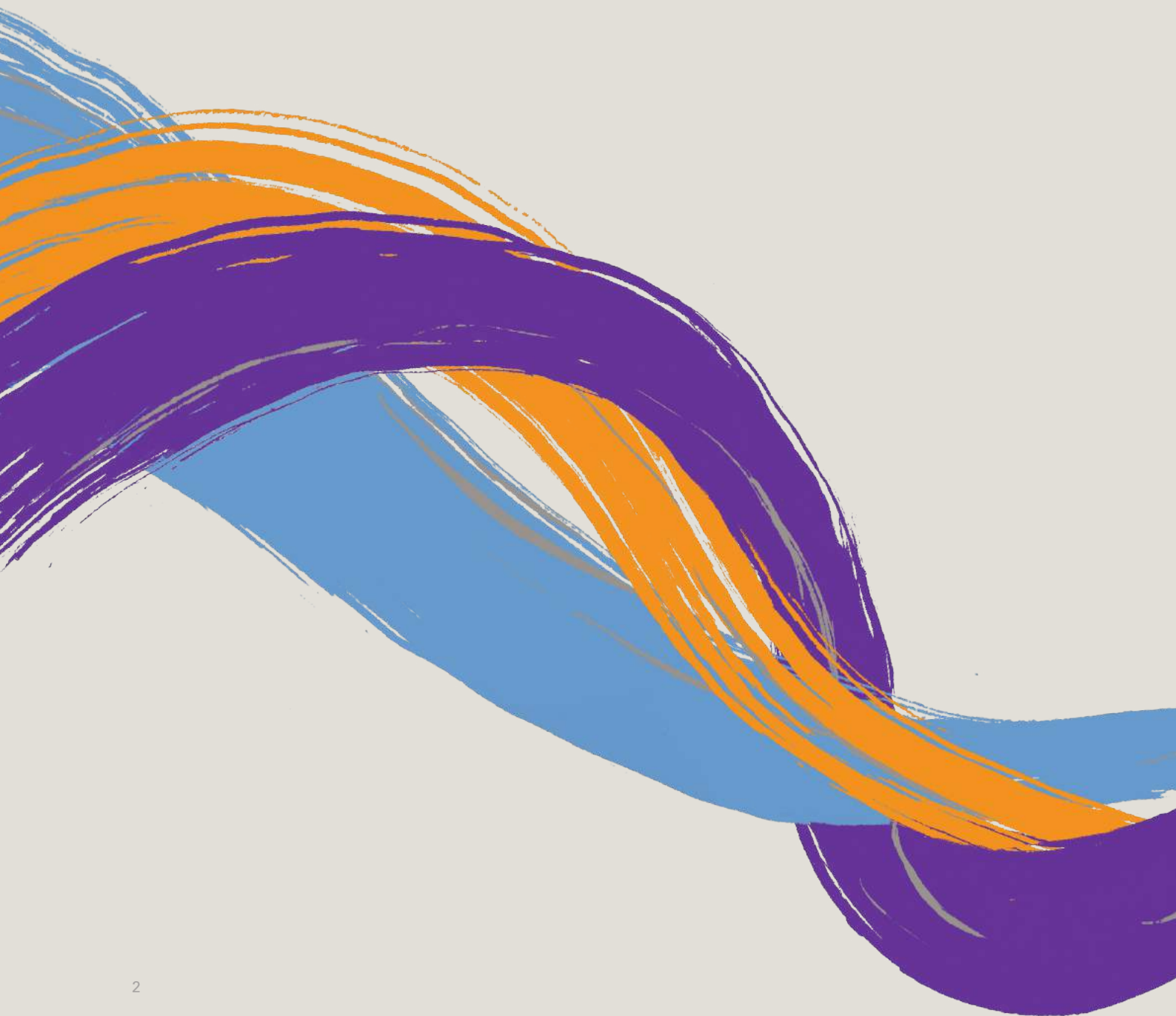


# Annual report and financial statements

For the year ended 31 December 2022



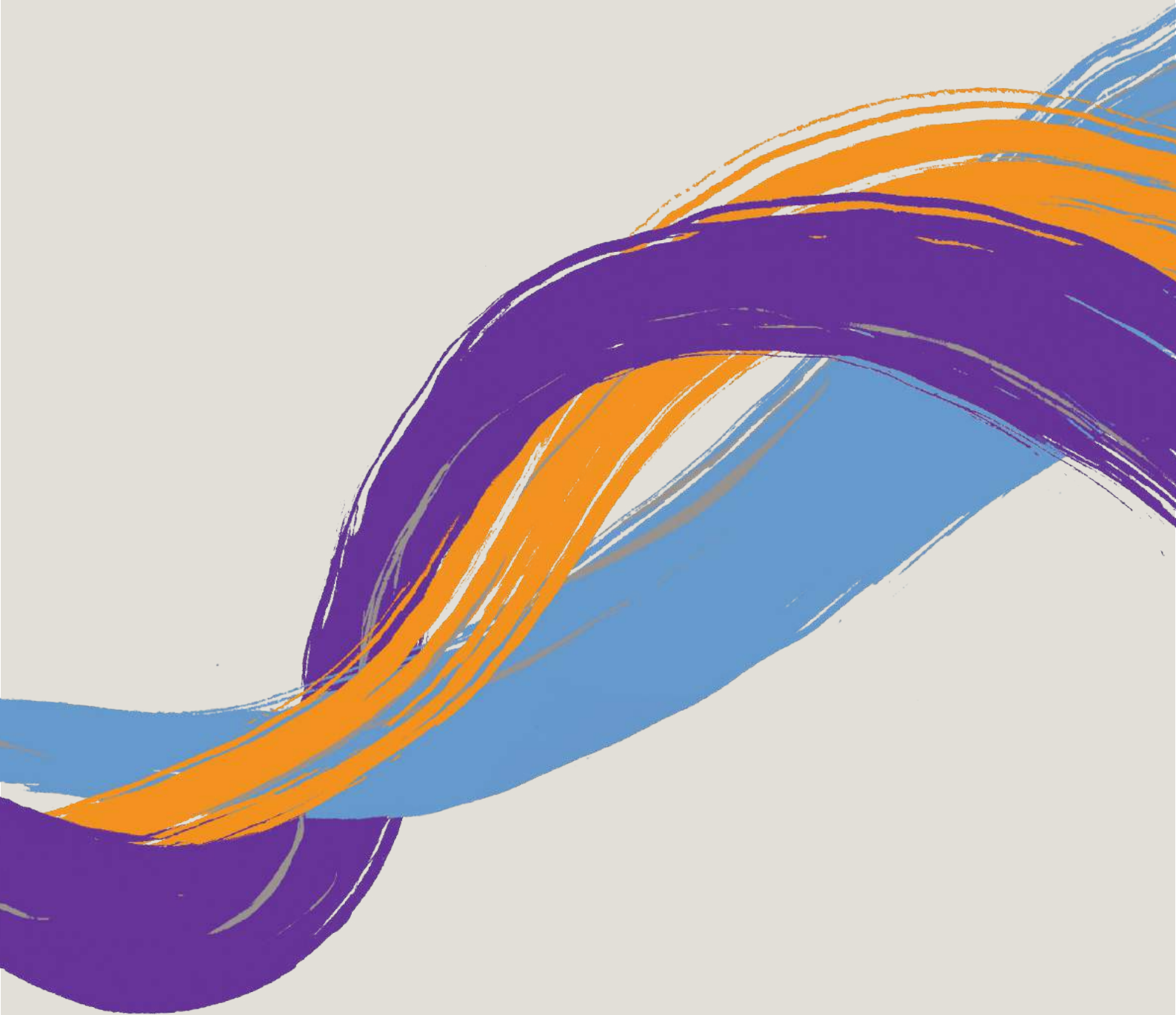
**The  
Health  
Foundation**



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# Working to build a healthier UK

## Introduction from the Chief Executive and Chair

We live in challenging times. The Health Foundation, with our mission to build a healthier UK, is in a position to help. Our significant endowment and independence are very strong assets. They allow us to plan coherent short- and long-term programmes of work, take some creative risks, and work with others to combine forces on issues. They also allow us to build up a very rich picture of what is happening in the health and care arena, to be able to frame challenges and opportunities accurately and credibly influence policymakers and other important stakeholders on their strategies to address them. Our 2022 annual report shares some of the highlights from our recent work and looks ahead to our plans for 2023.

The external context we work in is very difficult, with the health and care system facing unprecedented pressures, our health and wellbeing fraying and deep inequalities in the health of our richest and poorest communities. Looking ahead, while economic and demographic trends over the next 20 years are also projected to be very challenging, the huge promise of technology and innovation offers an opportunity to transform services and deliver a step change in our health.

At the end of 2022, we launched our new strategy covering 2023–25. It is an evolution rather than a revolution of our previous work, and is squarely aimed at these challenges and opportunities. The strategy at the same time aims to strengthen the valuable knowledge, capability, productive partnerships, reputation and trust that we've successfully built over recent years. Going forward we have three strategic priorities

- improving people's health and reducing inequalities
- supporting radical innovation and improvement in health and care services, and
- providing evidence and analysis to improve health and care policy.

In each area, we have an ambitious and innovative portfolio of work, in-house and externally commissioned. See the *Looking ahead* section of this report for a sense of what these priorities will mean for our work.

In 2022 we organised our work through five external facing strategic priority areas. Within each we made contributions through: research and analysis; grants for new centres; large programmes and projects on the ground; building capacity through supporting fellowships and networks and using influence as investors via our endowment to make change.

Our research and analysis remains a central strand of our work, generating robust and insightful evidence to influence policy and practice. Several major outputs allowed us to reach wider audiences and gain media traction. For example our independent analysis of health inequalities in Scotland, our BMJ series on quality improvement in care which reached over 1 million people, the REAL Centre's annual lecture by economist Andy Haldane on the links between health and wealth, and our influence on local health planning of mental health services following analysis by the Networked Data Lab. Meanwhile as we approached our 25th year, we also took time to reflect on the Foundation's own origins and evolution through the publication of our short history.

Internally, our priority to develop our organisation – called Better Health Foundation – is ensuring we have a well-supported workforce, efficient business processes, resilient infrastructure and a strong focus on our role as a modern and socially responsible Foundation. 2022 saw the Foundation further develop this agenda with respect to our people, operational and business processes and our infrastructure. Work will continue in 2023 and beyond through our programme of organisational improvement.

Over the next strategic period our external and internal priorities are supported by three vital cross-cutting themes. The first is equity, diversity and inclusion – making this a much stronger focus externally as well as internally, for example in developing a more inclusive culture and approach to our work. The second is environmental sustainability: among other things we are using our responsible investment policy and our endowment to leverage more progress in reducing carbon among investors and businesses. And the third is public participation – reaching out more to the communities and groups we are ultimately here to serve, to make sure their experience and perspective more fully influences the work we do.

The breadth and combination of activities carried out and funded by the Health Foundation, some in collaboration with partner organisations, are, we believe, unusual for a Foundation.

Our impact in 2022 is due to the hard work and commitment of staff, governors and the people we work with across health and care. We are very grateful for their support, in what have continued to be challenging circumstances. We look forward to making progress in 2023 and beyond – always for the benefit of the UK population and, in particular, the most vulnerable in society.



**Dr Jennifer Dixon**  
Chief Executive



**Sir Hugh Taylor**  
Chair







# 2022: Year in review



# Promote healthy lives for all



**Good health is vital for a thriving country – allowing people to play an active role in their families, communities and at work.**

**Within only 5 years, we have become established as a respected source of evidence and insight on improving health and reducing health inequalities. We are also successfully establishing our profile and reach beyond the Health Foundation’s core NHS audiences to local authorities, business and investors. With strong political engagement we are well positioned and connected to influence national policies to improve health across all parties.**

## Key highlights



**Understanding what drives health inequalities:** New analysis on international comparisons of life expectancy for our evidence hub reached a wide audience, for example making the front page of *The Guardian*. As a trusted source of evidence, content has been referenced by influential stakeholders such as the Chief Medical Officer and in parliamentary debates.



**Influencing national policies:** We used our relationships with policymakers to host a housing and health roundtable to inform the Office for Health Improvement and Disparities’ work and ongoing work on levelling up and the new Major Conditions Strategy. The Shadow Health team have regularly sought our advice on policy matters. Our work with Public First on health inequalities in red wall seats is influencing policy.



**Supporting local areas to promote action on health:** Our report and accompanying toolkit, published with Frameworks on framing communications about health, was one of our most popular reads of 2022. It has received positive feedback from local public health leaders and received recognition from key national bodies such as OHID and WHO.



**Exploring economic inactivity and health:** Our analysis on economic inactivity has had significant interest from media and senior stakeholders. We gave evidence to the Economic Affairs Committee's UK Labour force Inquiry, a shadow government roundtable and influenced CBI government policy calls on work, health and the role of business.



**Health Equals:** Our campaign to highlight health inequalities in the UK launched its brand, website and social media channels in December 2022. This was received exceptionally well by stakeholders and members. The website achieved more than 5,000 unique page views in its first week, which is a high volume for a new initiative.



Case study

## **Health inequalities in Scotland**

In 2022, the Health Foundation carried out an independent review of health and health inequalities in Scotland. The review increased understanding of trends in health inequalities in Scotland and built support for policy action among influential senior stakeholders and politicians.

Activities included roundtable debates, senior stakeholder meetings and speaking at key conferences to reach across sectors as well as party conferences. The work was widely covered in the media, has been mentioned during First Minister's Questions, including from Clare Baker MSP, and drawn interest from key influencers such as the Scotland Chief Medical Officer.

Our evidence was used by the Scottish Parliament Inquiry into health inequalities. The Chair of the Health, Social Care and Sport Committee (Gillian Martin, MSP) sponsored the launch event, which was attended by 16 MSPs. The work has increased brand awareness and laid the foundations to support policy action in 2023.

# Supporting health care improvement



**Through our health care improvement priority we supported the development, adoption and spread of innovation, and demonstrated how management and improvement approaches can drive up quality and productivity. We also sought to influence strategy for health system recovery from the COVID-19 pandemic.**

## Key highlights



**Influencing national improvement approaches:** Using our relationships with key stakeholders through our Q community, and our credibility in quality improvement, we heavily influenced a high profile national review of improvement in the NHS. We were able to contribute learning from our funded work, such as the evaluation of the NHS partnership with Virginia Mason Institute, our fellowships and Q.



**Building understanding of and evidence for quality improvement:** We brought quality improvement to a wider audience through our QI article series, in partnership with the BMJ, reaching over 1.1 million reads.



**Influencing national health tech policy and programmes through our research:** Following publication of our research on health technology, such as on AI and learning health systems, we worked with NHS England to support the development of the Digital Health and Care Plan, including advocating for a section on digital inclusion and inequalities. We were also invited to join steering groups for national tech and innovation programmes.



### **Improving health care service delivery through our**

**programmes:** We launched a new round of our Q Exchange programme and awarded further funding to successful projects from earlier rounds, including a project to develop a human

factors network. Since the original award the network has expanded to cover the UK and has become a key enabler for using human factors methods in health care. Elsewhere, our Continuity of Care programme raised awareness of the value of seeing the same GP, with insights shared at the RCGP conference and through a select committee submission.



### **Building understanding of trust-wide approaches to**

**improvement:** Building on our *Improvement journey* report, we launched a partnership with NHS Providers supporting members of NHS trust boards to develop greater awareness and

understanding of organisation-wide approaches to improvement. Board members involved reported a stronger understanding of the enablers and barriers to improvement, and greater confidence to address longstanding strategic improvement challenges.



### **Building understanding of and evidence for quality**

**improvement:** THIS Institute launched its Elements of Improving Quality and Safety in Healthcare series, which provides an evidence-based overview of improvement

approaches. The series will be published as a book and made available through a shorter accessible online resource for health professionals.

Commissioned by the Department for Health and Social care, in collaboration with the Royal College of Midwives and the Royal College of Obstetricians and Gynaecologists (RCOG), THIS led the development of a framework to reduce brain injury at birth, the resulting standardised guidelines will help address unwanted variation in outcomes. In recognition of their maternity work the Institute's Director, Mary Dixon-Woods, received an honorary fellowship from RCOG.





#### Case study

### **FREED (First Episode and Rapid Early Intervention for Eating Disorders)**

Eating disorders are severe mental health conditions that can cause serious physical problems and usually start during adolescence or early adulthood. The first 3 years of illness offer a window for early, effective intervention to achieve a full recovery, but historically access to services has been poor.

Over the past decade, our sustained support and funding has enabled the development, evaluation and national spread of an innovative early intervention service for young people with eating disorders. South London and Maudsley NHS Foundation Trust designed FREED in 2014 to give young people rapid access to treatment that is tailored to their needs. FREED includes a rapid screening and assessment protocol, guided self-help interventions and psychological therapies for patients and carers, and an implementation toolkit for staff.

Evaluation of FREED at 30 sites indicates that the intervention has reduced waiting times for patients presenting with a first episode of an eating disorder, for both assessment and treatment. Compared with the 2017 average waiting times for adults with eating disorders, the time for assessment was reduced to 20–30 days (down from 70 days) and the time for treatment reduced to 45–65 days (down from 147 days).

Since the pandemic, FREED referrals have included more cases of anorexia, lower average weight and individuals are more likely to have more complex mental health needs. By creating a database of referral data across adopter sites, the FREED team have been able to respond quickly to this changing profile of service users and offer timely advice and support to adopters.

The model is now available in 53 out of 54 eligible mental health trusts in England, with over 3,000 people seen so far. Learning from the FREED experience has been shared with health systems worldwide, including the US, Canada and Germany.

# Influencing health and social care policy



**We produce a mix of research and analysis to inform national policy in England – including on NHS reform, social care, inequalities in general practice, health system performance and public attitudes. In 2022 our analysis received widespread media coverage and was used to influence national NHS bodies and government – including significant work to inform and assess the development of the Health and Care Act 2022.**

**We also collaborated with international partners to share policy lessons and strengthen networks between countries – including through our work with the World Health Organization’s European Observatory on health systems and policies and the Commonwealth Fund in the US.**

## Key highlights



**Exposing poverty among social care workers:** Our analysis on rates of poverty and deprivation among residential care workers in the UK illustrated the human costs of government inaction on pay and conditions for care workers. It attracted widespread national media coverage.



**Exploring public attitudes to health and social care:** We produced a mix of reports from two rounds of public polling on attitudes to health and social care with Ipsos, which received strong national media coverage and helped inform debate on what the public think about NHS reform. We presented the findings to the National Quality Board, the BMA and other stakeholders.



**Addressing leading health risk factors:** Our assessment of central government policies over the past decade to tackle the leading risk factors for ill health, such as smoking and alcohol use, was widely read. It provoked an op-ed by a former minister and secured widespread media coverage, and we presented the analysis to policymakers in central and local government.



**Tackling inequalities in general practice:** We published research on policies to improve general practice in deprived areas in England since 1990. We presented our findings and recommendations to various national NHS bodies, the Department of Health and Social Care, shadow health ministers and MPs on the Health and Social Care Select Committee.



**Co-funding international fellows:** The Harkness Fellowship in Healthcare Policy and Practice and the Sciana Health Leaders Network – both funded by the Health Foundation – were back to full strength after disruption from the pandemic. We co-funded four UK Harkness fellows for 2022–23, and six Sciana fellows, who met twice at Salzburg Global Seminar and shared lessons with European health leaders on how to respond to common challenges facing health systems internationally.



Case study

## **NHS reform**

Our work informed the debate over the Health and Care Act 2022, the biggest major legislative change for the NHS in England in a decade.

When proposals for the legislation first emerged, we published our assessment of the reforms in the *BMJ* and submitted evidence to national NHS bodies. We responded to key developments in the media, held events to help people understand and scrutinise the proposals, and gave oral evidence at the Health and Social Care Select Committee's inquiry on the reforms.

As the legislation went through parliament, we worked with MPs, Lords and others to support amendments to the Bill, for example, on health inequalities.

The Act was passed in July 2022 – and our analysis of the new NHS structures was widely read and shared. We held a roundtable with NHS England to help consider implementation of the reforms, with leaders from the NHS, local government and academia.

# The sustainability of health and social care funding



**In 2022 the REAL Centre continued to advocate for a longer term approach to planning and funding health and care services. We aimed to set the agenda for this approach through our flagship outputs of projections reports and an annual lecture.**

**We also responded to new developments and major questions facing policymakers, providing explainers and analysis that generated significant interest from the media and other stakeholders. We used our leverage as a funder to improve diversity in economics, and made a major investment in economic research through our two REAL Centre research units.**

## Key highlights



**REAL Challenge annual lecture:** In November economist Andy Haldane delivered the REAL Challenge lecture highlighting the importance of health and health care for UK economic growth over the past century. Public engagement during and after the event was significant, with various media outlets linking the lecture to the debate about why labour force participation has decreased in the UK.



**Discover Economics:** Discover Economics aims to improve representation in economics. Through our funding they engaged with universities and school-age pupils to encourage uptake of economics courses and careers. They have worked with careers advisors and leaders, and worked with international partners on the YES Young Economic Summit.



**International comparisons:** Responding to the increasing demand for timely and accurate information about how UK spend on health care compares to other countries, we published analysis on Twitter and as a long read. This led to media interest, including an exclusive with the *Financial Times*, and was recently quoted at an NHS England board meeting.



**2014 Care Act amendment:** We collaborated with the IFS to publish a briefing about the impact of a proposed government amendment to the 2014 Care Act.





## Case study

### **Workforce analysis**

Workforce shortages are the biggest challenge facing the NHS and social care in England. In 2022, the REAL Centre identified that the NHS and social care workforce would be a key area of interest. To influence policy decisions, including the content of the long-awaited NHS workforce plan, we planned a programme of analytical outputs throughout the year with our flagship workforce projections report at the centre. This allowed us to time publications around key announcements and in response to current events. This was highly successful; our data analysis on nurse pay was the most read in 2022.

Our GP projections were particularly well received; they are cited by key organisations as the standard figures, NHS England are using our methodology and are setting the agenda. This has positioned us as experts in the field, leading to a recent approach from the NHS to independently assess the workforce projections for the workforce plan.

# Data analytics for better health



**In 2022 we continued to influence national policy and local practice through our analysis, including new responsive work timed to influence decision making. We further influenced national policy and strategy on the use of data and analytics to improve health and care – including the government’s data strategy and the Goldacre Review into the efficient and safe use of health data in research. And we made progress in our work to support better analytics across the Foundation – launching our Data Analytics Platform and strengthening our work on public and patient involvement and engagement.**

## Key highlights



### **Understanding the drivers of ambulance service**

**performance:** Our analysis of the drivers of worsening ambulance waiting times, published in November 2022, received national media coverage and received excellent feedback from key stakeholders including senior staff at NHS England.



### **Influencing local service planning through the Networked**

**Data Lab (NDL):** The NDL’s analysis on children and young people’s mental health was widely read and secured widespread national media coverage. The analysis has also been used by local areas to inform service planning and delivery.



**‘Closing the gap’ on evaluation:** The Improvement Analytics Unit further developed its capabilities and reputation as a leader in quantitative evaluation. We have increasingly been recognised and sought out for our expertise in evaluation design.



**Securing a legacy for our work on social care analytics:**

We have been working to strengthen social care analytics since 2020. In 2022, our engagement with care users was recognised by the House of Lords Adult Social Care Committee, while NHS England agreed to fund and maintain the community of practice we established.



**Building international collaboration:** Our support for the ICCONIC collaboration – focusing on costs, outcomes and care for high-need, high-cost patients – has continued to grow. The collaboration has agreed longer term aims and will publish a

second special issue in 2024.



## Case study

### **Children and young people's mental health**

The prevalence of mental health problems among children and young people has been rising over the past 20 years and was exacerbated by the pandemic. A key challenge to addressing and improving children and young people's mental health is the lack of nationally available data on what services are available and how they are used.

The Networked Data Lab (NDL) used unique linked datasets and local expertise to produce new insights on this topic. This work was well received by our key stakeholders and at a national level, our analysis fed into the Department of Health and Social Care's consultation on a 10-year mental health and wellbeing plan.

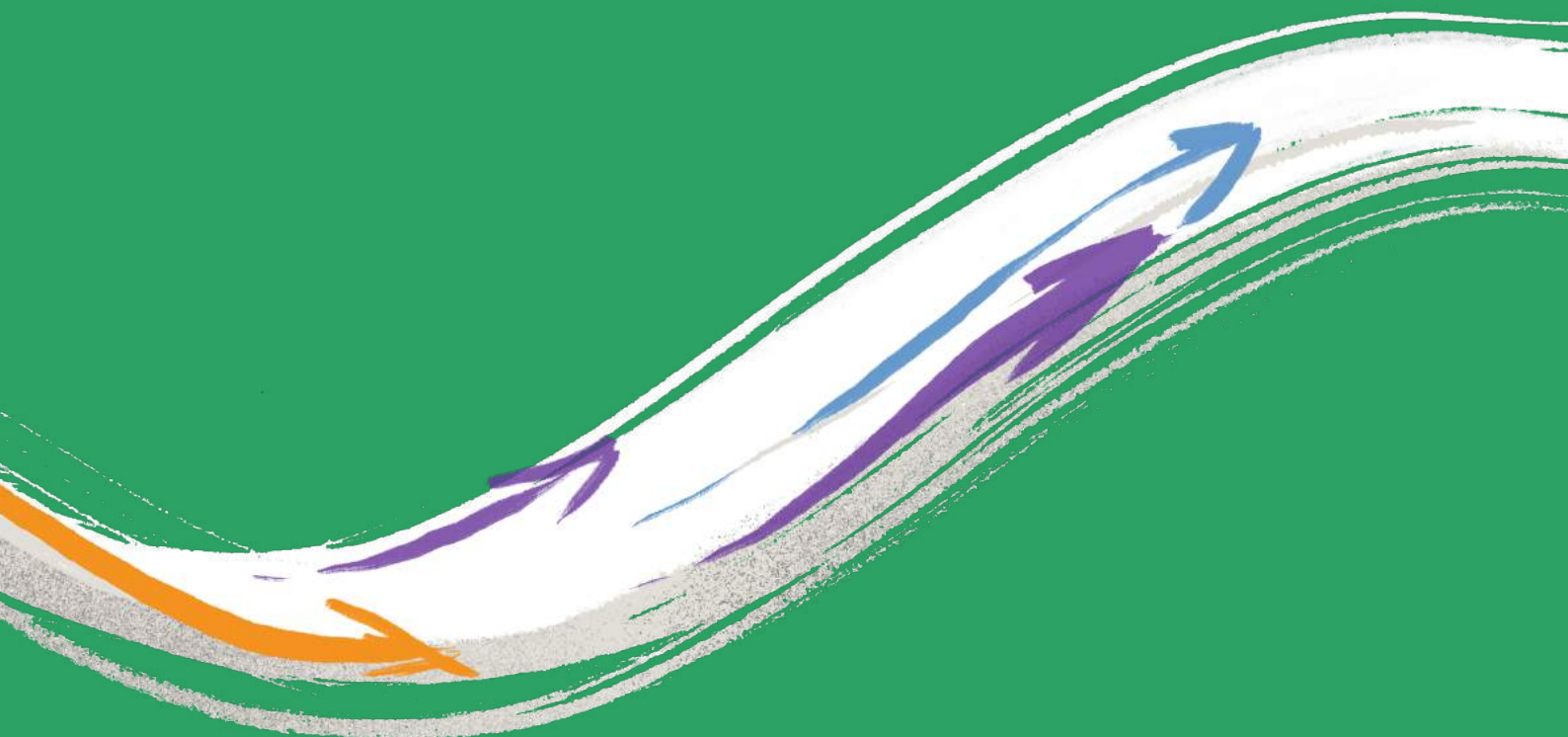
Across our five NDL partners, our work is directly informing service improvement. In Grampian, the children and young people's mental health services clinical team hired two additional consultants to fill gaps identified by the analysis. Furthermore, the Police Scotland Suicide Prevention team and the Youth Justice Management teams are drawing on the local analysis to identify high-risk groups. The Grampian team also received the University of Aberdeen's 2023 Principal's Prize for Research and Engagement on the work they did engaging with patients and the public on children and young people's mental health.

# Work to improve the Foundation



We aim to be a modern, well-run, socially responsible and sustainable foundation. Our work to improve our organisation is to ensure we have a well-supported workforce, efficient business processes and resilient infrastructure.

In 2022 we continued to hone our approaches to cross-cutting initiatives of equity, diversity and inclusion, environmental sustainability and public participation through the 2023–2025 strategic planning process. We also continued to refine our hybrid work programme, grow our data infrastructure and strengthen our commitment to our people, with a particular focus on our benefits.





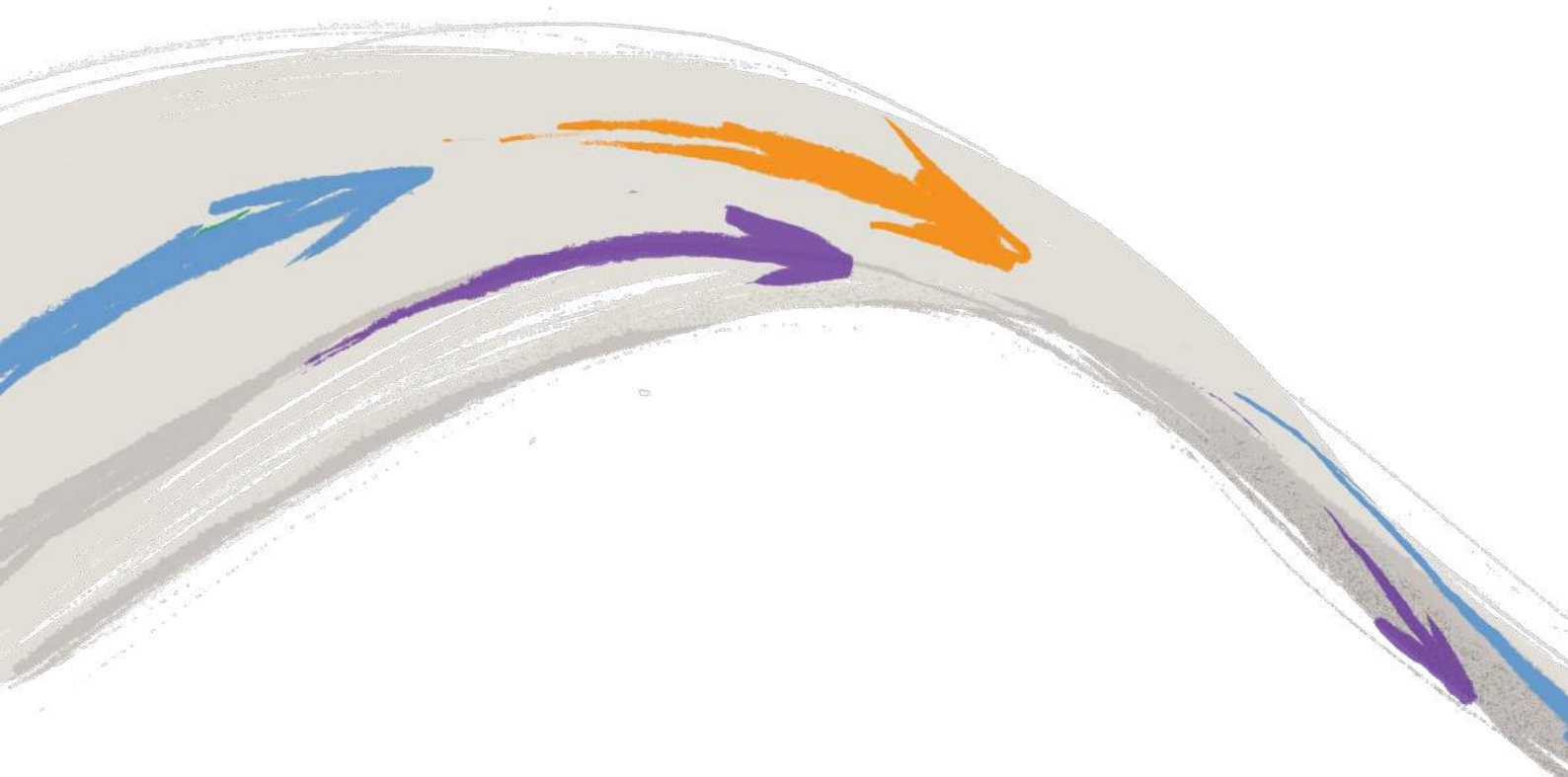
**Hybrid working:** The hybrid working programme has been successful in implementing office changes to reflect different working preferences, supporting staff to work in a flexible manner, and providing virtual workspaces through the rollout of Microsoft Teams and new AV equipment. It has resulted in improved productivity and job satisfaction for our people while maintaining effective communication and collaboration within the Foundation. We are continuing to review our approach to hybrid working with further revisions planned for 2023.



**Data analytics platform:** The DAP provides a new, state-of-the-art, secure environment for processing patient data that complies with ISO 27001 and NHS data and security standards. The platform launched in June 2022, with a successful migration of data from the old platform, full onboarding of analysts, and a managed service in place through SoftwareOne.



**Equity, diversity and inclusion:** In 2022, the Health Foundation achieved a Bronze standard TIDEMARK from the Employers' Network for Equality and Inclusion, which measures (based on self evaluation) an organisation's approach and progress on EDI. To continue to develop EDI within the Health Foundation, we recruited a permanent role of EDI Lead in early 2023.







**Environmental sustainability:** We created a new delivery team to lead our work to improve the operational sustainability of the Foundation. We developed guidance to help grant and contract applicants consider the sustainability of their proposals. Following the development of our responsible investment principles and the establishment of a net zero target for our endowment, the investment team selected new advisors and fund managers to help us in achieving our target.



**Enhancing our benefits:** Following an employee survey carried out during 2021, we introduced a number of enhancements to our suite of benefits that have proved very popular. Changes included increasing the annual leave entitlement by 20%, increasing paternity pay from 2 weeks full pay to 26 weeks full pay and a new fitness benefit allowing employees to claim up to £60 per month.



# Looking ahead



Going forward, we have three strategic priorities:

- **improving people’s health and reducing inequalities**
- **supporting radical innovation and improvement in health and care services, and**
- **providing evidence and analysis to improve health and care policy.**

More detail is set out in our new strategy covering 2023–25. In each of the three areas we have a range of activities planned, from grant making, research and fellowships, to collaborating with stakeholders and working in partnership.



# Improving people's health and reducing inequalities

Life expectancy improvements are stalling and going into reverse in some communities, particularly among those living in socioeconomically deprived areas. Much of this is avoidable. We will be continuing to explore how the circumstances in which we live shape our health.

## Areas of work for 2023

- We will launch the first public-facing campaign of Health Equals – a campaigning initiative aimed at engaging the public in the wider issues that shape our health. The campaign will aim to raise public awareness of the difference that *where* you live can make to *how long* you live.
- We will launch the next phase of our work with Combined Authorities. Building on our Cities Health Inequalities project, this 3-year initiative will support metro mayors to consider how they can put health at the heart of their decisions on employment, transport, housing and other infrastructure.
- Work from the Health Foundation's REAL Centre will use innovative modelling techniques to project trends in ill health over the next two decades.
- Our Evidence Hub will be launching new analysis on the extent to which our surroundings are good for our health, including analysis of the density of fast food outlets and inequalities in access to green space.
- We will be returning to the LGA annual conference, including contributing to a panel session exploring whether the mismatch between levels of need and actual funding levels hinders action to tackle place-based inequality.



# Supporting radical innovation and improvement in health care services

A combination of a (global) shortage of labour in the health and care workforce, and an increasing burden of ill health in the population largely due to ageing means that care must change radically and faster.

In 2023 we want to give policymakers, system leaders service providers, health care staff, service providers, health care staff, service users and the public the insights, practical resources and opportunities needed to support innovation and improvement.

## Areas of work for 2023

- We will leverage our assets such as the Q Community, THIS Institute, the Impact Centre, the Flow Coaching Academy and BMJ Quality and Safety to support cross-system learning and improvement and build the evidence base for organisation and system-wide transformation.
- We will capitalise on the recent launch of NHS Impact, a shared national approach to quality improvement, including through a new partnership between our Q Community and NHS Confederation to explore how integrated care systems can develop a shared improvement approach across their areas.
- We will launch a new £2.2m funding programme to explore how technology can enable new proactive and relational models of care at home and in the community, marking an expansion of our work beyond our historic focus on acute and primary care. In collaboration with NHS England, we will begin evaluating the use of virtual wards in several local health care providers to better understand the virtual ward patient population.
- We will work with THIS Institute to implement its new 5-year strategy, which will include Thiscovery, a digital citizen science platform, which was officially launched in May 2023.
- We will begin work on exploring the role Artificial Intelligence can play in improving health care.



# Providing evidence and analysis to improve health and care policy

Policy decisions on health and social care are often only loosely related to evidence or rigorous analysis, sometimes fail to incorporate a long-term health perspective, and can have complex effects that are not well understood. We are here to change that.

We will focus on national policies affecting the NHS and social care in the UK, as well as how national policies are interpreted and implemented in different local contexts, such as in integrated care systems or local authority areas.

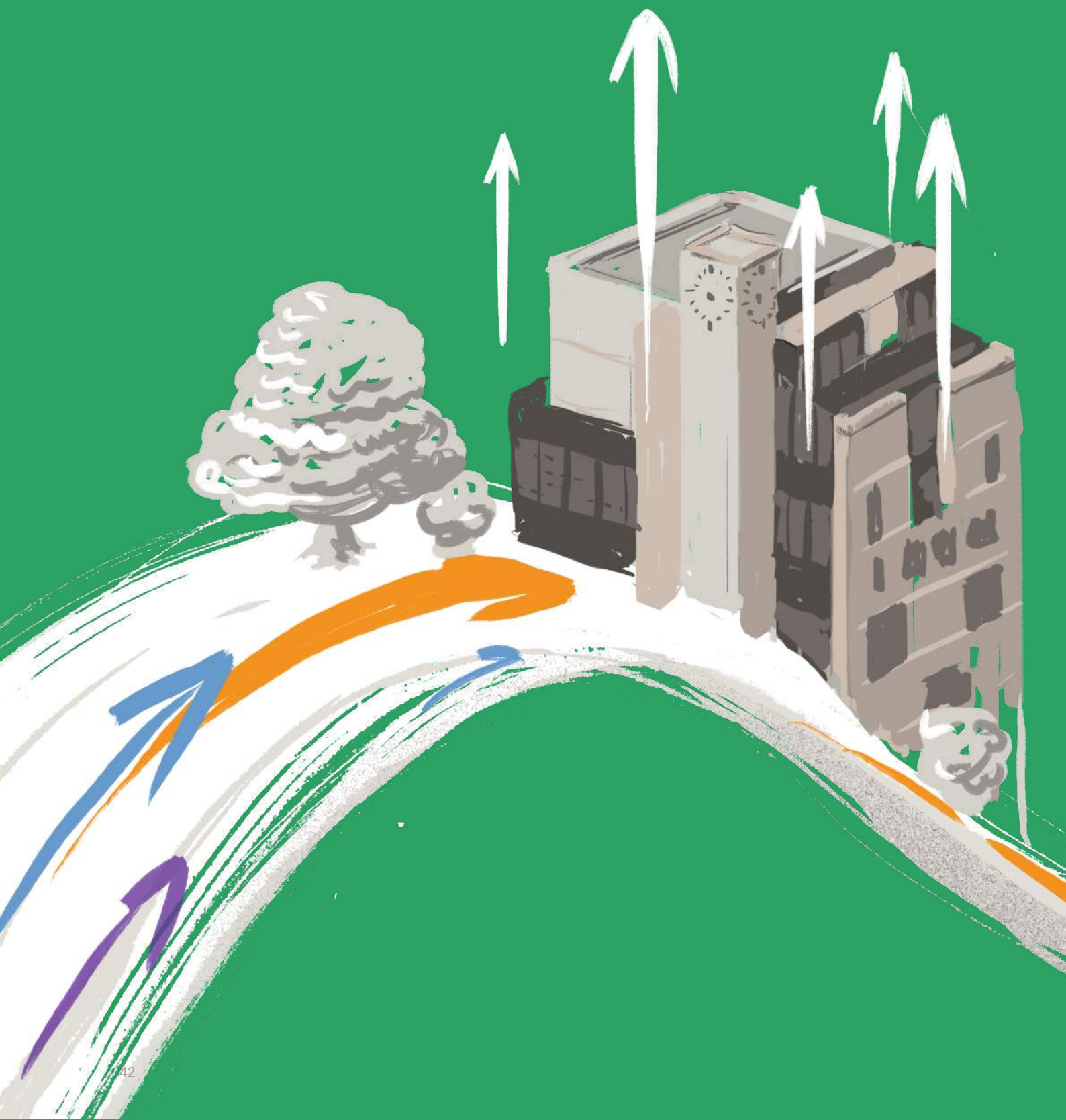
## Areas of work for 2023

- Analysis looking at how the UK health system compares internationally – including comparisons of policy (eg funding models) and performance.
- New research on integrated care systems – including how they are developing and their approach to reducing health inequalities.
- Contributing to debate on how to improve primary care – including work on skill-mix and improving access to primary care with THIS Institute.
- Long-term projections for population health and multimorbidity from the REAL Centre, with a follow up report focusing on health inequalities. We will also hold the 4th annual REAL Centre lecture and continue our programme of analysis to inform workforce policy.
- A mix of work – including deliberative work with the public – to shape the narrative and priorities for NHS and social care ‘reform’ ahead of general election.
- Coordinated work across the Foundation to influence policy priorities for a new government.

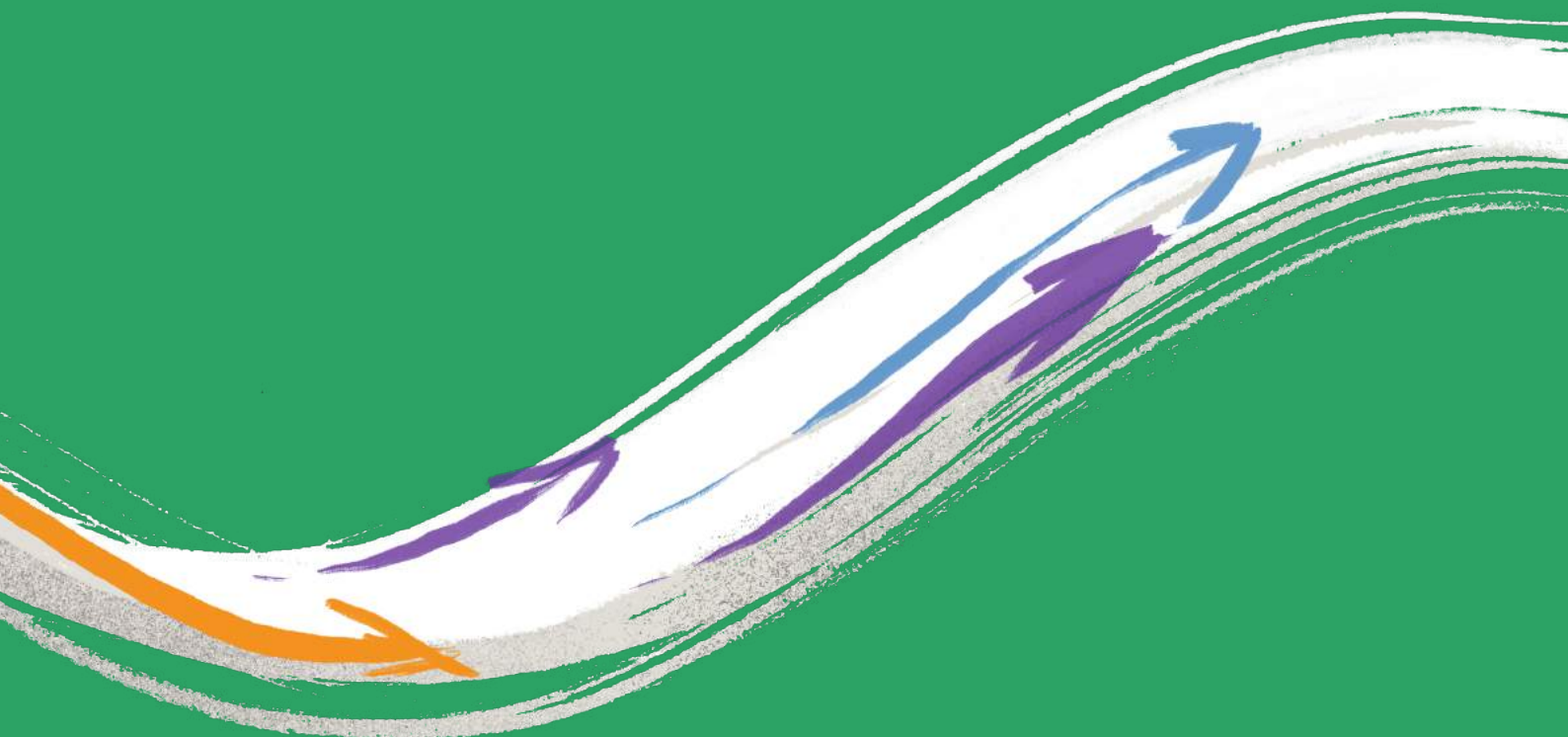




# Work to improve the Foundation




We are working to promote sustainability, equity, diversity and inclusion and public participation across our activities, including how we invest our endowment responsibly and in ways that will bring about change. We will continue to make progress on this in 2023 and beyond alongside improvements to our operating processes, which will be coordinated through our programme of organisational improvement.



**The Health Foundation**

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