

# South Central HFMA conference 9<sup>th</sup> September 2021

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NHS England and NHS Improvement



# To Cover



- Look back on 2020/21 finances
- Current operational pressures
- H1 21/22 and future expectations
- Equality, Diversity & Inclusion

NHS England and NHS Improvement



Look back on 2020/21 finances

NHS England and NHS Improvement

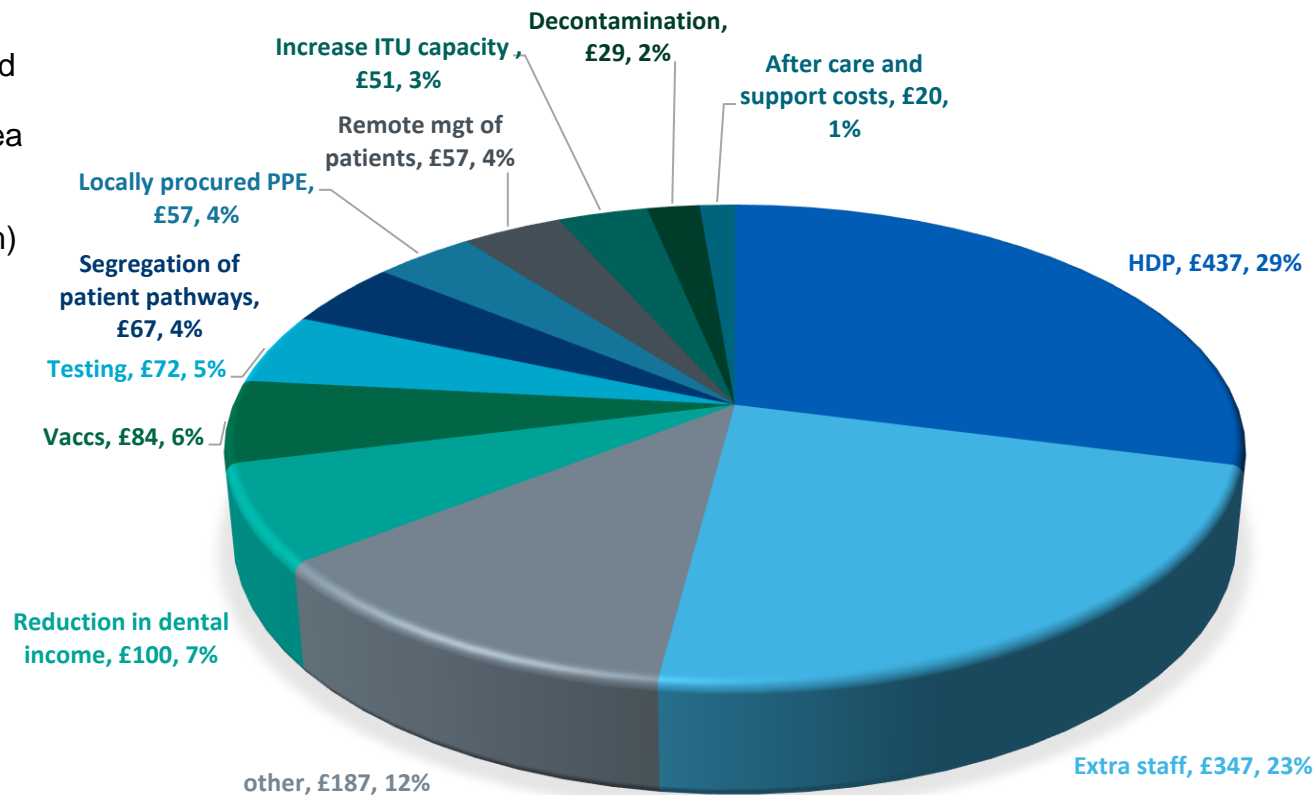


# 2020/21 – SE Finance Highlights



- **Half 1-** all organisations achieved break-even positions given retrospective top-up funding process
- **Half 2 position**
  - surplus of £47.4m; providers (£17.1m) and commissioners (£30.3m)
  - all systems reported surpluses; overall position being ahead of DH expectations
- **MHIS** - All CCGs have met the required standard in 2020/21

- **Covid Expenditure** - SE incurred £1.5bn covid costs during 20/21; 7% of total expenditure. Main area of expenditure was the hospital discharge programme (£437m) and Extra staff and shifts (£347m)



## Current operational pressures



# Activity – Emergency



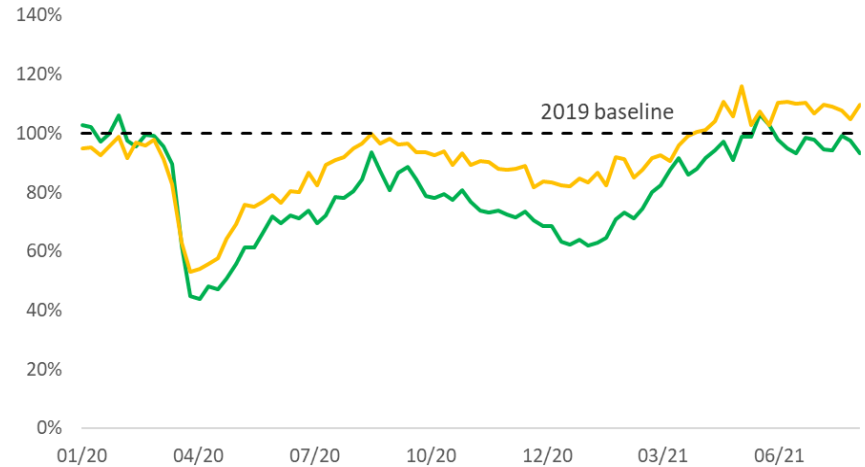
## A&E Performance (all types)

### All types performance



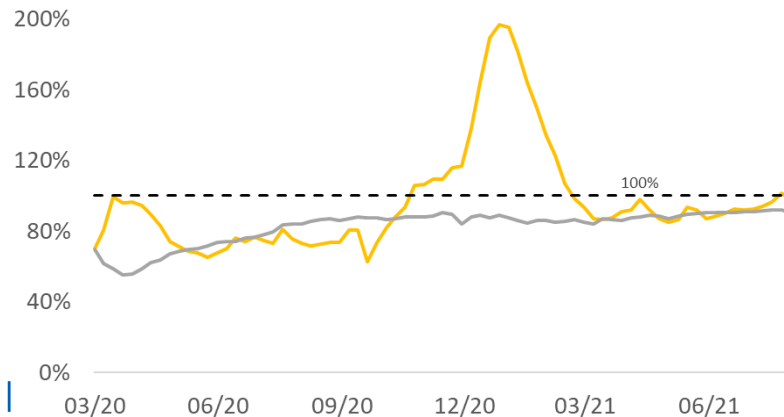
## Demand

### A&E Attendances and admissions (% of 2019 baseline)



## Bed occupancy

### G&A and Adult Critical Care % of DoS level 3 baseline



4 hour performance improved by 0.8% to 78.2% last week

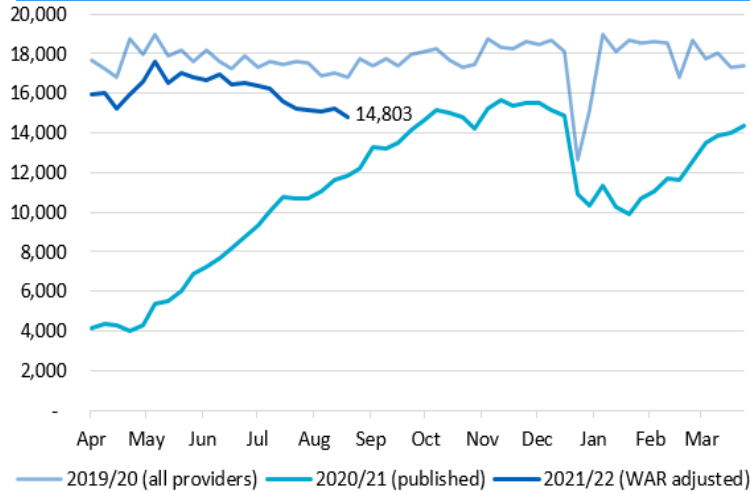
- Attendances in the latest week were at 93% of pre-COVID levels. Daily average number of attendances up slightly from last week.
- Emergency admissions at 110% of pre-COVID baseline, with daily average similar to last week
- Critical care bed occupancy at 98% of level 3 baseline, down slightly from last week where occupancy was at 102%

# Activity – Elective

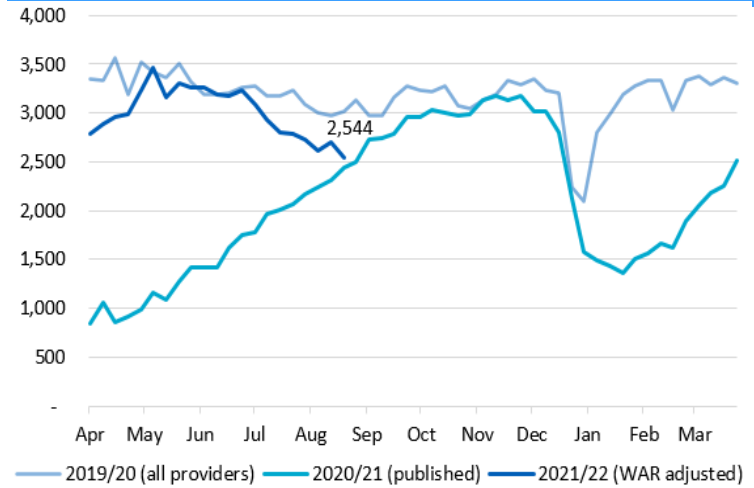
The recovery in activity has slowed throughout July and August, with the latest data showing 88% of daycases, 84% of inpatient and 91% first outpatient and 98% of FU outpatient activity in comparison with 2019



### Day case Elective Spells



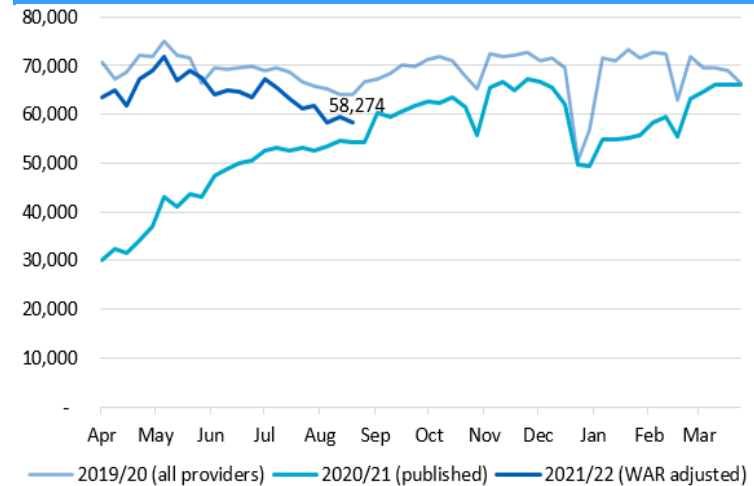
### Ordinary Elective Admissions



### Follow-up Outpatient Attendance



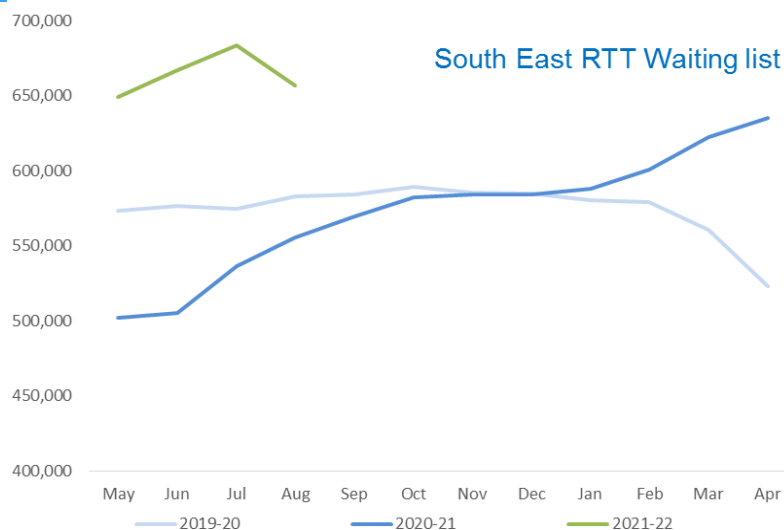
### First Outpatient Attendance



# Activity – Waiting lists



## Waiting List

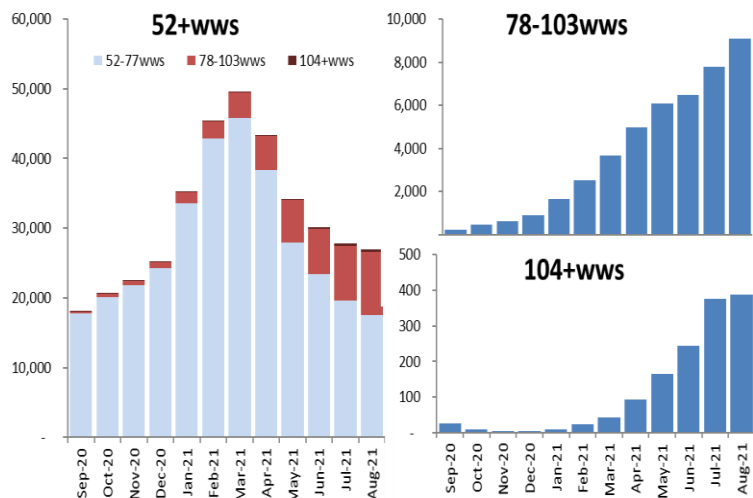


There are 26,884 patients waiting over 52 weeks, -346 less than last month. The total waiting list has decreased -2.3% in the past month (by -15,570 patients). There are 388 patients waiting over 104 weeks

## Long Waiters

	40-52wws	52+ wws	78-103wws	104+wws
w-e 29 Aug	32593	26884	8998	388
w-e 22 Aug	34160	27983	8693	389

## Long Waiters by speciality



South East Treatment Function	Admitted 52 wks + % Dated	Admitted 52 wks + Volumes	Non-admitted 52 wks + % Dated	Non-admitted 52 wks + Volumes
Cardiology	42.86%	21	17.02%	47
Dermatology	44.44%	18	71.84%	206
ENT	17.36%	1699	28.51%	2760
Gastroenterology	7.93%	353	21.14%	369
General Surgery	13.28%	1890	31.98%	982
Gynaecology	21.13%	1013	40.61%	293
Neurosurgery	21.43%	210	79.01%	81
Ophthalmology	28.48%	1236	27.36%	1740
Oral Surgery	21.09%	787	42.47%	146
Other	17.50%	2126	31.77%	1662
Plastic Surgery	24.30%	642	42.50%	120
Trauma & Orthopaedics	20.43%	4489	22.05%	1587
Urology	15.00%	1253	25.94%	825
All Treatment Functions	19.03%	15772	29.86%	11112



## 2021/22 and future expectations

- H1 21/22
- H2 21/22
- Spending review
- Capital



## Financial position

- Systems were given a fixed financial envelope based on the H2 20/21 envelopes. The overall envelope for the South East is £7.9bn for 6 months.
- The SE in total planned for a £23m deficit before contribution from Elective Recovery Fund (ERF) but after ERF contribution the SE will have a surplus of £7m with all systems meeting breakeven or better
- The Elective recovery fund (ERF) was introduced. It was £1bn national budget but forecasts exceed this
- Total ERF planned to be received in the SE was £276m, but latest forecast is £228m reflecting the different criteria for Q2

## Activity

- Elective recovery for Q1 90%+ and for Q2 97.3% of baseline.
- Cancer over 100% of baseline in all systems

## A&E

- A&E attendances planned at between 90-92% of 19/20 levels for each month

## Mental Health

- All systems meeting Mental Health Investment Standard

## Workforce

- Across the region systems have been quite ambitious with goals for workforce. All are looking to increase substantive staff and reduce agency and bank.
- Primary care workforce planned to grow by 3.6%

# So what's H2 looking like?

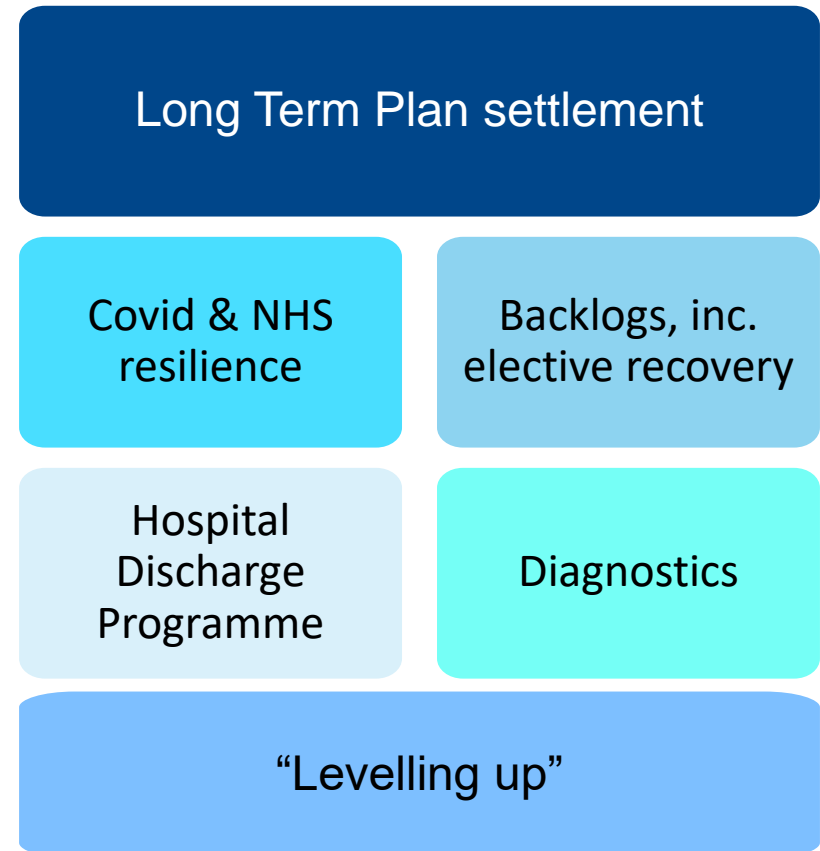


- £5.4bn of additional funding for the NHS for the second half of 2021/22
- **Overarching approach- an envelope approach based on H1.** Rollover of the 2021/22 H1 financial arrangements and fund the 3% pay deal, although there will be an increased efficiency requirement.
- **Efficiencies**
  - Baseline efficiency ask
  - Targeted efficiency requirement for systems away from their original long term plan financial trajectories set in 2019/20
- **COVID costs** will continue to be funded but reduced by £650m from H1 £3.2bn
- **Elective recovery fund** of £1bn
- **Hospital Discharge Programme** continues to the end of 2021/22
- **Others:**
  - an additional £200m to be used to enhance productivity in the longer term
  - £500m of additional capital funding, with £250m to fund capacity and productivity enhancing schemes, and £250m to fund technology that will help deliver elective recovery.
- **Indicative timescales and scope**
  - Guidance (with allocations/envelopes) - next week
  - Plan submissions in November
  - Likely to include capital, workforce, activity and winter plans
- **Prepare for 2022/23** and an expected return to long term plan funding
  - What are the likely gaps and pressures?
  - What will efficiency requirements be?
  - What is the likely impact on cost bases of recovery and restoration of services?
  - How quickly can covid costs be removed/reduced?

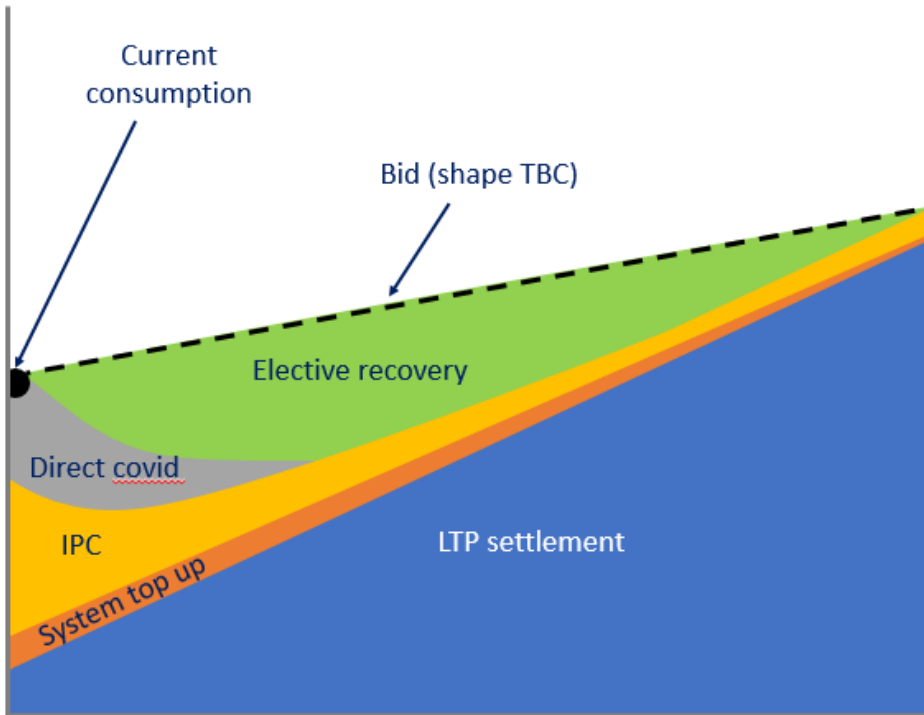
The SR's focus will be on LTP delivery and elective recovery, with the possibility of additional propositions that recognise the increased costs of delivering the LTP and business as usual in light of COVID-19 and help build a more resilient NHS in the longer term.

Our revenue bid covers the following areas:

- Protecting the underlying LTP settlement in 2022/23 and 2023/24, and extending it out to 2024/25.
- Securing sufficient additional resource to reflect the ongoing impact of Covid and maintain NHS resilience going forward.
- Seeking additional funding to enable:
  - Catching up on backlogs, including elective recovery
  - Expanding diagnostic capacity and implementing the Richards' review
  - Continuation of the Hospital Discharge Programme
- Ensuring mental health and primary and community funding commitments and LTP deliverables are maintained.
- An overarching narrative setting out how the NHS can make the biggest difference to the Government's "levelling up" agenda.



# Elements of the Spending Review bid



Please note this chart is indicative and does not represent fully costed elements of the SR bid.

- The LTP settlement is HMT's baseline for the Spending Review and we have bid for costs above this, including the higher cost base in 21/22 envelopes
- We had to consider how quickly we can return from the current underlying cost base to the LTP settlement, and what this implies for the provider efficiency ask
- We had to consider our overall workforce supply constraints to ensure our bid is credible in resource and profile terms. We can argue that as Covid capacity constraints (e.g. IPC) fall away, additional capacity can be utilised to deliver elective recovery – or vice versa that if Covid/flu season surges that we would switch capacity and reduce elective targets

- **For 21/22 a Balanced regional plan finally achieved – thank you!**
  - Regional capital plan of £532m
  - However, c£150m+ of schemes removed from plans to achieve this
  - Total CDEL plan £810m so there is another £280m of capital spend on items outside of system envelopes eg Mental Health Dorms, A&E scheme, STP capital, New Hospital programmes
- **Significant in-year risk to manage**
- **Some of the challenges stemmed from 2020/21 outturn position.** Slippage on national programmes a particular problem
- **Collectively we need better visibility on the forward view**
- **Capital priorities for the next few months:**



# Equality, Diversity & Inclusion

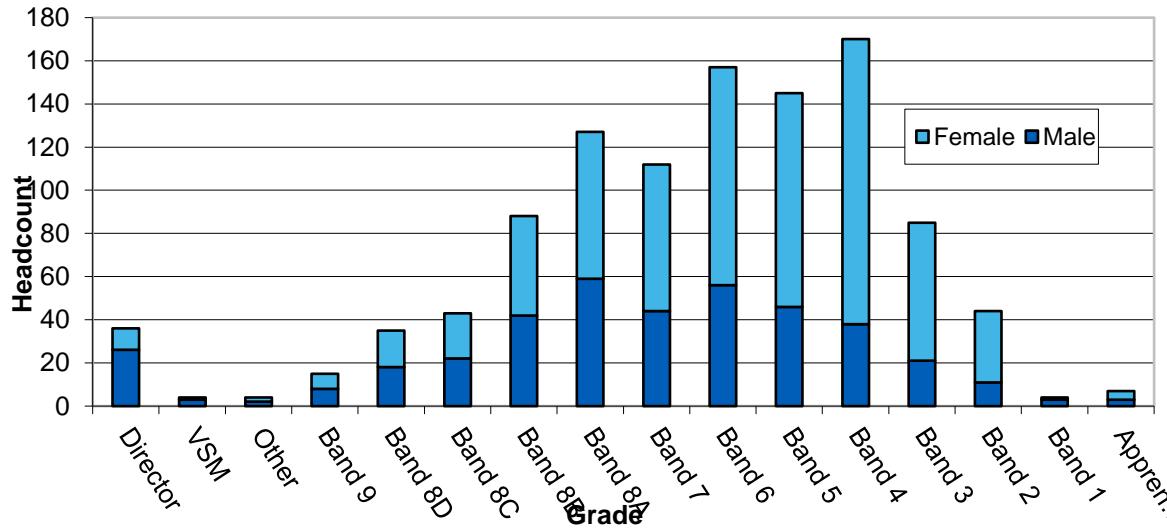
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# Why is it important?

The growing body of research on diversity and inclusion (D&I) shows that well-managed, diverse teams provide better care for patients, better management of resources, are more innovative and make better decisions.

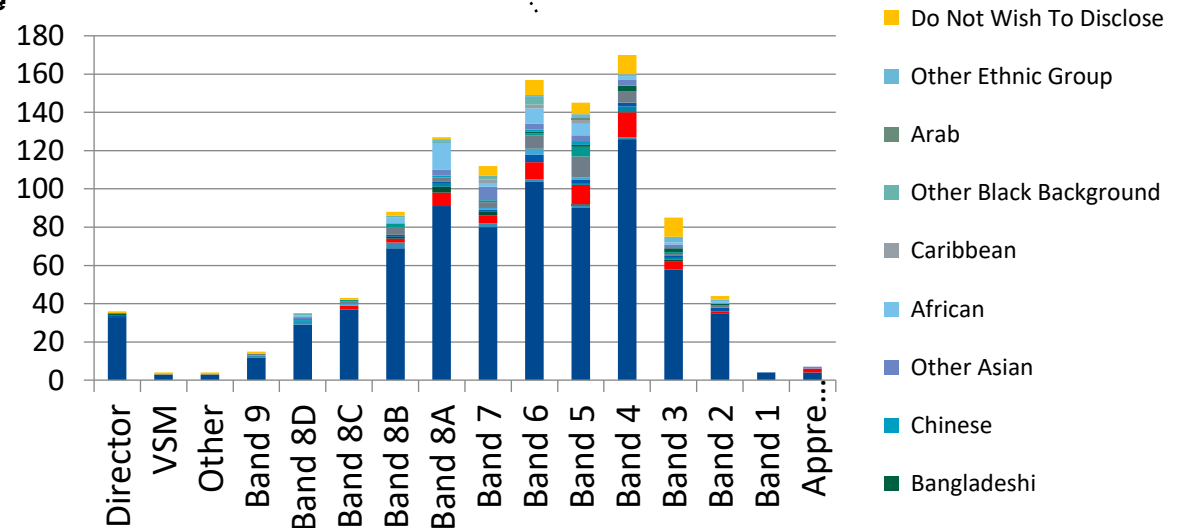
There is a compelling need to cultivate a more diverse and effective NHS leadership. The moral arguments against discrimination are clear. The human costs are huge. The impact on patient care is clearly negative and substantial. If staff experience discrimination as a result of their identity there is no doubt that patients will experience similar discrimination



In the SE **Females** make up

- 60-75% of the workforce in B3 - B7
- Average 50% of the workforce in B8 – B9
- 25% of the workforce at Director level

Up to B8a **non white staff** make up 15-27% of the workforce  
 Non white staff in bands 8b-9 comprise c 14% of the workforce  
 At Director level this reduces to 5%



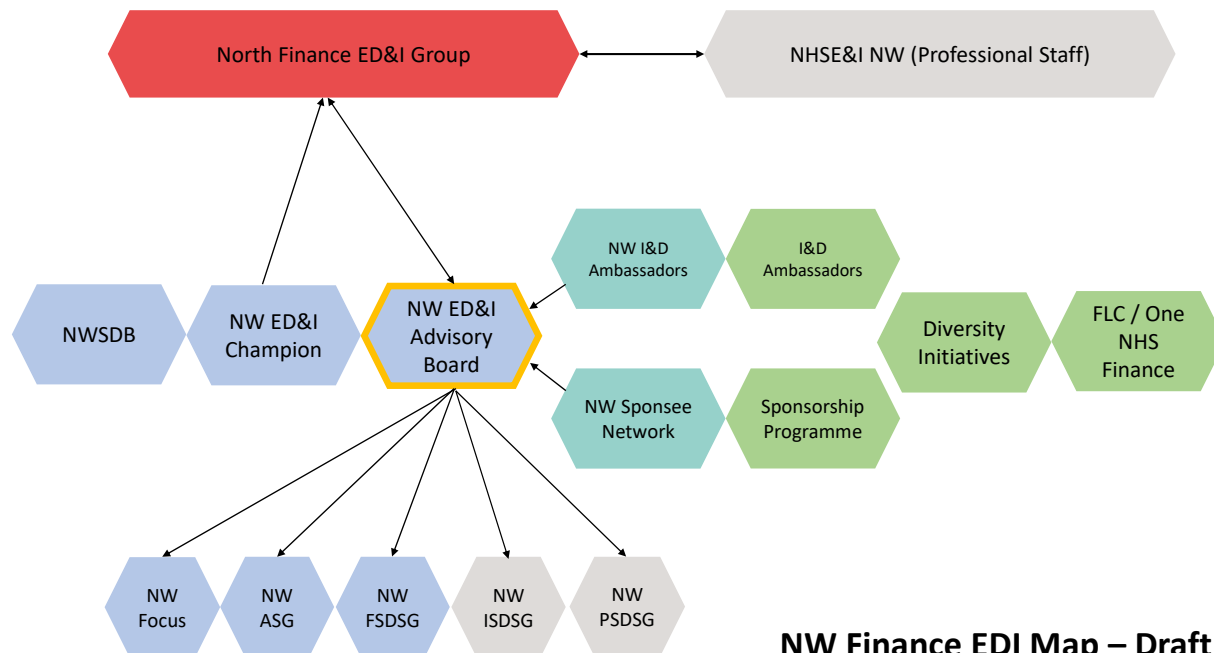


# What are the plans?



- We want to engage Finance staff in the SE to form the vision – 12<sup>th</sup> November planned
- (Book your place online [www.skillsdevelopmentnetwork.com](http://www.skillsdevelopmentnetwork.com))
- We want to be in a better place in terms of our workforce reflecting the population it is drawn from and serves
- We want to make sure that all of us in NHS Finance are given a fair opportunity to develop and fulfil our potential.
- We want to recognise, value and embrace our differences in the broadest sense
- We want to increase the diversity of our senior leadership to reflect the make-up of our community

The NW are further ahead and we plan to use their experience to shape our programme



# How are we going to do it?



1. Establish a SE Finance ED&I steering Group (comprising DoFs and other interested parties)
2. This steering group will be a sub-group of the Regional Academy (being set up during 2021/22) such that EDI will be a priority of the Regional academy
3. Identify an ED&I Champion to advise the steering group
4. Form an EDI advisory group who link with I&D Ambassadors
5. Increase the number of I&D Ambassadors
6. Link in to the Sponsee network
7. A listening event to hear about ideas and experiences to help shape the work of the region

## Key focus areas/diversity initiatives:

- Recruitment
- Sponsorship Programme
- Finance Academy and #OneNHSFinance
- ED&I Ambassador network
- Women's network – vision has been set and work programme defined
- May be some specific training but more about developing a culture

# Example – Women's network



- **Vision:** Our vision is to work in a finance community which is led by a representative group of people who bring diversity, compassion and inclusivity to leadership. To see more women in senior leadership roles, to encourage more women to aspire to become leaders and to remove internal and external barriers preventing this.
  - A finance function across all NHS organisations in the SE that has an equal proportion of male and female staff at Bands 8A to VSM level
  - 50% of finance executive leadership roles in NHS organisations in SE held by women
  - A clearer articulation of the range of skillsets and competencies required to be a finance leader in the new system-focused NHS
- **Purpose:** Our purpose is to bring together a diverse network of individuals who are committed to making NHS finance leadership more reflective of the finance community and of the population we serve through improving the gender balance in senior finance roles by. We will do this by creating a pipeline of ready now women through:
  - inspiring (role modelling)
  - supporting (creating opportunities)
  - breaking down internal barriers to career progression (increasing personal reliance and confidence)
- **Approach:** Our approach is to be more radical, not limiting our ideas or aspirations. We will be inclusive and accessible in our engagement, reaching out to those who have experience and pulling others up along the way.

Please message Amy on [amy.sweeney@nhs.net](mailto:amy.sweeney@nhs.net) if you would like to join

# Example – Inclusion & Diversity ambassadors



A new network supporting equality, diversity & inclusion in NHS Finance.

Ambassadors will support work being delivered to reduce the disparities across NHS finance in terms of the diversity of staff – in particular during recruitment – and improve processes being used that may need updating or changing completely

## Objectives:

- To help develop correct and up-to-date information on NHS organisations in England in terms of their recruitment and retention policies for finance roles.
- Use this going forward to identify areas that need improvement and support and work with the I&D Ambassadors at these organisations to develop an action-led programme that will endeavour to make a positive change.
- It is a voluntary but active role where the ambassador will be expected to keep a record of the recruitment policies, processes, and data regarding diversity of candidates etc. of their NHS organisation
- Ambassadors will be expected to work with their regional SDN / talent board to feedback on data collated.
- The role may be suitable for a Value Maker, FACE, FSD Lead or training / development lead.
- Ambassadors should be passionate about equality, diversity and inclusion and be interested in attending / being involved in FFF's diversity and inclusion events / projects

# Who?

- All of us!
- Needs senior buy in
- Ownership at the top and at all levels
- We need a network of “Champions”
- We may not have all the answers – need input from others
- If you would like to get involved please let me know

	Headcount - At 2019	No of orgs	FACE (FFF)		VM (FFF)		I & D Ambassador (FFF)	
BOB	324	8	8	2%	16	5%	6	2%
Frimley	102	4	1	1%	5	5%	1	1%
HIOW	352	9	13	4%	29	8%	1	0%
Kent & Medway	302	7	14	5%	67	22%	2	1%
Surrey Heartlands	176	6	10	6%	17	10%	1	1%
Sussex	369	9	23	6%	40	11%	0	0%
NHSE/I & CSU	197	2	4	2%	10	5%	0	0%
	<b>1822</b>	<b>45</b>	<b>73</b>	<b>4%</b>	<b>184</b>	<b>10%</b>	<b>11</b>	<b>1%</b>