PUBLIC POLICY PROJECTS

INSIGHT • ANALYSIS • INTELLIGENCE

INSIGHTS

Why NHS transformation fails

AND WHAT LEADERS CAN DO ABOUT IT

Ceva

Contents

ABOUT PPP

Public Policy Projects (PPP) is a publishing and events business operating at the heart of health and life sciences policy delivery. We bring together senior leaders and practitioners in the public and private health and life sciences sectors to find realistic solutions to the most pressing issues relating to health and care delivery.

ABOUT CEVA No decks, just delivery

We are a delivery partner and coach built by people who have led transformation inside government, the NHS, and local authorities. We work alongside leaders and teams through transformation, and beyond it, to make sure change lasts. Our approach combines practical delivery with people and culture insight, helping teams build confidence, capability, and trust as transformation takes shape.

Our team combines public sector experience with disciplined delivery and a partnership mindset. Our backgrounds include senior roles at the Mayor of London's Office, Westminster City Council, the NHS, 10 Downing Street, the Cabinet Office, and Transport for London. We advise governments in the UK and internationally on strategy and delivery. Our commitment is simple: to help build stronger teams and transformation that continues to deliver long after the consultants have gone.

Key Information

ABOUT THIS REPORT

This report is published by Public Policy Projects (PPP) on behalf of Ceva Global. PPP has acted as publishing partner, supporting the report's production and dissemination to policy and health sector audiences. The analysis, conclusions and intellectual content are Ceva Global's and remain owned by Ceva Global. PPP's role is to provide an editorial and publishing platform that helps bring this work to a wider audience of health and care leaders.

CONTEXT OF THIS REPORT

NHS leaders face an uncomfortable truth: large-scale transformation rarely lands as intended. The Infrastructure and Projects Authority's Annual Report on Major Projects 2023-24 rated only 11 per cent of the 227 projects in the Government's Major Projects Portfolio as Green for delivery confidence, with the remainder rated Amber, Red, or exempt – a portfolio worth £834 billion of whole-life cost.[1] The consequences are visible in delayed appointments, exhausted staff, and public frustration. In the 2024 British Social Attitudes Survey, just one in five people said they were satisfied with how the NHS runs, the lowest level recorded since the survey began in 1983.[2]

These failures are not inevitable. They follow patterns that are recognisable and, crucially, preventable. This paper explores why NHS transformation succeeds or fails and what leaders can do to strengthen both the systems and the people who deliver change. It draws on real cases of failure, the signals that reveal risk early, and practical disciplines that help leaders respond. This paper's analysis is reinforced by the THIS Institute National Programme Framework, which focuses on the front end of large-scale NHS programmes because that is where many problems originate.[3]

Above all, it recognises that transformation is for people: patients who rely on services, staff who deliver them, and leaders who carry the responsibility for change. Transformation has to be done with people, not to them. Underlying each failure is a common thread: programmes proceeded without a clear, shared theory of change – a testable account of why specific interventions would produce the intended results.

Why NHS transformation fails

THE SCALE OF THE CHALLENGE

NHS transformation is uniquely demanding. Leaders face more scrutiny, more stakeholders, and higher consequences when things go wrong than their private-sector peers. National leaders must keep programmes moving through political change. Trust executives are judged on visible results while managing operational pressures. Delivery teams balance ambition with limited time, capability, and trust.

The current context makes this harder still. NHS staff survey results for 2024 show engagement scores largely unchanged from the previous year, with only 40 per cent of staff reporting they work in teams with clear goals that meet regularly to review performance.[4] Public satisfaction has collapsed: 59 per cent of people are now dissatisfied with the NHS, the highest level in over four decades of measurement. Waiting lists, workforce shortages, and capital constraints create competing demands that stretch leadership capacity.[5]

When these pressures converge, early warning signs begin to appear. The challenge for leaders is not just spotting these signals but acting on them with honesty and speed. That is what separates fragile transformation from resilient change.

We have examined four examples to show how pressures play out in practice, through structural, political, managerial, and cultural risks that are recognisable across the health and care system. Each illustrates how transformation falters when legitimacy, capability, and candour slip out of balance.

MANAGERIAL FAILURE: NATIONAL PROGRAMME FOR IT

Launched in 2002, the National Programme for IT was one of the world's largest public sector technology programmes, aiming to modernise NHS digital systems with electronic patient records, integrated booking systems, and a national network.

Costs overran by billions. Systems were rolled out before the design was stable. Clinicians found them unworkable and refused adoption. Leadership churned and optimism bias dominated reporting. The programme was eventually dismantled in 2011, having failed to achieve its core objectives.

Why it failed: Managerial weaknesses contributed significantly to failure. Programme leaders did not sufficiently involve clinicians and end users in system design, testing, and implementation. Oversight remained positive despite mounting concerns about usability, delivery, and adoption. Lessons from early deployments were not consistently incorporated into later phases of rollout, limiting the ability to adapt. Heavy reliance on external suppliers was not matched by the development of sufficient in-house capability to oversee and support delivery. Repeated leadership changes further weakened continuity, accountability, and organisational learning.[6, 7]

The lesson: Capability is culture in practice. Build transformation teams with the skills to deliver, challenge, and adapt. Effective leadership depends on honest reporting, meaningful user engagement, and the ability to learn from implementation rather than press ahead despite emerging problems. These failure modes are not unique to the NHS: a systematic review of mega-project performance across sectors found optimism bias and escalating commitment to be among the most consistent root causes of large-scale project failure, suggesting they are structural risks to be designed against rather than exceptional lapses of judgement.[8]

STRUCTURAL FAILURE: NHS TEST AND TRACE

NHS Test and Trace was established in May 2020 with a budget that eventually reached £37 billion over two years, roughly equivalent to the entire annual budget of the Department for Transport.[9] Its stated objective was to break chains of Covid-19 transmission and help avoid further lockdowns.

The Public Accounts Committee concluded that the programme could not point to a measurable difference to the progress of the pandemic, and the premise on which this huge expense was justified, avoiding another lockdown, was broken twice. Only around 50-60 per cent of contacts of known cases were being advised to isolate, well below the 80 per cent threshold that SAGE advised was needed for effectiveness.[10]

Why it failed: Governance bypassed existing local public health infrastructure in favour of a centralised model that struggled to adapt to local contexts. The programme was excessively reliant on expensive consultants, failed to respond to fluctuations in demand, and was unable to monitor key metrics effectively. Local authority public health teams, who understood their communities, were initially sidelined despite having the relationships and knowledge needed to make contact tracing work. The programme's design never asked whether centralised architecture was the right vehicle - a design question which is foundational to any large-scale programme.

The lesson: Transformation must start where people work. Align structure to purpose, not hierarchy. Create ownership that reaches from the front line to the centre.

POLITICAL FAILURE: THE 2012 HEALTH AND SOCIAL CARE ACT

The Health and Social Care Act 2012, commonly known as the Lansley reforms after the then Secretary of State for Health, represented the most extensive reorganisation of NHS structure in its history. It abolished Primary Care Trusts and Strategic Health Authorities, transferring commissioning to hundreds of new Clinical Commissioning Groups.

The reforms faced united opposition from the Royal Colleges and the British Medical Association, which held its first emergency meeting in 19 years to call for the bill's withdrawal. The Royal College of Nursing passed a motion of no confidence in the Secretary of State with 96 per cent support. Despite this, the reforms proceeded at political speed.

Why it failed: The reforms created a fragmented and complex NHS structure that leaders have spent the subsequent decade working around rather than with. The competition and choice mechanisms embedded in the legislation cut across the collaborative approaches that ICSs now embody. Much of the organisational architecture and management capacity that once addressed system pressures was stripped away, leaving gaps that persist today.

The lesson: Resilient transformation is built to outlast ministers. Political discipline means setting credible timelines, engaging practitioners genuinely, and protecting programmes from the churn of public office.

CULTURAL FAILURE: MID STAFFORDSHIRE NHS FOUNDATION TRUST

Between 2005 and 2009, Mid Staffordshire NHS Foundation Trust pursued foundation trust status and financial balance while standards of basic care collapsed. The Healthcare Commission, and subsequently two inquiries chaired by Robert Francis QC, found appalling failures: patients left without food, water, or assistance, and dignity denied even in death.[11] The Trust passed through the assessment of the Strategic Health Authority, the Department of Health, Monitor, and the Healthcare Commission, and was rated for risk management by the NHS Litigation Authority. None detected the scale of the failure. The truth emerged largely because a determined group of patients and families refused to be silenced.

Why it failed: The Trust Board allowed an insidious negative culture that tolerated poor standards and disengaged from leadership responsibility. The pursuit of national access targets, financial balance, and foundation trust status was placed above acceptable care. The institutional culture ascribed more weight to positive information than to evidence of risk, and staff did not feel able to raise concerns. The wider system of regulators and scrutiny bodies assumed that monitoring was someone else's responsibility, and warning signs that should have prompted intervention were not acted upon for years.

The lesson: Targets and financial discipline are necessary, but they cannot be allowed to displace the primary purpose of care. Resilient transformation depends on a culture where concerns are heard, where measurement focuses on the effect of a service on patients rather than on system compliance, and where no organisation assumes that vigilance is someone else's job. As Francis concluded, it should be patients, not numbers, that count.

TRANSFORMATION SUCCEEDS OR FAILS IN EVERYDAY LIVES

Transformation is only real when it passes three tests: when patients feel the benefit, when staff can deliver it, and when leaders can sustain it.

Patients and communities

Transformation is judged in the waiting room, the ward, and the GP surgery. Public satisfaction with A&E services has collapsed from 31 per cent to just 19 per cent, with dissatisfaction reaching 52 per cent, the worst figures on record.[12] Satisfaction with NHS dentistry has fallen to a record low of 20 per cent.[13] Satisfaction with GP services continues to decline, now at 31 per cent.[14] Yet the majority of the public remain satisfied with the quality of care when they receive it, and support for the founding principles of the NHS remains strong.[15] The gap between intent and experience is where transformation must deliver.

Staff and delivery teams

Transformation succeeds only when it makes daily work safer, smoother, and more meaningful. The NPfIT did the opposite: clinicians called its systems time-consuming and not fit for purpose. The 2024 NHS Staff Survey shows that just 40 per cent of staff work in teams with clear goals that meet regularly to review performance.[16] Staff engagement scores remain below pre-pandemic levels, and only 54 per cent of staff believe teams within their trusts work well together.[17] Imposed transformation meets resistance; co-designed transformation builds ownership and unlocks the tacit knowledge needed for lasting change.

Leaders and sponsors
For leaders, accountability is visible, from live dashboards to Select Committees. With public satisfaction at historic lows and 69 per cent of people believing the government spends too little on the NHS, credibility becomes a form of stewardship.[18] As the system works to reduce reliance on external consultants and absorb NHS England into the Department of Health and Social Care, transformation must be designed for sustainable delivery and long-term legitimacy.

When citizen trust, staff capacity, and leadership credibility fall out of alignment, transformation unravels no matter how well-designed on paper.

SPOTTING EARLY WARNING SIGNS: THE CEVA SIGNALS

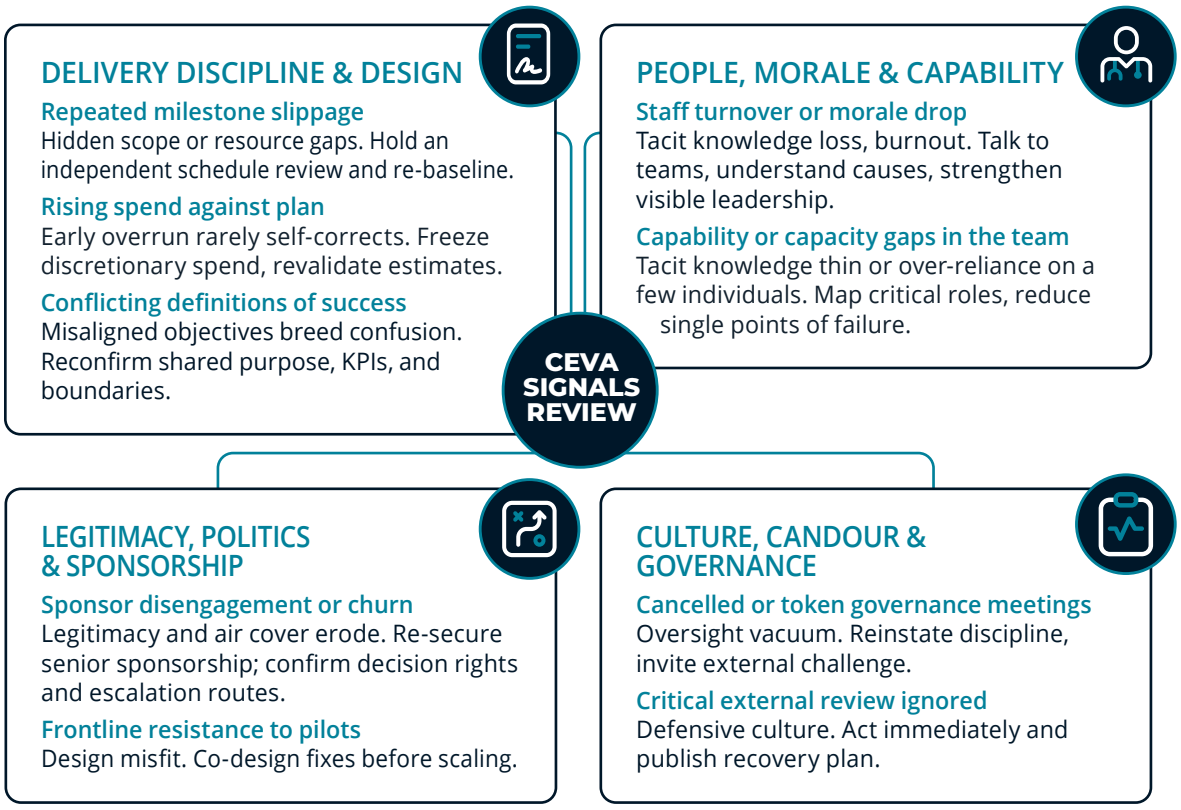
Major failures rarely arrive unannounced. The tremors can be felt in staff meetings, patient surveys, dashboards, and corridor conversations long before headlines appear.

The Ceva Signals come from our experience supporting major transformation across the NHS and wider public services. They distil patterns we have seen in programmes under pressure and the people dynamics behind them, designed for leaders managing transformation in flight, helping them recognise when momentum, trust, or delivery discipline begins to slip.

Leaders who respond to these signals early protect both their programmes and their people. Listening and adapting beats firefighting every time.

A LEADERSHIP PLAYBOOK FOR RESILIENT TRANSFORMATION

Designing new transformation is different from rescuing one already underway. The best leaders



start by creating the conditions for resilience: clarity of purpose, empowered teams, and open feedback loops that make learning visible.

Align ambition with evidence
Start with data, not hope or assumptions. Set scope and cost based on robust analysis, not optimism. This builds credibility with Treasury, boards, and staff. The elective care transformation programmes demonstrate what happens when targets are set without the modelling to support them: NHSE could not provide evidence explaining the achievability of its target to reduce outpatient follow-up appointments by 25 per cent.[19] Two questions are worth sitting with before targets are fixed. First: can you articulate the causal mechanism linking your interventions to the outcomes you expect? If the answer is vague, the programme lacks a theory of change, and no amount of project management discipline will compensate for that absence. Second: have you allocated sufficient time and resource to the design stage, before committing to budgets and timelines? Research on large-scale programme failure consistently identifies early cost commitments, made before options appraisal is complete, as a leading cause of downstream overrun and disappointment.

Co-design from the centre to the front line
The people who deliver know where risk lives. Involving them early creates workable solutions and ownership. NPfIT failed precisely because clinicians were not involved in system design or testing. Test and Trace improved when local public health teams were brought into the model.

Build coalitions that survive political cycles
Partnerships across organisations, system partners, and communities give transformation stability when ministers inevitably change. ICS leaders identify the lack of funding for social care and financial pressures as their greatest barriers, but the strongest systems are those that have built genuine partnerships across health and local government.

Pilot safely, scale deliberately
Safe-to-fail pilots test reality without risking credibility, as long as they are well designed. Scaling then becomes an act of evidence, not faith. When the NAO reviewed the three elective transformation programmes in 2025, it found diagnostics the best managed of the three. The Richards review had built a clear evidence base and clinical consensus on diagnostic capacity before implementation began. That did not guarantee delivery, and the programme still missed its targets, but it gave the rollout firmer footing than the surgical and outpatient programmes had.[20, 21]

Create visible learning loops
Transparency protects trust. Publish progress, share lessons, and invite scrutiny before it arrives. The NHS Staff Survey shows that staff involvement in decision-making is the most important factor in staff engagement, yet NHS organisations can be hierarchical compared to other industry sectors. Commission evaluation from day one. Decisions made in the first weeks of a programme can foreclose the ability to measure its impact - making it harder to defend, learn from, or replicate what works.

Strengthen capability over dependency
Build teams who can deliver without perpetual consulting support. Lasting transformation is sustained in-house. The digital workforce vacancy rate of 10 per cent for technical roles, with 43 per cent of vacancies unfilled for six months or longer, shows the scale of capability building required.[22]

> *Transformation succeeds through people, not process. When leaders invest in skills, trust, and transparency, capability becomes culture.*

TESTING THE RESILIENCE OF YOUR TRANSFORMATION

Leaders often ask questions that cut to the heart of transformation: How do I spot the signals if everyone is telling me it's OK? I've inherited a major change programme: how do I know what's solid and where the risks are? How do I encourage teams to speak truth to power?

To help leaders get answers to these questions, we have developed the Ceva Signals Review. It provides a way to hold honest, evidence-based conversations about resilience, capability, and trust. Used well, it helps teams surface early risks, reconnect to purpose, and get transformation back on the right path before confidence or value is lost.

The NHS faces a moment of significant change. The absorption of NHS England into the Department of Health and Social Care, the halving of ICB running costs, and the 10 Year Health Plan all create both pressure and opportunity. Leaders who combine vigilance with practical methods will be best placed to deliver transformation that lasts.

To request a copy of the Ceva Signals Review or to discuss how we might support your transformation, contact us at hello@cevaglobal.co

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