



## NHS Newsweek 25/06/10

### Fall injuries cost NHS Highland £11m to treat

The cost to NHS Highland in treating a type of hip fracture caused by people falling ran to more than £11m last year, it has been revealed. The health board has estimated that 20,000 people in its area are hurt in falls each year - half of them aged 80 and over. NHS Highland is leading a bid to reduce the number of casualties among older people.

*Source of Extract: BBC News*

### NHS told to scrap key targets and cut costs

Health Secretary Andrew Lansley scrapped two key National Health Service waiting time targets on Monday and demanded that management costs be slashed by almost half. Lansley said he was cutting patients' right to see a family doctor within 48 hours as well as dropping the 18-week waiting time target for referral to hospital treatment, both flagship elements of the ousted Labour government's health policy. "I want to free the NHS from bureaucracy and targets that have no clinical justification and move to an NHS which measures its performance on patient outcomes," said Lansley. Lansley also told NHS managers to speed up cuts in their costs to save 850 million pounds a year by 2014, a 46 percent reduction on current expenditure.

*Source of Extract: Reuters*

### Camden LINK: 'Treatment ban will hit poor who can't go private'

Tough new criteria barring NHS patients from treatment for "low priority" ailments will hit the poor, Camden's NHS watchdog has warned. Chairman of Camden LINK Neil Woodnick has signalled his opposition to a policy limiting 25 selected treatments and procedures to "special cases". Mr Woodnick said restricting treatments – including dental implants and minor oral surgery – will affect patients who cannot afford to go private. The cuts to 25 treatments are expected to save NHS bosses £6million a year – but the scale of the restrictions could rise.

*Source of Extract: Camden New Journal*

### PFI contractors face pressure on cuts

PFI contractors are to face pressure from ministers to share their efficiency gains with their public sector clients as the government cuts spending hard over the coming years. The Efficiency and Reform Group, headed by Francis Maude, the Cabinet office minister, and Danny Alexander, the chief secretary to the Treasury, are understood to be planning to talk to the market to ask it to share some of the pain of public spending cuts. The move comes as the National Audit Office warned that hospitals with big PFI schemes face very limited room for manoeuvre to make efficiency savings on their buildings and the basic services in them as NHS expenditure is squeezed over the coming years.

*Source of Extract: Financial Times*

### **Targets on NHS waiting times scrapped**

Waiting times in the NHS look set to rise after the health secretary scrapped the target for patients to be able to see a family doctor within 48 hours. Andrew Lansley also got rid of the fierce performance management that required hospitals to start treating patients within 18 weeks of their seeing a GP. Mr Lansley announced swift cuts in NHS management costs and eased the target for patients seen within four hours of arrival at accident and emergency departments from 98 per cent to 95 per cent. However, Mr Lansley said that scrapping the targets was "not a signal that clinically unjustified waits are acceptable".

*Source of Extract: Financial Times*

### **NHS row breaks out**

A row has broken out over NHS figures released this week. SNP MSP for the South of Scotland, Alasdair Morgan, has hit out at figures showing that over the next five years NHS Dumfries and Galloway faces a bill of £67m for capital projects which are worth only £9.8m. Figures published by the Treasury show that NHS Dumfries and Galloway will actually have made payments equalling the value of the projects over the next five years but that payments will continue to reach £67m over the life of the deal. Mr Morgan said: "These statistics just highlight the economic incompetence of Labour and the Lib Dems who are happy to see the public pay this ridiculous premium for capital projects. The payments don't stop at the value of the asset, they will continue up to nearly £67m; nearly seven times more than the buildings were worth in the first place."

*Source of Extract: Galloway Gazette*

### **Kent bug scandal NHS boss awarded damages**

The former boss of a Kent NHS trust where 90 people died in a superbug outbreak has been awarded more than £190,000 in damages. Rose Gibb went to the Court of Appeal in a legal battle over her severance pay. She left her job days before a report into a clostridium difficile (C. diff) outbreak at Maidstone and Tunbridge Wells NHS Trust was released. Families involved in the outbreak called the payout an "outrage".

*Source of Extract: BBC News*

### **NHS hospitals face high cost of return**

Hospitals could lose up to £1.5bn of NHS funding a year because of the government's decision to penalise those where patients return within 30 days of being treated. That is the conclusion of research conducted by health analysts Dr Foster into the potential impact of the tough new policy. It warns that NHS trusts face large potential losses, the biggest could reach £28.7m, as a result of the new approach. In all, 146 acute, specialist and mental health trusts could lose out.

*Source of Extract: The Guardian*

### **SW Essex community services to integrate with FT**

The provider arm of NHS South West Essex is to be vertically integrated with North East London Foundation Trust, under the transforming community services programme. NHS South West Essex has announced that following a year long search it has chosen the mental health foundation trust as its “preferred bidder” in the procurement of a management partner for its community services division. Completion of the procurement deal will lead to a two-year plus “hosting” arrangement for the community services provider, which has an annual budget in excess of £60m.

*Source of Extract: HSJ*

### **A mixed Budget for the NHS**

The good news is that the Chancellor confirmed the NHS was to be protected, receiving a real increase in funding each year for the life of this Parliament. Quite how much will be set out in the Spending Review in October. The bad news is that the opportunity cost of this and other protective moves imply real cuts in other departments of 25% over the next three years. On top of a promise to freeze council tax, the impact of these cuts on local authorities will be severe. Social care funding is bound to be cut with obvious adverse consequences for the NHS. The planned rise in VAT to 20% will cost the NHS in the region of £200 million to £300 million every year. This is an extra cost – similar to the last government’s proposed employer NI increase (which will now not be implemented) – that will have to be found by cash-releasing efficiency savings in the NHS. The Chancellor also announced a public sector pay freeze from next year up to and including 2012/13. For the NHS this will save money of course, but for its staff, depending on the rate of inflation, it will effectively mean a pay cut of around 5% over two years. Lower paid staff, those earning less than £21,000 – will receive a flat pay rise each year of £250.

*Source of Extract: Public Finance - summary of views of John Appleby, Chief Economist at The King’s Fund*

### **Impending NHS Budget Cuts Affecting Staff Performance**

Human Resource managers and directors across the National Health Service (NHS) have revealed how the threat of significant public spending cuts is affecting staff performance and, critically, threatening to widen the divide between clinical and non-clinical staff. In the week the Government has announced its intention to slash NHS management costs, there is a pertinent warning to senior management to more effectively communicate strategic objectives to workers. NHS HR believe staff have responded positively in the face of uncertainty around job security, the survey by career and talent management experts, Right Management shows. Over half of those surveyed do not think staff believe there is still long-term job security and job opportunities in the NHS, however 60 per cent think that workers have become more agile and resilient. Fifty-seven per cent agree that NHS staff continue to see their job as important, possibly explaining the tenacity of employees to perform in tough times.

*Source of Extract: Allvoices*

### **Lansley tells Confed: NHS needs strong management**

The health secretary has told the NHS Confederation conference the NHS needs “strong management” and his reforms will be “exciting” for good managers and leaders. Andrew Lansley acknowledged managers would be concerned about what the changes - which include scrapping strategic health authorities and significantly shrinking primary care trusts - will mean for their job and organisation. But he said: “In incredibly tough financial circumstances, strong management is essential. To achieve the ambitions for patients that we all seek, we need not just high quality management, we also need leadership.” For those who can offer both, the reforms will offer real opportunities. For those who can deliver results, the reforms offer the levers they need.

*Source of Extract: HSJ*

### **'Big issues' over GP commissioning, says NHS chief executive**

The NHS chief executive said today there were "big and significant issues" over the government's plans to pass up to £80bn of the health service budget to self-employed family doctors. Sir David Nicholson confirmed that the Treasury had raised questions about the blueprint of Andrew Lansley, health secretary, for so-called "GP commissioning". And he revealed that he had concerns himself. "The Treasury are concerned about financial performance, and so am I," Nicholson told the annual conference of the NHS Confederation. The Department of Health and NHS managers had worked hard to restore a firm grip on health service finances after serious deficits emerged in 2004-05. "I for one am not going to put that financial grip at risk – never mind the Treasury. [The plans] have got to get past our test before they get there." A white paper setting out the plans has been delayed by uncertainty surrounding safeguards over transfer of such a large slice of public spending. Addressing the conference in Liverpool on Thursday, Lansley could say only that he hoped to offer clarity "soon". Nicholson said the plans raised big and significant issues that were being "hotly discussed and disputed" across government. These included not just the money, and "who holds the ring", but also the future role of local government in commissioning health and social care.

*Source of Extract: The Guardian*