Summary of NHS England board meeting – 5 December 2024

For more detail on any of the items outlined in this summary, please find the full agenda and papers here.

Chief executive officer report

- NHS England (NHSE) welcomed the appointment of Louise Shepherd as the regional director for the north west of England.
- NHS funding, and in particular capital funding, was given priority in the autumn budget. This was well received and viewed as having positive implications for productivity. The latest NHSE situation report figures for urgent and emergency care (UEC) underline the scale of the challenge the NHS faces this winter.
- NHSE was encouraged by the government's reset announcements and the importance placed on prioritising the NHS and waiting lists.

Operational performance

Urgent and emergency care

- Demand for UEC services rose in October, with daily attendances averaging at 76,006. This is 5.6% higher than October 2023. A&E departments saw a rise in demand. The number of patients admitted, transferred or discharged within four hours was 10% higher than October 2023. However, the provisional figures published for October indicate that 11.1% of patients attending a type 1 A&E department, spent 12 hours from arrival in A&E, compared to 9.9% last month.
- Provisional figures for October 2024, show a 2.1% increase in the number of patients occupying a core general and acute bed compared to October 2023, and an 11.6% increase in escalation beds usage during October 2024. Over 50% of those beds were occupied by patients with a length of stay of more than seven days.
- Ambulance services answered 874,616 calls to 999, or 28,213 per day in October 2024. This is an increase of 2% compared to October 2023 and 6% compared to September 2024. The average ambulance response time for Category 2 calls was 42 minutes and 15 seconds. This has increased from September 2024 and is above the 30 minute target for the year and the NHS constitutional standard of 18 minutes.
- NHS 111 received 1.42mn calls in September 2024. Demand has fallen by 9.7% on the same month last year and 1.2% on August 2024.

Elective recovery

- There were 7.57 million waits for procedures and appointments, with an estimated 6.34 million people waiting for care by the end of September 2024.
- There were 249,343 waits of more than 52 weeks for treatment at the end of September 2024. This compares to 391,107 at the end of September 2023 (a reduction of 36.2%).
- There were 22,903 waits of over 65 weeks for treatment at the end of September. This has fallen from 109,135 in September 2023 (a 79% reduction).
- There were 2,703 waits of more than 78 weeks for treatment at the end of September, compared to 10,200 at the same time in 2023 (a 73.5% reduction).
- On the diagnostic waiting list there were 1.59 million waits at the end of September. 359,888 of these waits were over six weeks. Six week waits made up 22.7% of the diagnostic waiting list, compared to 26.3% in September 2023.
- Urgent suspected cancer referrals have remained at high levels, with 12,045 patients seen per working day in September 2024. This is 30% more referrals than the NHS was seeing before the pandemic – an equivalent to 2,750 more patients per working day. Treatment activity was also at a high level, with nearly 1,400 patients starting cancer treatment per working day (15% above pre-pandemic levels).

Mental health

- From April 2024, existing and new breakdowns of metrics were published as official statistics for mental health. NHSE considers this an important step towards responding to the Mental Health Act (MHA) review's recommendation that key data from the Mental Health Services Data Set should be published monthly, as close to real time as possible.
- NHSE is also continuing work on other areas of MHA data quality improvement. In 2024/25, this will focus on increasing the number of MHA detentions that include section type and ethnicity data. This includes by increasing the number of providers submitting complete community treatment order data, and the number of independent sector providers submitting to the MHA data table.

Recovery support programme

The recovery support programme (RSP) provides focused intensive support and oversight to integrated care boards (ICBs) and NHS trusts and foundation trusts in segment four of the NHS oversight framework. As NHSE refreshes its operating framework, there will be opportunities to update the current approach to the RSP, and support organisations to recover quickly and

sustainably. NHSE will subsequently update its regulatory approach to the initial RSP diagnostic to ensure there is a consistent, independent process to assess and analyse accurately the root causes of issues within organisations. This will provide targeted insights for improvement within the RSP.

Once the diagnostic has identified the core issues, the next step is to develop a clear, time-limited improvement plan. These plans will be routinely reviewed by NHSE and the system/provider. The diagnostic process referenced above is being designed in line with the updated oversight framework. Other parts of the RSP process are being revised to support delivery.

Financial performance

Following the October budget, NHSE confirmed full funding for; agreed plans, the cost of the 2024/25 pay deals, the cost of June's industrial action, and income to cover elective over-performance. NHSE met the conditions agreed with systems at the start of the year and expects providers and systems to deliver the financial plans approved by their boards.

The month 7 expenditure limit of £186.6bn includes a number of additional funding streams recognised by the Department of Health and Social Care (DHSC). These streams are not included in the published financial directions. The most significant being, the recently announced pay awards, additional funding to support elective recovery and the Covid vaccination programme. The aggregate system position at month 7 is above plan by £851m (1% variance versus allocation), with a net year to date overspend of £725m. The overall variance reported at month 7 is lower than at the same point last year. This is driven predominantly by overspends in providers due to slippage against efficiency plans and overall headcount (including agency and bank spend) being higher than plan. The systems assessed as having the highest risk of overspending have been directed to engage external support.

Capital position

Providers spent £2,385m on capital schemes to month 7, representing 32% of their full year budget (compared to 33% at the same stage last year). This excludes international funding reporting standard (IFRS) 16 expenditure relating to lease assets. The DHSC provider and commissioning capital budget for 2024/25 (including IFRS16) is set at £8,729m. NHSE is currently forecasting an underspend of £60m against this. For a full breakdown on the financial update, please click on the link provided here.

NHS productivity

In the autumn budget, the government confirmed the NHS would have a productivity target of 2% for 2025/26. Expectations for 2026/27 and beyond will be set as part of phase two of the spending review, which will conclude in spring 2025. As well documented, NHS productivity remains below pre-Covid levels. However, activity has grown across the acute sector in the first half of 2024/25, with particularly large growth in elective activity, outpatient first and outpatient procedure attendances, diagnostic imaging and same day non-elective discharges. NHS staff numbers have increased by 4% in the first half of 2024/25 compared to the same period last year. This includes a reduction in the number of agency staff by 33%. There has been an increase in labour productivity over the first half of 2024/25.

By combining estimates of activity growth with overall expenditure by acute trusts on pay and non-pay items, overall acute productivity has improved by 1.8% in 2024/25, compared to the same period last year. The acute sector has delivered 5.7% more activity (weighted for cost) than in the same period last year, whilst real terms costs have increased by 3.9%.

This increase in acute productivity has been delivered through a number of improvements:

- An increase in the proportion of elective procedures with a same day discharge, rising from 83.5% in 2023/24 to 84.2% in 2024/25.
- Continued reductions in agency spending, which has fallen from £3.5bn in 2022/23 (4.5% of total pay) to £3bn in 2023/24 (3.7% of total pay) and is currently at £1.2bn for the first half of 2024/25. This has included targeting the use of expensive off-framework providers. This has fallen from £7m a month in July 2023 to £1m a month in August 2024.
- A reduction in the average length of stay of non-elective admissions by 2.3%.

Non-acute sectors productivity

NHSE has been developing productivity measurements for all non-acute sectors, with the aim to start testing initial outputs with providers and systems in the coming months. Covid associated costs, including enhanced infection prevention and control, increasing acuity of patients, and constrained social care capacity, are still impacting the NHS baseline.

NHSE considers there to be further opportunities to drive operational and clinical excellence, workforce efficiency and reduce waste by spending every pound well. In May 2024 NHSE launched a national clinical and operational excellence programme through NHS IMPACT to help NHS providers realise productivity opportunities.

To ensure the workforce is deployed effectively, the focus will include:

- A continued effort to minimise agency costs, by reducing spending further to 3.2% of total pay this year. Systems are currently on course to exceed this, with forecasts suggesting a reduction of £2.2bn. Further action is being taken to strengthen agency rules and to explore restrictions on agency use for entry level roles (Agenda for Change bands 2 and 3) and for staff who have recently left the NHS to work back on an agency contract.
- A consultant job planning project has been launched, led by the national medical director for secondary care and all seven regional medical directors. National and regional improvement support is currently being established to support and upskill local clinical and operational leaders. This is in addition to the national guidance and toolkits already published.

The objectives of the work are to:

- achieve 95% job plans signed-off at board level by April every year,
- improve quality and levels of attainment for medical consultant e-job planning,
- improve consistency of job plans to align with service demand, with reduced variation and increased fairness, and
- fully deliver approved job plans and only incur premium costs when core capacity is fully utilised.

The national retention programme supports organisations and systems to improve staff experience and retention. In August 2024, the all staff (excluding medics) leaver rate was 6.96% - below the Long Term Workforce Plan target range for 2023/24 and below the stretch scenario for 2024/25.

Digital and data

The NHS App is estimated to have achieved benefits equivalent to £249m in financial year 2023/24, including freeing up 2 million hours of staff time and 890,000 hours of GP time. The rollout of patient engagement portals has continued to progress, preventing up to 1.59 million did not attends so far, helping to maximise capacity. The 'Ping and Book' service was launched to invite women to attend a breast screening appointment in November 2024, marking a significant modernisation of those services, while delivering a better user experience at lower cost by using digital communication channels.

Over the remainder of this year, progress will be made through the further roll out of the federated data platform (FDP). The target of onboarding 71 trusts has already been achieved, with those utilising the FDP currently seeing on average an 11% decrease in their waiting lists. NHSE continues to make progress in digitising providers; 92% of secondary care trusts will have an electronic patient record by March 2025. NHSE is also forecasting to achieve the 80% adoption target for digital social care records, driving substantial time savings and reducing pressure on the NHS.

To increase the value of every pound spent, progress has been made in:

- Medicines efficiencies through price savings and switches to biosimilars which have saved £171m a year to date (July 2024). Work on pipeline opportunities available for biosimilars up to 2028 could realise over £0.5bn in savings.
- Leveraging procurement and commercial savings through NHS Supply Chain via price reductions and increased uptake from NHS trusts (with an aim to release up to £100m of savings in 2024/25). There are broader commercial efficiency opportunities such as the national energy framework and a mobile audit, which is due to deliver £14m savings this year.

Two key enablers for generating productivity improvements include:

- Producing in-year measurement of non-acute sectors for the first time by benchmarking data on a wider set of productivity and efficiency metrics published on Model Health System. This is currently only available for acute providers. This new focus is intended to enable providers and systems to identify opportunities by comparing with peers and tracking trends over time.
- Supporting frontline clinical and operational staff to drive productivity, through the operational and clinical excellence programme, as well as professional networks and engagement channels, including NHS Providers and other membership organisations. This will help increase awareness about benefits and spread local good practice. Further work is underway to use creative and engaging methods to reach, involve and connect with clinical and operational staff to share and implement best practice.

Health, work and prevention

With the broad consensus that economic and health outcomes are strongly related and critical to economic growth, NHSE has worked with the government to establish health and growth accelerators across three integrated care systems (ICSs). The initial work will look to demonstrate how to operationalise the shift to prevention and neighbourhood health approaches; tackle the health conditions most associated with economic inactivity; and improve the joining up of services, workforce and data. Selected ICSs will look to test the new delivery model that could ultimately be expanded across all systems, and build a more personalised, pro-active, digitally enabled model of prevention. The ICSs must effectively demonstrate that reducing health-related labour market inactivity can be realised and test the feasibility of broader implementation in the future.

The first wave will look to:

- build evidence of reducing health driven economic inactivity at scale within the agreed timeline can generate a fiscal return,

- enhance integrated working and support the development of the Neighbourhood Health Service,
- improve the productivity of current NHS services, and
- help to reduce health inequalities.

Quality strategy

Since the publication of the *Francis report of the Mid Staffordshire NHS Foundation Trust public inquiry* and the recent *Darzi review*, there is considered to be a mixed picture on quality considerations. The *Independent review into the operational effectiveness of the Care Quality Commission* (CQC) by Dr Penny Dash (2024) has also included key recommendations about quality, including the need for the CQC to pay more attention to effectiveness of care and outcomes.

NHSE will seek to work with the national quality board (NQB) to develop a clinically led quality strategy. The strategy will be developed in parallel with and informed by the 10-year plan for health and the Darzi Review. This will ensure a system wide focus on quality and safety to drive improvements in care, experience and outcomes. The quality strategy will use the definition of quality from the Darzi review, *High quality care for all* (2008) and NQB's *Shared Commitment to Quality* (2021) as a basis, which includes care that is safe, effective and provides a positive experience for patients. The work will also be guided by considerations around access and value.

For further information on the quality strategy, please click on the link provided here.

Commissioning integration: delegation of specialised services to integrated care boards 2025/26

The commissioning reform agenda will look to strengthen ICBs role as strategic commissioners for the system and leaders on population health management. This is consistent with the evolving NHS operating model.

A final list of 70 specialised services (annex a) has been identified as being suitable for delegation. This follows comprehensive analysis of the entire specialised services portfolio and careful consideration of whether the current split in commissioning responsibilities between NHSE and ICBs is hindering opportunities to plan, commission and provide services in a more strategic and integrated way.

Although commissioning responsibility for all 70 services is being delegated to ICBs, commissioning accountability will continue to rest with NHSE. An amended template delegation agreement for specialised services has been prepared for implementation in 2025/26 and is attached in annex b.

For further information on commissioning integration, please click on the link provided here.