



## NHS Newsweek 08/07/10

### More Payroll and Staff Agency Review contracts for Liaison

At the recent NHS Confederation and HFMA Foundation Trust conference Liaison Directors were delighted that delegates signed contracts for our Payroll and Staff Agency Review services on the spot during both conferences. With around 40% of NHS Trusts already using our services for VAT advice, we now have almost 50 Trusts using our **new** services. During this time when efforts to sustain cost efficiency is foremost in everyone's mind, our Payroll and Staff Agency Review services, offered on a no-risk contingent only basis, were of enormous interest to delegates. With nothing to lose the delegates' positive response means that we can expect even more Trusts to be using our Payroll and Staff Agency Review services in the near future.

*Source of Extract: Liaison*

### Patients to be given NHS money for care needs

Patients in London are to be given NHS money to spend on their care needs under trial schemes. Under the eight pilot projects in England, people will be given money, possibly in monthly payments or a lump sum, to spend on services and treatments. The new trial is different from existing personal health budget pilots because the money goes directly to the patient rather than to a Primary Care Trust (PCT) or third party. The eight pilots are being set up under powers in the 2009 Health Act and have the potential to "put patients in control", Care Services Minister Paul Burstow told MPs. Further pilots will be set up in future, Mr Burstow said in a written ministerial statement.

*Source of Extract: Press Association*

### Morgan Sindall wins £95.4 million Scottish health project

Morgan Sindall, the construction, infrastructure and design business of the Morgan Sindall Group, has been awarded the design and build contract for the £95.4 million Tayside Acute Adult Mental Health Developments scheme in Scotland. Working jointly for sister company Morgan Sindall Investments Limited and Robertson Capital Projects, on behalf of **NHS Tayside** and the North of Scotland Planning Group, Morgan Sindall will design and build new mental healthcare facilities at Murray Royal Hospital in Perth and Stracathro Hospital in Angus. The scheme has a total development value of £120 million. Work at Stracathro Hospital in Angus will complete in September 2011 and at Murray Royal Hospital in April 2013.

*Source of Extract: Morgan Sindall website*

### **NHS IT spending tops £1.6bn**

Health minister Simon Burns disclosed the information in response to a written parliamentary question from fellow Tory and MP for Hove, Mike Weatherly. Of the £1.62bn spent on ICT projects in the NHS, £27m went on strategic health trusts, £682m on primary care trusts and £915m on NHS trusts. In total, capital expenditure amounted to £261m while revenue expenditure accounted for £1.36bn.

*Source of Extract: V3.co.uk*

### **Trailblazing hospital to put medics in charge**

Doctors and nurses are to be put back in charge of running a hospital in a major shake-up which could have huge implications for the NHS. Dozens of non-medical bosses are expected to lose their jobs in the far-reaching changes at **Wythenshawe Hospital in Manchester** which could save £17m. The shake-up will be closely watched by health chiefs across Britain. The radical plan will see 26 departments replaced with nine new ones – each run by a senior medical consultant instead of a professional manager. The doctors will spend 20 per cent of their time running their departments and 80 per cent on medical duties.

*Source of Extract: Telegraph.co.uk*

### **Emergency hospital admissions 'unsustainable' for NHS**

The rise in emergency admissions to hospitals is "overheating" the system in England and is "unsustainable" in the future, a health think tank says. Analysis by the Nuffield Trust found there were now 4.9 million unplanned admissions a year - a rise of 12% since 2004-05 - costing the NHS £11bn a year. It said a rise in patients who spent a day or less in hospital suggested many admissions could be avoided. NHS managers agreed action was needed to tackle the problem.

*Source of Extract: BBC News*

### **GP commissioning overhaul 'opens door to private sector'**

The Government's shake-up of primary care commissioning will increase the opportunities for the private sector to advise on how to spend NHS cash, a study has found. The report, Building high quality commissioning, comes after Pulse recently revealed that GPs are already in talks with private companies such as Tribal and Humana over potential risk-sharing partnerships under the new Government's commissioning plans.

*Source of Extract: Pulse*

### Frontline health services must be protected in the face of “unprecedented” £1.9bn cuts, unions today warned

The Royal College of Nursing (RCN) Wales said the Assembly Government faces difficult decisions about the future of services. And it warned the NHS rank and file cannot be expected to shoulder the burden while senior management is rewarded with bonuses and pay increases. The comments come as Health Minister Edwina Hart yesterday said “even more radical action” was needed to address the financial challenge facing the NHS over the next five years. She told a public services summit “The challenges of rapidly changing demography, rising drug and technology costs, increasing citizen expectation, my own desire to deliver and now even tighter fiscal constraints mean that even more radical action is now required.” The NHS has already made £850m of savings between 2005 and 2010 but this year it must find an additional £430m in savings, equivalent to 8% of its budget. Depending on the outcome of the autumn spending review the future financial challenge faced by health boards and **NHS trusts in Wales** could be anywhere between £1.1bn and £1.9bn to 2015.

*Source of Extract: WalesOnline*

### Savernake Hospital in Marlborough to shut half its beds

Savernake Hospital in Marlborough will close 12 beds for three months because of problems recruiting staff. Roger Davey of Unison said: "This situation could develop elsewhere. We should not see services being cut because there are not enough nurses." An **NHS Wiltshire** spokeswoman said despite five recruitment campaigns in the last month, it had not been able to find staff to work there.

*Source of Extract: BBC News*

### Monitor issues warning on declining foundation profits

The financial fortunes of foundation trusts slipped in the last months of 2009-10, the latest report from their regulator Monitor shows. By the end of 2009-10, the aggregate profit margin of foundation trusts had slipped from 7.5 per cent at the beginning of the financial year to 7 per cent - 60 basis points below their planned 7.6 per cent. Monitor's review of the financial year 2009-10 says the downturn in foundation earnings before interest, taxes, depreciation and amortisation (EBITDA) margins was due to the lower profits foundations were making on emergency activity. It said a particular issue had been extra staff costs as trusts paid premium rates to meet waiting time targets. That helped push foundation trust pay costs to 2.3 per cent higher than planned in the last three months of 2009-10. The budget's announcement of an increase in VAT to 20 per cent from January could imply an increased cost of around £250m to NHS England - based on an estimate supplied by NHS Scotland that it would increase its costs by £25m on a total expenditure a tenth of the size of the English NHS.

*Source of Extract: HSJ*

### **Bedfordshire health boss to be new chief at NHS Norfolk**

The new chief executive of **NHS Norfolk** has been announced as a Bedfordshire health boss. Andrew Morgan has been chief executive of **NHS Bedfordshire** since July 2007 and will start his new role in September. He said he was "thrilled" and would look at ways of reducing management spend. Julie Garbutt announced she was leaving the post for a job in Jersey in March. Until Mr Morgan starts work David Stonehouse will cover the role. Mr Stonehouse is the deputy chief executive **NHS Norfolk**.

*Source of Extract: BBC News*

### **Public sector cuts: Stephen Dorrell warns against ring-fencing NHS budget**

Stephen Dorrell, the new chair of the health select committee, said that ring-fencing the £100bn NHS budget would be of limited value and instead advocated a radical voucher plan for patients to buy treatment. The former Tory health secretary said it was "inescapably true that plans to increase spending on the NHS in real terms year on year would mean cuts in other services such as social care and housing, both of which will have an adverse impact on health". Dorrell was speaking before the launch of a report, Improving Health Outcomes, by the 2020 Public Services Trust think-tank, on which he sits as a commissioner.

*Source of Extract: the Guardian*

### **NHS Dumfries and Galloway job cut consultation starts**

**NHS Dumfries and Galloway** is due to consult over plans to reduce its workforce by the equivalent of 32 full-time posts. The job losses were flagged up last month against a background of public sector budget cuts. They include 19 nursing and midwifery posts and five management jobs. The health board has now agreed to start a process of consultation, with 26 August set as the deadline for comments. The workforce plan will then go for final approval to the board's October meeting. Last month the NHS in Scotland forecast it could lose the equivalent of 3,790 full-time staff over the next year.

*Source of Extract: BBC News*

### **Thousands of NHS jobs 'being cut' despite promises**

Thousands of NHS jobs in England are being cut despite government promises to protect frontline services, a union says. The Royal College of Nursing has identified nearly 10,000 posts - double the number from two months ago. In April, the union warned at least 5,600 posts had been lost or were earmarked for cuts based on data from 26 trusts in England. Those figures have now increased to 9,973 posts and involve 100 NHS bodies in England. Job losses are also being seen in other parts of the UK.

*Source of Extract: BBC News*

### **NHS trusts may be left out of pocket by migrant visa proposals**

The NHS would be placed in the “very strange” position of having to pay for its foreign workers’ private health insurance, under government immigration plans. The proposal is contained in a Home Office consultation on capping the number of visas available for non-EU migrants. The proposal is contained in a Home Office consultation on capping the number of visas available for non-EU migrants. The consultation states: “The government believes that sponsors should do more to ensure that migrants and their dependents do not place undue burden on local public services.”

*Source of Extract: HSJ*

### **One hundred and ninety nine workers challenge NHS over equal pay**

NHS bosses face a wave of lawsuits after dozens of disgruntled workers challenged them over equal pay. One hundred and ninety-nine female workers say they have historically been unfairly treated with pay and conditions compared with male colleagues. And it could end up proving costly for **NHS Dumfries and Galloway**. Workforce director Caroline Sharp said it was too early to determine the financial cost.

*Source of Extract: Dumfries & Galloway Standard*