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To: North of England PCT Cluster Chief Executives

Dear All

The next 12 months will see substantial changes in the structure of the NHS. It is essential, between now and March 2013, that the NHS in the North of England is clear about its priorities and expectations for continuous improvement in terms of quality for patients and the public.

I have set out below the clear priorities I see for the NHS in the North of England. These are clearly articulated in the NHS Operating Framework. These priorities are:

1) Basic quality of care for our most vulnerable patients

The NHS must do more to improve quality for our most vulnerable patients – this is important as we all know too well the consequences to patients when we don't. It therefore essential that improvements are achieved through the following areas:

- **Responding to CQC Inspections**
The CQC carried out Dignity and Nutrition Inspections across a number of NHS hospitals last year and published its reports; similar inspections around Learning Disability are currently underway. NHS North of England expects PCT Clusters, working with the relevant NHS Trust, to assure the SHA and themselves that any concerns identified by the CQC have been acted upon with the requisite improvements made.
- **Monitoring and responding to key indicators of quality**
The NHS now has a number of quality indicators such as Hospital Standardised Mortality Ratios, the new Summary Hospital Mortality Indicator, the number of staff who would recommend their hospital to their family and friends and patient surveys to better understand where there may be problems. The NHS in the North of England must continue to strive for continuous improvement in these areas and also ensure appropriate action is taken when concerns are raised around the safety of services. I expect PCT clusters to take the lead in ensuring that all NHS services in this area are of high quality and to intervene if problems persist.

- **Planning for 2012/13**

The Operating Framework for 2012/13 set out a range of new requirements which will support local health systems to better understand and act upon the quality of services. Of particular importance are:

- commissioners should ensure that providers are compliant with relevant NICE quality standards and ensure information is published in providers' quality accounts;
- ensuring participation in and publication of national clinical audits that relate to services for older people;
- national CQUIN goal on improving diagnosis of dementia in hospitals;
- a national CQUIN goal to incentivise use of the NHS Safety Thermometer
- as part of the National Standard Contract local organisations should carry out more frequent local patient surveys, including using "real time" data techniques and publish the results

- **Maintaining quality through transition**

As I mentioned above the next 12 months will deliver a number of changes to the NHS. To support this The National Quality Board has set out its requirements to ensure that quality is maintained for patients during this time of transition, ensuring a robust handover process between organisations and individuals as accountabilities move. It is important that the NHS engages with this requirement not only in supporting the discharging of organisations' current statutory functions but also as a continuing learning opportunity for the NHS in the North of England to share best practice across the SHA cluster.

2) Operational and Financial Performance

We need to ensure continuous improvement in all the measures of performance set out by the NHS Operating Framework but, as part of this, there are a number of particular areas which I believe it is essential that the NHS in the North of England focuses on. These are:

- **Healthcare Associated Infections**

The SHA Cluster as a whole is currently ahead of plan for reducing MRSA. However, although reductions have been made in C.Difficile compared to last year, more work is needed to understand and deliver further reductions in 2012/13.

- **Waiting times**

A number of trusts in the North of England are currently not meeting this commitment and need to do so. To ensure delivery of these standards in every speciality, Trusts need to ensure 92% of patients on an incomplete pathway should have been waiting no more than 18 weeks. This will be monitored monthly at an organisational level.

At aggregate level the SHA cluster is achieving the commitment to ensure 95% of attendees to Accident and Emergency are seen and treated within 4 hours. Again a number of Trusts in the North of England are currently failing to meet this basic standard – it is expected that every organisation in the region will be meeting that standard month on month.

- **Diagnostics**

It is expected that less than 1% of patients wait longer than 6 weeks for a diagnostic test. This is also an important measure of patient quality.

- **Challenging Health Economies**

Within the NHS North of England we do have some particularly challenged health economies. In these cases a range of local and cluster solutions have been developed to support these organisations and it is essential that these plans continue to be implemented. Each challenged health economy will be required to demonstrate clear progress against a set of agreed milestones over the coming year to ensure that demonstrable progress is being made in these areas.

- **Finance**

At aggregate level the financial position is strong. The initial forecast position for the North of England SHA Cluster and PCTs was an overall surplus of £390m. During the year the financial position of the North has strengthened and an increase to the forecast position was agreed with DH for the SHAs and PCTs to £510m. The North of England Trusts are forecasting an overall surplus of £23m, however, we know that within this there are a small number of organisations with financial challenges to overcome.

The SHA and PCT surplus will be carried forward into 2012/13 and the financial position of organisations will be agreed as part of the planning process. Our objective is that all organisations end 2012/13 in a financially strong position.

3) Meeting the Quality Innovation Productivity and Prevention Agenda

We know that if we are to ensure we can continue to improve the services for patients within the financial envelope available we need to meet the challenge identified in QIPP. Overall the planning assumptions over the next 4 years require the four SHA clusters to collectively secure £17.4 billion of efficiency savings for reinvestment in NHS services.

The North SHA Cluster share of this efficiency saving is therefore £4.831 billion of efficiency savings for reinvestment in services. This is currently profiled as:

- £1.629bn in 2011/12
- £1.100bn in 2012/13
- £1.057bn in 2013/14
- £1.045bn in 2014/15

The SHA will continue to monitor this through PCT Clusters as well as taking steps to understand key indicators of progress such as elective and non-elective activity.

With the drive for continuing quality and efficiency improvements, there will be an increasing need to deliver this through transformational change, as services are moved closer to home and out of traditional acute settings, rather than through incremental improvements to existing services. These types of changes require significant preparation by local organisations and their clinical teams and it is essential that any such plans are delivered through key milestones working from the

current position to the end of state for services, workforce, activity and patient and financial flows in order that they can be achieved by April 2015.

- **Innovation**

Innovation will play a crucial role in meeting the QIPP challenge. Working with local health economies, it is important that we are able to accelerate progress in this area by delivering the High Impact Innovations set out in David Nicholson's recent report of innovation in the NHS 'Innovation, Health & Wealth'. It is essential that practice in this area is shared more widely across the NHS through the development of networks. This will include Academic Health Science Networks (AHSN's) which present a unique opportunity to align education, clinical research, informatics, training & education and healthcare delivery to improve patient outcomes and deliver integrated healthcare services.

4) Implementing the Government's Reforms

Delivering the reforms envisaged by the Government is an important part of the way in which the drive to improve services is envisaged. Now that the Bill has completed its transition through Parliament, all of our systems must be future leaning, where possible, using new shadow vehicles to provide assurance and grip to existing statutory bodies.

In preparing for CCG authorisation, it will be essential that emerging CCGs have access to the support and guidance needed to successfully progress through establishment and authorisation. Strong emphasis needs to be placed on enabling CCG success, and all efforts should be directed towards achieving this so that a safe, smooth transition occurs. The planning guidance issued on 21st December sets out more details of key milestones that CCGs need to achieve and further details will be communicated shortly on SHA-led authorisation preassessment.

For the FT pipeline within the North of England, Tripartite Formal Agreements have identified the scale of challenge and provided clarity on what needs to be done locally and nationally, where appropriate, to complete the roll out of the FT pipeline. Monthly FT monitoring and progress discussions locally and with the Department of Health are continuing with importance being placed on achieving an all FT provider sector.

In preparing for the transition for public health teams to local authorities, I recognise the excellent work already achieved so far in your joint planning with local authorities. I encourage you to co-produce further development of your plans to grasp the new opportunities locally to improve the public's health.

Whilst the NHS in the North of England continues to perform well in tackling its many challenges, it is essential that this focus and energy continues over the next 12 months to ensure that improvements continue to be made on behalf of the people we serve. I thank you for your efforts in making this happen.

Yours sincerely



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Cluster Chief Executive
NHS North of England

cc. PCT Cluster Chairs

