



Improvement

NHS Improvement: 2016/17 highlights

support

collaborate

challenge

improve

inspire

Delivering better healthcare by **inspiring**
and **supporting** everyone we work with,
and **challenging** ourselves and others to
help **improve** outcomes for all

Our first year

NHS Improvement is responsible for overseeing NHS foundation trusts, NHS trusts and independent providers. We offer the support these providers need to give patients consistently safe, high quality, compassionate care within local health systems that are financially sustainable. By holding providers to account and, where necessary, intervening, we help the NHS to meet its short-term challenges and secure its future.

“With the high calibre of passionate, professional and committed staff across the country that I have met throughout our new organisation, I am confident NHS Improvement will continue to play a crucial role in helping the NHS deliver great health and care safely and efficiently.”



Ed Smith
Chairman

“NHS Improvement’s first year coincided with a momentous period for the trusts we exist to support. They coped with record numbers of ambulance call-outs and patients attending accident and emergency departments, as well as difficulties getting people who didn’t need to be in hospital into an increasingly pressured social care system.”



Jim Mackey
Chief Executive

This short report gives you an insight into what we have done during our first year towards achieving our 2020 objectives, which are grouped by theme: quality of care; finance and use of resources; operational performance; operational productivity; strategic change; leadership and improvement capability. Each theme is equally important, and all are interconnected.

Read our full Annual report and accounts 2016/17

With NHS England, we published **NHS planning guidance** in September, three months earlier than usual. This was to enable commissioners and providers to complete operational planning and contracting by the end of December, enabling them to move into 2017 with a stronger focus on working collaboratively to implement these plans. For the first time, the guidance covered two financial years, to provide greater stability, and was underpinned by a two-year national tariff and a two-year NHS standard contract.

The **Single Oversight Framework**, which we introduced in October 2016, signals a change in how we work with trusts. It shifts the emphasis away from regulation and performance management and towards identifying how we can best help trusts improve patient services. Developed to align with national partners' objectives, the framework applies to NHS trusts and foundation trusts – though not to independent providers.

Quality of care

We define quality in the NHS in terms of patient safety, clinical effectiveness and patient experience. Quality improvement and particularly the improvement of patient safety become ever more important when pressure in the system increases as the NHS responds to growing demand. We provide clinical and managerial leadership and improvement expertise to support trusts' care quality including patient safety. Much of what we achieve can only be done in partnership with others.

With NHS England we helped trusts implement the four priority clinical standards chosen for their potential to improve outcomes. As part of the **NHS Seven Day Hospital Services Programme**, trusts serving 25% of England's population need to implement these by April 2017 and 50% by April 2018.

We received almost 2 million incident reports, a 7% increase on last year and a welcome sign of an improving safety culture in the NHS. Our review of them led us to issue 10 **Patient Safety Alerts** to warn the NHS of emerging patient safety risks, highlight new resources to tackle

a known risk, or ask that a specific action is taken to avoid risk.

Our **patient experience headlines tool** enables NHS staff to compare how their organisation is performing on patient experience.

We supported and co-funded the **Q initiative** connecting people with improvement expertise. Participants more than trebled, and we expect Q to be a community of thousands of improvers by the end of 2017/18.

- We exceeded our target for the number of trusts exiting special measures for quality in 2016/17: nine trusts did and our target was five.
- Between the start and end of 2016/17 CQC increased the percentage of trusts rated 'good' or 'outstanding' from 29.9% to 39.1%; we are closing on our objective of two-thirds of trusts achieving these ratings.
- We received 574 responses to our consultation on our Never Events policy.

Locally led initiatives in patient safety collaboratives

- reduced deaths after emergency laparotomy by 42%
- increased patients returning to mental health wards on time after a period of approved leave by 50%.

National Maternal and Neonatal Health Safety Collaborative

Every maternity unit in England is taking part in our three-year collaborative, launched in February 2017, to reduce maternal deaths, stillbirths and neonatal deaths and brain injuries by 20% by 2020 and 50% by 2030.

61% of providers thought NHS Improvement was doing well in supporting trusts on quality of care.

Source: Ipsos MORI stakeholder perception survey, December 2016

Finance and use of resources

We are committed to restoring trusts to financial balance so they can improve patient care and productivity as well as secure long-term sustainability. We therefore designed our financial approach to support recovery and financial discipline, rewarding ambition and success.

We devised with NHS England a **'financial reset'** in summer 2016 to help stabilise trusts' finances and start some of the wider changes needed to improve productivity.

We introduced **financial special measures** to provide rapid recovery plans for trusts planning significant deficits. The programme identified £100 million of savings in eight months.

Our **Financial Improvement Programme** saved over £100 million in 22 trusts.

Controls on **agency spending** reduced costs for the NHS by more than £700 million.

For the first time we published with NHS England a **two-year tariff** to give trusts more certainty about what they will be paid for care over a longer period.

The **Healthcare Costing Standards**, published in early 2017, are an important step towards the NHS being able to calculate precisely the cost of care for every single patient.

We closely track trusts' performance to help them address financial and operational issues.

- 152 out of 156 foundation trusts accepted their control totals; 125 achieved them
- 76 out of 82 NHS trusts accepted their control totals; 51 achieved them
- Foundation trusts received £1.2 billion from the Sustainability and Transformation Fund (STF)
- NHS trusts received £600 million from the STF

Reducing agency costs: Northampton General Hospital NHS Trust

Northampton General Hospital NHS Trust reduced the amount it spends on agency nurses by more than £2 million by motivating them to join the in-house staff bank. It recruited 117 registered nurses as a result. The trust's communications team used the trust's Facebook page and localised targeted advertising to promote the campaign. The trust specifically targeted its own staff because it was keen to improve the consistency of care provided to inpatients, as well as achieving financial savings.

74% of providers thought NHS Improvement was doing well in supporting trusts on finance and use of resources.

**Source: Ipsos MORI
stakeholder perception
survey, December 2016**

Operational performance

Our aim is that NHS providers maintain and improve performance against the standards in the NHS Constitution.

We support them to do so, to cope with increased demand during winter months, for example, and to have sustainable strategies to maintain their performance.

Improving **accident and emergency** performance was a key priority.

With NHS England we planned for it well ahead of winter and in the 12 months to December 2016, the NHS treated over 230,000 more patients within four hours than in 2015/16, though meeting the standard still proved difficult for many.

We also appointed a single national leader to a joint programme supporting local health and care systems in transforming urgent and emergency care.

Our **Emergency Care Improvement Programme** (ECIP), which had supported 28 of the health and social care systems under the greatest strain, expanded to cover 40 such systems.

Ten days in hospital can contribute to 10 years of equivalent muscle ageing in patients over 80. Our Midlands and East regional team led the **Red2Green** campaign to reduce time patients spend in hospital unnecessarily. Ipswich Hospital NHS Trust achieved its lowest ever length of stay by using Red2Green. Every acute trust in the region is now involved.

We set national initiatives and our regional teams work with providers to adapt them to local circumstances.

Our regional teams help find long-term solutions to A&E performance problems by developing trusts' capacity and capability to use improvement tools and techniques.

They also promote opportunities for organisations to work together, creating improvement chains and linking the challenged with the best.

A&E good practice in the north

Our North regional team brought together acute trusts across the region to share examples of innovation, improvement and good practice. These included:

- **University Hospital of South Manchester NHS Foundation Trust** introduced a dedicated frailty service in A&E: average length of stay fell from 5.8 to 3.8 days, and discharges of patients aged over 90 rose by 21%.

- **Mid Cheshire Hospitals NHS Foundation Trust** created an ambulatory care unit so that no patient stays in hospital if they can be treated at home. It treats 33% of acute medical patients, and discharges 53% of its patients back home.

73% of providers thought NHS Improvement was doing well in supporting trusts on operational performance.

Source: Ipsos MORI stakeholder perception survey, December 2016

Operational productivity

We make sure that trusts are deploying staff productively, managing the NHS estate efficiently and getting the best deal on supplies. Lord Carter's review of NHS productivity in acute trusts found that reducing unwarranted variation in every area of the hospital could save the NHS at least £5 billion by 2020/21. Our operational productivity programme is now supporting all trusts to implement Lord Carter's 87 recommendations.

The government provided an extra £60 million over three years to expand and accelerate our **Getting It Right First Time** (GIRFT) programme run in partnership with the Royal National Orthopaedic Hospital NHS Trust. Led by frontline clinicians, GIRFT aims to improve care quality by identifying and reducing unwarranted variations in service and practice. It now covers more than 30 specialties.

Our **Model Hospital** is a digital information service designed to help acute trusts identify opportunities to improve their productivity and efficiency.

It had more than 2,000 active users by the end of 2016/17.

We helped **hospital pharmacies** identify opportunities to switch to infliximab and entarecept, 'biosimilar' medicines developed as less expensive alternatives to existing branded medicines that are just as effective. This saved £104 million by April 2017. Using the Model Hospital to track progress, we helped reduce stockholding by one day, making a one-off saving of £14.5 million.

- By supporting providers to better manage their estates, we helped the NHS save upwards of £165 million in 2016/17.
- We began a review of community and mental health trusts, working with a cohort of 23 to develop an 'optimal model' as we did for acute trusts.
- We are encouraging providers to create more efficient pathology and imaging networks, which could save £210 million in the next three years. By consolidating corporate services, the NHS could save £270 million.

Purchase price index and benchmarking tool

The tool aims to ensure trusts secure the best deals on products they buy by giving full transparency on the volume purchased and price paid by each trust. Taunton and Somerset NHS Foundation Trust identified £625,000 of savings as a result.

Cemented hip replacements for patients over 65

The recommendation to adopt cemented hip replacements for patients over 65 has led to a 10% increase in the use of this method, saving an estimated £4.4 million by reducing readmission rates, among other benefits.

E-rostering pilot project

An eight-month e-rostering pilot project enabled Plymouth Hospitals NHS Trust to make more effective decisions and better plan its daily safe staffing requirements. It helped reduce the cost per caring hour through less reliance on agency staff (down from 5% to 2%) while improving care.

Strategic change

We want to ensure that every local area has health and care services that are clinically, operationally and financially sustainable. We support providers to design and implement services that best meet the needs of their communities.

With our national partners we helped trusts and local health and care systems produce 44 **sustainability and transformation plans**.

We continued to support those mature partnerships that want to evolve quickly into 'accountable care systems'.

We committed to building a sustainable model of improvement to support the **Five Year Forward View for Mental Health**. Nine trusts are helping us in the first phase of this work, which will be to produce guidance to support other trusts to embed improvement.

With NHS England we developed the **Integrated Support and Assurance Process** (ISAP) to co-ordinate clinical commissioning group transaction approaches for complex contracts. We did this on the back of the finding that the Uniting Care Partnership collapsed in 2015 because the partners had no full shared understanding of the contract risks. At the end of 2016/17 we were using ISAP to review seven proposed commissioning and contracting arrangements for new care models.

- We helped decide the priorities for the next two years contained in *Next steps on the NHS five year forward view*.
- We concluded our investigation of a complaint about elective care services commissioning at the North East London Treatment Centre, accepting binding undertakings from the CCGs at the centre of the complaint.
- We gave competition support to high profile transactions in Manchester and Birmingham, reducing their spending on external advisers.

Foundation groups

By joining together under a successful NHS provider's umbrella, trusts aim to improve their financial viability, creating better services for patients. We accredited the first four foundation trusts to lead foundation groups.

Significant transactions

Our reviews of mergers and acquisitions help trusts decide whether a proposed transaction makes sense in terms of care quality, finance, operational issues and – where relevant – choice and competition. We assessed five significant transactions during the year that have now been completed to benefit care quality and financial sustainability.

Guidance on choice in mental health

We published guidance on choice in mental health in April 2016 after receiving complaints that it was not working properly for some services.

54% of providers thought NHS Improvement does well in supporting trusts on strategic change.

Source: Ipsos MORI stakeholder perception survey, December 2016

Leadership and improvement capability

We want trusts to build strong leadership and the capability to continuously improve their services so they are sustainable for the future. We aim to improve the working environment for NHS leaders and revitalise the systems of talent management and leadership development.

We set up a **Faculty of Improvement**, including internationally recognised clinicians, to guide us in creating an improvement movement across the NHS.

With 12 other national health and care organisations we published ***Developing people – improving care***, a framework to equip and encourage staff to deliver continuous improvement in local health and care systems – and gain pride in and joy from their work.

With the Care Quality Commission we consulted trusts on a new **well-led framework**

through which to assess a trust's leadership, management and governance.

With The King's Fund we are offering trusts an evidence-based **culture and leadership programme** with practical support and resources, developed and tested with help from three pilot trusts.

Our **Sir Peter Carr Award** makes available £30,000 for a clinician and manager partnership to invest in their professional development to help achieve a shared improvement objective.

We are working with Virginia Mason Institute in Seattle and five NHS trusts to support the trusts to become leaders in quality and safety. As a result, Leeds Teaching Hospitals NHS Trust:

- reduced theatre tray set-up time from 59 minutes to 9 minutes
- cut sterilisation costs by 37%
- doubled the availability of the bladder scanner
- cut time spent on rescheduling cancelled appointments from 80% to 10%
- identified £500,000 of stock efficiencies in one service area.

Improvement Hub

NHS staff told us how important it is to share experiences so we developed an **Improvement Hub** on our website, which they can use to collaborate and explore ideas with colleagues, share their improvement stories and tell us about resources.

Quality, service improvement and redesign

Almost 100 trusts took part in programmes run by our Advancing Change and Transformation Academy tailored specifically for teams drawing up sustainability and transformation plans.

Mental health first aid

Two-thirds of our Executive Committee trained as mental health first aiders, accompanied by the Secretary of State for Health. This received NHS-wide support and a call for more patient-facing NHS staff to be trained in these skills.

73% of providers thought NHS Improvement does well at supporting their organisation to improve.

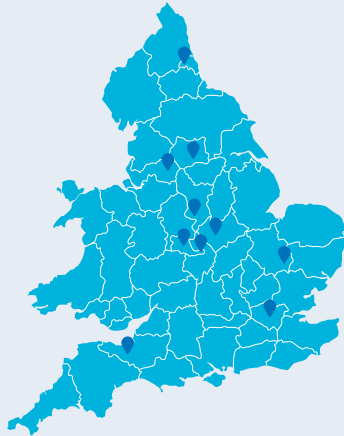
Source: Ipsos MORI stakeholder perception survey, December 2016

Our people

 **1,104** 

Central team and four regional teams
(London, North, Midlands and East,
South) 11 sites across England

Birmingham
Cambridge
Coventry
Derby
Leeds
Leicester
Manchester
Newcastle
London (2)
Taunton



 **78%** 

agree or strongly agreed
they care about the future
of NHS Improvement

41 

people trained
as mental health
first aiders in 2016

727
people

responded to the
first all-staff survey
in November 2016



 81%

82% 

said "my manager treats
me fairly and with respect"

71% 

understand the aims
of NHS Improvement

How we engage

800,000 visits
to improvement.nhs.uk

 **125** 
events and webinars

86%
of providers find
contact with us useful

3,000
enquiries, healthcare
complaints and
whistleblower
concerns handled

2,000
Model Hospital users

 **100** 
NHS Improvement
tweeters

66%
say our communications
and engagement are useful
in supporting them
to make improvements

1,200
parliamentary
briefing requests

15 development
workshops

12 Select Committee
evidence sessions

86%
of providers say we
keep them well informed

350
speaking
engagements

150 publications

10 
Patient Safety Alerts

Source: Ipsos Mori

What our stakeholders said about us

"I would say that they're very inclusive, they're very engaging, they're very consultative, they're very open and transparent."

National stakeholder

"I trust them. I can speak to them confidently that if I am struggling with something or I need advice, I can go to them for it."

**Director of nursing,
acute trust**

"Some of the challenges they've put into various meetings have been incredibly helpful, individuals are knowledgeable, professional."

CCG

"The more improving best practice stuff has slightly played second fiddle and I don't want to say that's wrong, that's just realistic and pragmatic. But that will now hopefully over time come out a bit more to the fore. Now I'm aware of some of the work they're doing and colleagues... are pretty positive about that stuff."

National stakeholder

"I suppose that the performance reviews really have focussed us on some of the quality issues that we need to deal with and pressed us on areas where there have been problems over a period of time.

So, it's more through the performance route that they've had a bearing rather than through the improvement offer."

**Chief executive,
community trust**

"I have to say it's felt so far very, very supportive and actually quite developmental."

**Chief executive,
mental health trust**

**Source: Ipsos MORI
stakeholder perception
survey, December 2016**

What next?

Since our launch we have focused on reducing deficits and restoring financial discipline, helping providers to make quality improvements and tackling core operational priorities. For 2017–19 we will continue to support providers to improve performance in these three areas.

To do so, providers will need to make a step change in productivity improvement. We have therefore made the implementation of Lord Carter's recommendations for improving productivity, in terms of both reducing input costs (eg through continued action on agency prices and procurement) and increasing outputs (eg service redesign and improvement), a central part of our business plan.

Progress in reducing growth in demand for services and in acute activity has so far been limited, contributing to escalating staffing costs and extra pressure on operational performance, including A&E and elective care. This highlights how important it is that we work even more closely with NHS England and other partners to accelerate progress in managing demand, with a focus on strengthening and improving access to primary care and community services.

What next?

Sustainability and transformation partnerships focus on developing a clinically, operationally and financially sustainable pattern of care and implementing strategic changes. They will require providers to transform services in line with the Five Year Forward View, making use of new care models and new models of accountable care.

We continue to work with partners on the enablers for high quality services, including workforce development, leadership, improvement capability and digital innovation.

Providers tell us they need a joined-up approach and increased partnership between national bodies. We are committed to working more closely with CQC, NHS England and other partners at national, regional and local levels. For example, we will work with NHS England towards parity of esteem for mental and physical health and in partnership with CQC to introduce the new Use of Resources assessment this year as part of the quality rating of providers.

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Publication code: Corp 05/17