

BOARD PAPER - NHS ENGLAND

Title: Chief Executive's report

Clearance: Sir David Nicholson, Chief Executive

Purpose of paper:

- This report highlights a number of significant events that have taken place since the last meeting of the Board and are not covered elsewhere on the agenda. It also records urgent action taken since the last Board meeting.

Key issues and recommendations:

- The month since the last Board meeting has seen a great deal of progress and a number of significant developments. We continue to follow up the 'Call to Action' with a significant programme of work. Our Mandate from the Government for 2014/15 has been confirmed. We are taking a range of actions as part of the system-wide response to the Francis report. We have published a landmark report on urgent and emergency care.

Actions required by Board Members:

- The Board is asked to note the report.

Chief Executive's report

Introduction

1. This report highlights a number of significant events that have taken place since the last meeting of the Board and are not covered elsewhere on the agenda. It also records urgent action taken since the last Board meeting.

Development of our strategy

2. The delivery of the commissioning system's strategic response to the challenges outlined in 'The NHS Belongs to the People – A Call to Action' continues to gather pace. This is being achieved through on-going engagement by CCGs and area teams with local communities and stakeholders, and through NHS England's strategy and planning process that will lead to the production of five year strategic plans.
3. The 'Call to Action' (CTA) is now being considered and discussed at local level, with over 250 local events taking place over the autumn. CCGs and NHS England area teams are using a variety of approaches to reach across local populations, including running dedicated CTA events with staff, patients and the public, attending community groups, participating in fairs and exhibitions, and running on-line forums and surveys.
4. At national level, NHS England is supporting and adding further impetus to the 'Call to Action' through our programme of national events. The purpose of these events is to bring together national stakeholders and local communities around key themes that will be central to the next NHS planning round, and to generate 'thought leadership' pieces that commissioners can use to help shape their five year strategies. Two important events were held in November: a workshop on the 'parity of esteem' (i.e. valuing physical and mental health equally) and an 'NHS Futures Summit' hosted jointly with Monitor and the NHS Trust Development Authority.
5. The 'Parity of Esteem' event in Manchester attracted over 70 delegates. Mental illness is the single largest cause of disability and cost to the NHS. The event was designed so that participants could take part in a focused conversation about how the NHS can prioritise mental and physical health in future planning, to allow patients and the public to challenge the views of the experts and put forward their own views on what 'good' services look like for people with mental and physical health needs.
6. The NHS Futures Summit was held on 21 November in central London. Hosted by Sir Malcolm Grant, Dr David Bennett from Monitor and David Flory from the NHS Trust Development Authority, the summit was designed to spark debate about how the landscape of health and care providers should evolve over the next decade. Over 100 senior health leaders took part including commissioners, providers, health policy experts and patient and charity representatives. The agenda was organised around contributions from six leading thinkers or practitioners who each outlined their views about how providers might adapt to

changing health needs and economic constraints. A report of the summit will be prepared which will be used to prompt further debate about options for the future and to assist CCGs and their partners as they begin to develop their own five-year strategies.

7. Digital communication continues to be a key part of the Call to Action. Over the last month, the Call to Action hash tag has been used 295 times. A recent word cloud analysis of coverage of the Call to Action has identified the top themes as being patients and prevention, which may indicate effective dissemination of messages from October's national prevention event.
8. Aligned with the 'Call to Action' has been the on-going development of the strategy and planning process, and the framework that will enable and support CCGs and area teams to develop five year strategic plans through the next NHS planning round. NHS England is developing a suite of tools as part of this process. This includes 'Any Town CCG' which will show what a typical CCG's strategy challenge will look like and how the application of high-impact interventions will address this and help close the gap. The model is comprised of three scenarios (Rural, Urban and Sub Urban) to help CCGs identify with this plausible analysis. The high impact interventions have been thoroughly tested for evidence they generate improvements in quality, patient experience and savings – and have created a methodology which can be applied to assessing future improvements and innovations. Templates and programmes of planning are also in production to enable CCGs to construct robust plans, and to ensure there is alignment across strategic vision and long term ambitions, immediate operational challenges and financial plans.

NHS England Mandate refresh

9. The Government has now published its mandate for NHS England for 14/15. The publication marks the successful conclusion of extended discussions between NHS England and the Department of Health regarding the mandate.
10. The refreshed mandate establishes the Government's strategic objectives for the NHS, retaining a clear focus on outcomes rather than inputs and processes, and empowering commissioners to think creatively about how local populations are best served.
11. Following the publication of the refreshed mandate, Professor Sir Malcolm Grant has written to the Secretary of State, Rt Hon Jeremy Hunt MP, setting out NHS England's commitments, objectives and principles for securing the outcomes identified in the Mandate.

Pharmaceutical Pricing Regulation Scheme

12. A new Pharmaceutical Pricing Regulation Scheme has been agreed by the Department of Health to start from 1 January 2014, and will be non-contractual and voluntary, building on the current PPRS. The scheme will be a single, holistic, UK pricing agreement covering all the relevant key issues that underpin the pricing of NHS branded medicines. Importantly, it is intended to provide

stability and predictability to both government and industry to enable certainty of planning.

13. The purpose of the scheme is to provide Government with surety on the level of NHS expenditure on all branded medicines supplied by companies in the voluntary scheme. There will be “Allowed Growth Rates” in PPRS spend for each year of the scheme set at 0%, 0%, 1.8%, 1.8%, 1.9% and these will remain fixed. Where spending growth exceeds these, the industry will make offsetting payments to the Department of Health. There will be some lags in identifying the total quantum of offsetting payments such that the “Allowed Growth Rates” may be exceeded within a year and be corrected for in subsequent years.
14. The Mandate funding being available to NHS England by the Department of Health for 2014/15 and 2015/16 reflects expected payments to be made by branded pharmaceutical companies to DH as part of the Pharmaceutical Price Regulation Scheme agreed between DH and the Association of the British Pharmaceutical Industry.

The Government's response to Francis

15. On 19 November the Government published a full response to the 290 recommendations made by Robert Francis, following the public inquiry in to the failings at Mid Staffordshire NHS Foundation Trust.
16. This follows the government’s initial response in February, which included the introduction of a new hospital inspection regime and legislation for a duty of candour on NHS organisations so they have to be open with families and patients when things go wrong.
17. NHS England has already taken action in response to the concerns raised by the tragedy at the Mid-Staffordshire NHS Foundation Trust. This includes launching the Friends and Family Test to gather patient feedback, and rolling out a new plan for nursing, midwifery and care staff – the 6Cs Compassion in Practice strategy.
18. I would like to draw the board's attention to the significant work that NHS England is leading to improve the safety of patients as part of a co-ordinated response to the Francis Report. In the coming months we will:
 - launch Patient Safety Collaborative Programmes in a network covering the entire country – that will bring together frontline teams, experts, patients, commissioners and others to tackle specific patient safety problems as well as learning from each other to improve safety;
 - create an NHS Improvements Fellows programme – appointing 5,000 fellows within five years who will be champions, experts, leaders and motivators in patient safety and will help the collaboratives devise and implement solutions;
 - make Patient Safety Data more accessible – ensuring up-to-date information on patient safety issues, including staffing, pressure sores, falls and other key indicators will be available at the fingertips of patients;

- publish Never Events Data – and by so doing for the first time placing the NHS as a world leader among health services in terms of openness and transparency, and
- re-launch the Patient Safety Alerts System – giving a clearer framework for organisations to understand issues and take rapid action when responding to patient safety risks.

Review of urgent and emergency care

19. On 13 November we published Professor Sir Bruce Keogh's review of urgent and emergency care services. The review report proposes a fundamental shift in provision of urgent care, with more extensive services outside hospital and patients with more serious or life threatening conditions receiving treatment in centres with the best clinical teams, expertise and equipment.
20. Developed after an extensive engagement exercise, the review report proposes a new blueprint for local services across the country that aims to make care more responsive and personal for patients, as well as delivering even better clinical outcomes and enhanced safety.
21. The report makes proposals in five key areas:
 - **providing better support for people to self-care** – the NHS will provide better and more easily accessible information about self-treatment options so that people who prefer to can avoid the need to see a healthcare professional;
 - **helping people with urgent care needs to get the right advice in the right place, first time** – the NHS will enhance the NHS 111 service so that it becomes the smart call to make, creating a 24 hour, personalised priority contact service. This enhanced service will have knowledge about people's medical problems, and allow them to speak directly to a nurse, doctor or other healthcare professional if that is the most appropriate way to provide the help and advice they need. It will also be able to directly book a call back from, or an appointment with, a GP or at whichever urgent or emergency care facility can best deal with the problem;
 - **providing highly responsive urgent care services outside of hospital so people no longer choose to queue in A&E** - this will mean: putting in place faster and consistent same-day, every-day access to general practitioners, primary care and community services such as local mental health teams and community nurses to address urgent care needs; harnessing the skills, experience and accessibility of community pharmacists; developing our 999 ambulance service into a mobile urgent treatment service capable of treating more patients at scene so they don't need to be conveyed to hospital to initiate care;
 - **ensuring that those people with more serious or life threatening emergency needs receive treatment in centres with the right facilities and expertise in order to maximise chances of survival and a good recovery** - once it has enhanced urgent care services outside hospital, the NHS will introduce two types of hospital emergency department with the current working titles of Emergency Centres and Major Emergency Centres. Emergency Centres will be capable of assessing and initiating treatment for

all patients and safely transferring them when necessary. Major Emergency Centres will be much larger units, capable of not just assessing and initiating treatment for all patients but providing a range of highly specialist services. The NHS envisages around 40-70 Major Emergency Centres across the country. It expects the overall number of Emergency Centres – including Major Emergency Centres – carrying the red and white sign to be broadly equal to the current number of A&E departments, and

- **connecting urgent and emergency care services so the overall system becomes more than just the sum of its parts** - building on the success of major trauma networks, the NHS will develop broader emergency care networks. These will dissolve traditional boundaries between hospital and community-based services and support the free flow of information and specialist expertise. They will ensure that no contact between a clinician and a patient takes place in isolation – other specialist expertise will always be at hand.

22. The next phase of the review is now under way, overseen by a delivery group comprised of more than 20 different clinical, managerial and patients' associations. It is likely to take three to five years to enact the change outlined in the review report. However, over the next six months we expect to make significant progress in the following areas:

- work with local commissioners as they develop their five-year strategic and two-year operational plans; - Identification of transformational demonstrator sites to trial new models of delivery for urgent and emergency care and seven-day services;
- development of new payment mechanisms for urgent and emergency care services, in partnership with Monitor;
- completion of a new NHS 111 service specification so that the new service – which will go live during 2015/16 – can meet the aspirations of this review, and
- co-production with clinical commissioning groups of the necessary commissioning guidance and specifications over the remainder of 2014/15.

Childrens Takeover day

23. We made a commitment at our AGM in September to do more to involve children and young people in our core business. We therefore took the opportunity to participate in 'Childrens Takeover Day' on 28th November as an opportunity to put this commitment into practice.

24. Takeover Day is a national initiative that gives children and young people the chance to work with adults for the day and be involved in decision-making. Children benefit from the opportunity to experience the world of work and make their voices heard, while adults and organisations gain a fresh perspective on what they do.

25. There were two aspects to the day. First, I was pleased to be shadowed for the whole day by a young person called Issy Brant from Changing Our Lives. Issy

brought fresh insights to our work and I thoroughly enjoyed my time with her. Issy has written about her day on the Changing Our Lives website:
<http://www.changingourlives.org/index.php/what-we-do/our-projects/takeover-day/itemlist/tag/Takeover%20Day>

26. Second, the executive team attended a workshop with 45 young people from across the country, organised in partnership with the Young People's Health Partnership. The Young People's Health Partnership is a consortium of seven organisations working with the Department of Health, Public Health England and NHS England as strategic partners to raise the profile of the health agenda across the Voluntary Sector.
27. The young people spent the day together and then presented their ideas and proposals to the executive team. They identified a range of suggestions and proposals about how services could be improved for young people. I and my executive team colleagues pledged to act on what we heard. One of the most exciting proposals was to establish a young people's board and we will take this forward over the coming months.

Urgent actions taken since the last meeting of the Board

28. I would like to report three urgent actions taken since the last meeting:
 - approval of Updated standing financial instructions (SFIs) and standing orders (SOs);
 - approval of a special payment to a GP, and write-off of debt owed by the GP, and
 - Approval of the Eltham Community Hospital Stage 2 LIFT Business Case.
29. Further details of both urgent actions are contained in annex A.

Sir David Nicholson
Chief Executive
December 2013

Annex A: NHS England urgent action

Name of urgent action	Lead National Director(s)	Overview	Details	Board members approved	Date to be reported to Board
Updated SFIs and SOs	Bill McCarthy	Updated SFIs need to be published as quickly as possible, for the reasons explained in the separate request for that document. These needed to be accompanied by updated standing orders because of the significant interlinkage across the two documents.	Amendments to standing orders, ensuring they are in line with latest version of SFIs, adding in new introduction, amending to reflect Board agreements e.g. about use of the seal, and removing areas of duplication	Audit committee members including Moira Gibb and Naguib Kheraj David Nicholson Ed Smith Malcolm Grant	17 Dec 2013

Name of urgent action	Lead National Director(s)	Overview	Details	Board members approved	Date to be reported to Board
Special Payment and Write off Action	Paul Baumann	Special Payment to a GP and Write off of debt owed by GP.	<p>This was a complex case which required a special payment of £78,000 to be made to a GP and a further £75,788.36 to be written off in respect of outstanding debt owed by the GP.</p> <p>The case arose from a contractual dispute between the GP and a PCT and was inherited by NHS England. The settlement with the GP was arrived at after mediation.</p> <p>The approval of the Board was requested and also the approval of DH is required (n.b. this has <u>not</u> been secured at the time of writing) as this is above NHS England`s delegated limit.</p>	<p>Efficiency Controls Committee members including Ed Smith, Paul Baumann and Jo-Anne Wass,</p> <p>David Nicholson, Malcolm Grant and Moira Gibb</p>	17 Dec 2013
Eltham community hospital	Paul Baumann	Approval of the Eltham Community Hospital Stage 2 LIFT Business Case	Urgent Decision for the Chief Financial Officer to issue the letter to Community Health Partnerships at Attachment 2, to enable the scheme to proceed to financial close by the target date of 6 December.	<p>Finance and Investment Committee members including Ed Smith and Moira Gibb, Malcolm Grant</p> <p>David Nicholson</p>	17 Dec 2013