

Chief Executive's overview - Simon Stevens

The twelve months covered by this annual report include the start of the greatest health emergency in the NHS's history. Following the outbreak of the SARS-COV-2 virus in China, NHS England declared a Level Four incident on 30 January 2020. This marked the beginning of an extraordinary and sustained response from the NHS.

The pandemic has come at enormous human cost - in lives lost, care disrupted, and extreme pressure on our staff. The 1.5 million people who work for the NHS are the NHS, and at no time in our 72 year history has their skill, dedication and sacrifice been more evident. Services have been adapted and expanded at great speed so that over 230,000 severely ill Covid-19 inpatients have been looked after to date, while other essential and urgent services have continued. Even at the height of the first wave in the Spring, two thirds of hospitalised patients were receiving treatment for other, non-Covid, conditions.

Staff have driven rapid innovations such as Covid-secure treatment hubs, new precision radiotherapy and a £160 million investment in 'Covid-friendly' cancer drugs. Over 30 million phone, online and video consultations helped patients safely access advice and treatment. The NHS also mobilised to support multiple Covid clinical trials, which yielded the world's first proven treatment to significantly improve survival.

Nevertheless, the impact of Covid will be felt well after the immediate pressures have abated. We are already seeing extra demands on health services, whether from disrupted routine operations, higher mental health needs, or new conditions such as 'Long Covid'. Looking forward, these will need to be factored into our operational planning as we continue to implement the NHS Long Term Plan next year and beyond.

However, looking back across the full year covered by this annual report, there was broad progress in delivering the NHS Long Term Plan, despite continuing and intense operational pressure. At year end, the Department of Health and Social Care judged that 90% of the 'deliverables' in its 2019/20 Mandate to the NHS were either on track or already completed, with just 4% assessed as off track despite the Covid pandemic.

In 2019/20 NHS England managed £124 billion of NHS funding on behalf of our patients and the public. We allocated nearly three quarters of that for local health services that are planned and arranged by GP-led Clinical Commissioning Groups. Continuing the commitment first made in the NHS Five Year Forward View in 2014, we ensured that for the fifth year in a row, real terms mental health funding grew faster than that of the NHS budget overall. And in line with the new commitment in the NHS Long Term Plan we are similarly now ensuring that primary and community health services funding also grows as a share of the NHS budget.

In terms of care quality, more acute hospital services were independently assessed as good or outstanding by the Care Quality Commission compared with the year before - including further improvements in NHS urgent and emergency care. Over four fifths of NHS mental health and community services, and nineteen out of twenty GP practices, were rated good or outstanding.

The NHS saw more people for an urgent cancer check and delivered more treatments than ever before, and continued progress on the Long Term Plan goal of catching more cancers early – including through the rollout of FIT tests, Rapid Diagnostic Centres, and agreement to pilot blood tests with the potential to detect over 50 different types of hard-to-diagnose cancers at a point where treatment is more effective.

NHS England has worked with the life sciences sector to bring promising new treatments to patients, while ensuring good value for UK taxpayers. As a result, people living with cystic fibrosis, multiple sclerosis, spinal muscular atrophy, Batten disease, severe haemophilia and heart defects are amongst those to have benefited over the past year from important new treatments. Innovative new cancer treatments include CAR-T gene therapy and ‘tumour agnostic’ drugs. New therapies are also enabling us to work with voluntary groups and local government towards the realistic twin goals of eliminating transmission of both Hepatitis C and HIV.

Mental health services continued to expand, delivering - amongst other improvements - a national network of specialist perinatal mental health teams, new clinics to support people with gambling addictions, and strong performance against the range of targets covering children and young people’s services, adult care including IAPT, and dementia diagnoses. Since March 2015, ongoing action to improve community support for people with a learning disability and/or autism has seen 70% of people who were in hospital at that time discharged, and a 27% reduction in the overall number of inpatients.

We have continued to work with our partners including local employers and Health Education England to sustain and expand the NHS workforce. The amazing example set by dedicated NHS staff during the Covid pandemic is inspiring a new generation, now wanting to join them in the health professions. As a result, undergraduate nursing entrants and medical school applications have this year both risen by more than a fifth. The number of doctors choosing to train as GPs is also now at a record high. To help retain experienced health professionals, we implemented a specific direction from the Secretary of State to help reduce a wave of early retirements being driven by changes to pensions. Retention of our current workforce has improved, and vacancies have now fallen, so that there are now over 60,000 more whole time equivalent staff working in the NHS than a year ago.

In 2019/20 NHS England balanced its books and met all the financial targets set by Government, as we have done for each of the past seven years since being established by Parliament as a freestanding statutory body (see charts on pages 30 and 31). Over that period we have also generated operating surpluses of £5 billion which have been used to tackle other financial pressures across the NHS. In 2019/20 these funds helped NHS Improvement halve the number of provider trusts running deficits, so that three quarters of individual trusts broke even or made a surplus.

The performance of individual NHS organisations was helped by the move towards more partnership working between different parts of the health service, and with social care. Progress towards more joined-up primary and community care came through the creation of 1,250 Primary Care Networks. They are key delivery partners in the new NHS Covid mass vaccination campaign, and are recruiting thousands of additional staff including pharmacists and therapists to strengthen community health services, including for people living in care homes.

Our 29 Integrated Care Systems - covering 35 million people - also bring greater focus on prevention, inequalities reduction and population health. Our aim is that substantially the whole of England will be covered by ICSs from April 2021, which will mark an important milestone on the journey first set out in the NHS Five Year Forward View. In similar vein, over the past year we successfully brought together NHS England and NHS Improvement under unified leadership.

After widespread engagement and support, the NHS has now proposed to Government and Parliament that the time is right for legislation to place these ICSs on a statutory footing. This evolutionary approach of the past few years - in preference to a 'top down reorganisation' - builds on Aneurin Bevan's dictum that "legislation in this country starts off by voluntary effort, by empirical experiment, by improvisation; it then establishes itself by merit; and ultimately at some stage the state steps in and makes what was started by voluntary action and experiment a universal service".

As we look out to the year ahead - and the more hopeful possibility of a 'post pandemic world' - we also recognise our wider responsibilities. The NHS is the first national health system to set out a detailed and practical route map to becoming carbon net neutral. Covid has also exposed and exacerbated deeper and longstanding concerns about inequality, racism and exclusion. As one of the most trusted institutions in Britain, as an economic 'anchor' within the communities we serve, and as Europe's largest and most diverse employer, the NHS can and will play our part in building a better future. Doing so is not a discretionary activity or a diversion from our core mission. It is fundamental to fulfilling the moral basis of the NHS: health and high quality care for all, now and for future generations.

But in the meantime the NHS and our staff continue to respond to the worst pressure we have ever faced, with a winter wave of over 30,000 severely ill hospitalised coronavirus patients, at the same time as we deliver the largest and fastest vaccination programme in our history. These truly are the most challenging of circumstances for our country and for my fellow staff across the health service. We all owe them an enormous debt of gratitude which must not be forgotten in the years ahead.



Sir Simon Stevens

CEO of NHS England, and Accounting Officer