



Department
of Health &
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Baroness Dido Harding
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Dear Dido

I am writing to you to confirm NHS Improvement's current objectives and the schedule of meetings through which you will be held to account for delivery. NHS Improvement's objectives from now until 2020 are aligned with the health sector's Shared Delivery Plan which outlines the Government's priorities for health and care services. The remit letter for 2018/19 reflects the decision that was made to roll over largely unchanged the objectives, 2020 goals and annual deliverables that were set out in the remit letter for 2017/18.

In delivering these objectives NHS Improvement is expected to continue to take a health-economy wide approach to ensuring clinically and financially sustainable health services which improve overall health outcomes and reduce health inequalities. NHS Improvement will also need to maintain close and effective working relationships with NHS England, the Care Quality Commission, Health Education England, other national NHS bodies, and the provider sector in order to help drive improvements across the health service. NHS Improvement will play a role in ensuring a smooth and orderly withdrawal from the European Union in the best interests of patients. It will include supporting the many EU nationals making an enormous contribution to our health and care services.

Key to NHS Improvement's success will be working with NHS England to deliver a balanced NHS budget whilst driving improvements in the efficient use

of resources and quality of care in NHS providers. To achieve this, the support provided by NHS Improvement to the provider sector must continue to be tailored to the needs of the sector and to the differing needs of the organisations that it comprises.

We will continue to hold you to account through a series of formal meetings. Quarterly Ministerial accountability meetings will be held. Both the Chair and the Chief Executive of NHS Improvement will be required to attend, as will the Senior Departmental Sponsor (SDS) and representatives of the Department's sponsorship team. These meetings will be structured to promote openness, constructive challenge and the identification and resolution of strategic issues, as well as any other risks to delivery which the SDS believes it is appropriate to bring to this meeting. I will chair these meetings and other Ministers will be involved as and when required. I also expect the Department's sponsorship team and their NHS Improvement counterparts to meet regularly on an informal basis.

I thank you for all the work you and your organisation are doing. I very much look forward continuing to work with you.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Steve Barclay', with a long horizontal stroke extending to the right.

STEVE BARCLAY
MINISTER OF STATE FOR HEALTH

THE DEPARTMENT OF HEALTH & SOCIAL CARE'S REMIT FOR NHS IMPROVEMENT 2018/19

1. Balancing the NHS budget and improving efficiency and productivity, ensuring that the NHS lives within its means and achieves the improvements needed for the NHS to be financially sustainable throughout this Parliament and beyond.

In 2018/19 NHS Improvement will:

- deliver a balanced income and expenditure position for the NHS provider sector, after deployment of the £2.45 billion Provider Sustainability Fund, and with NHS England deliver a balanced financial position across NHS commissioners and NHS providers, including by:
 - setting financial control totals for individual trusts, which represent the minimum level of financial performance that they must achieve in 2018/19 and for which they will be held directly accountable;
 - agreeing a set of risk assessed plans for individual trusts, including trajectories for pay and non-pay expenditure, that reflect shared plans at the level of Sustainability and Transformation Partnerships (STPs);
 - undertaking targeted interventions, including financial special measures, for trusts that are at risk of not meeting their control totals;
 - providing regular progress updates for governance requirements (e.g. FEB, FED) and working with NHS England and the Department to report on the detailed financial position in the sector and understand the relationship between demand, activity, productivity and financial performance;
 - continuing to implement Lord Carter's recommendations for operational productivity, including the continued roll-out of the Getting It Right First Time programme and its expansion into further sectors, and significantly accelerating the take-up of operational productivity improvements across the sector to ensure the delivery of substantial and sustainable efficiency savings;
 - supporting trusts to reduce spending on temporary staffing, including reducing agency spend by a further £200 million;
- support the Department to manage capital spending within the agreed aggregate position for the provider sector;
- with NHS England, ensure that every STP makes progress with developing an estates plan that is consistent with progress towards the 2020 national goals;
- support trusts in increasing income recovered from overseas visitors not eligible for free NHS treatment by:
 - providing intensive support to identified trusts to improve and embed cost recovery;
 - providing guidance, challenge and support to providers to implement changes to legal requirements and to spread best practice.

The financial outturn position for the provider sector will depend on a range of factors, including the level of growth in non-elective demand, the income that trusts receive for any activity in excess of planned demand, and how far bed occupancy is reduced through

reductions in delayed transfers of care. The Department and NHS Improvement, with NHS England, will keep under close review the factors affecting the provider financial position and agree appropriate action to address risks caused by factors over which the provider sector and NHS Improvement have limited influence.

In 2018/19 NHS Improvement will **support** and will engage the provider sector in supporting:

- the work led by NHS England and the commissioning sector to reduce growth in demand and help ensure that patients have access to care in the most appropriate settings for their need, for instance through joint leadership of the urgent and emergency care programme;
- NHS England and local government in reducing delayed transfers of care to around 4,000 daily delays by September 2018 and continuing this performance for the remainder of 2018/19.

Between now and 2020 NHS Improvement will:

- achieve and sustain aggregate financial balance for the provider sector;
- with the Department and NHS England, support the Five Year Forward View ambition for the NHS to deliver 2-3% improvements in efficiency each year, while also improving the quality of care;
- continue to implement the recommendations of the Carter Review and hold trusts accountable for delivering specific organisation-level efficiency gains;
- support continuous improvements in NHS provider workforce efficiency, in particular by reducing the use of agency staff and ensuring that trusts follow the Government's public sector pay policy and minimise pay drift;
- improve property and estates utilisation and value for money across the NHS provider sector;
- work closely with the Department, NHS England and the NHS provider sector to release surplus land for 26,000 homes by March 2020, including housing for key NHS staff where appropriate, and make progress towards the 2022/23 objective of releasing £3.3bn in land sales;
- support the Care Quality Commission (CQC) in rolling out the new Use of Resources ratings and combined ratings for non-specialist acute trusts;
- develop payment systems to optimise system-wide incentives for improvements in quality and efficiency;
- continue to improve the collection and use of cost data through further roll out of patient-level costing, including developing standards, expanding collection of patient-level cost data, and supporting trusts and local health systems to use cost data to improve value and reduce unwarranted variation.

2. The creation of the safest, highest quality health and care services, ensuring that all patients receive the same high standards of care, seven days a week. NHS Improvement will have a key role in supporting the NHS to become the world's largest learning organisation, utilising all available sources continually to improve services and quality of care.

In 2018/19 NHS Improvement will:

- increase the proportion of NHS providers achieving a CQC Good or Outstanding rating and reduce the proportion of providers in special measures for quality;
- continue to roll out the four priority clinical standards for seven-day hospital services to five specialist services (major trauma, heart attack, paediatric intensive care, vascular and stroke) and to 50% of the population;
- support providers to make safe staffing decisions;
- lead cross-system work to reduce healthcare-associated Gram-negative bloodstream infections, with the specific objective of reducing E.coli infection rates by 20% from the baseline year of 2016;
- lead ongoing work to improve patient safety, including:
 - carrying out its delegated statutory duties in relation to collecting information on what goes wrong in the NHS through the National Reporting and Learning System and using that information to support the NHS on reducing risks to patients, including advice, campaigns, guidance and patient safety alerts;
 - supporting providers, as part of the longer term Learning From Deaths programme, to reduce deaths thought to be due to problems in care (so-called 'avoidable deaths'), through improvements in transparency, clinical governance and leadership and by reviewing the Serious Incident Framework;
 - discharging its responsibilities for the annual reporting obligations and accountability as set out at paragraphs 10 (1) to (3) of the NHS Trust Development Authority (Healthcare Safety Investigation Branch) Directions 2016;
 - progressing the Development of the Patient Safety Incident Management System project in order to specify and procure a successor to the National Reporting and Learning System.

Between now and 2020 NHS Improvement will:

- work with NHS England to roll out the four priority clinical standards for seven day services in hospitals to 100% of the population by April 2020;
- support providers to improve patient safety and create an effective learning culture;
- work with NHS England to improve the percentage of NHS staff who report that patient and service user feedback is used to make informed improvement decisions;
- work jointly with NHS England and NHS Digital to:
 - support providers in undertaking technological and digital transformation, in order to improve safety and quality of care and improve productivity;
 - promote the transparent use of data for service improvement;
- work jointly with the Department, NHS England, NHS Digital and NIB partners to:

- support delivery of the National Information Board Framework ‘Personalised Health and Care 2020’ – including local digital roadmaps – leading to measurable improvement on the new digital maturity index and achievement of an NHS which is paper-free at the point of care;
- implement Dame Fiona Caldicott’s data security standards to improve cyber security preparedness and resilience;
- promote a stronger culture of research within the NHS provider sector to realise financial and quality benefits;
- continue to support providers to develop and publish Board-level service quality improvement plans that will achieve significant and measurable improvements in the quality of services, thereby reducing deaths, severe harm and other adverse outcomes attributable to problems in healthcare;
- have completed the five-year Patient Safety Collaborative programme, demonstrating the impact on safety in the NHS, and supporting the Q initiative to support and grow a vibrant, effective and innovative community of improvers;
- support implementation of the recommendations from the Accelerated Access Review as set out in the Government response and agreed with the Department, with the aim of delivering a measurable improvement in NHS uptake at national and regional level, of agreed innovations, focussing initially on those that are most affordable and cost-effective;
- lead cross-system work to reduce healthcare-associated Gram-negative bloodstream infection rates by 50% by 2020;
- lead the safety work stream of the Maternity Transformation Programme (ensuring that safety is reflected throughout the programme) and run the national Maternal and Neonatal Health Safety Collaborative, to make progress towards achieving the national ambition to reduce rates of stillbirth, neonatal deaths, maternal deaths and brain injuries occurring during or soon after birth by 50% by 2025, with a reduction of 20% by 2020;
- as part of the Learning from Deaths programme, support trusts in implementing recommendation 7 of ‘Learning, candour and accountability’, the CQC’s review of the way trusts review and investigate the deaths of patients in England, and contribute to the implementation of other recommendations within the report where relevant.

3. Leadership and improvement capability, ensuring NHS providers are able to recruit and retain high quality individuals and building NHS Improvement as a support organisation for NHS providers that can effectively drive the sharing of best practice and ensures providers are implementing methods of continuous improvement.

In 2018/19 NHS Improvement will:

- support system-wide programmes to improve leadership development and talent management in the NHS in line with Developing People – Improving Care;
- support trusts in improving recruitment of staff (in collaboration with Health Education England) and retention and motivation of staff, including support for effective implementation of the junior doctors contract; and
- work with the CQC to embed the new ‘well-led’ framework, improving both the assessment of leadership and governance in providers and the support given to

providers to achieve continuous improvements in leadership and governance.

In 2018/19 NHS Improvement will support:

- the ongoing development of workforce strategy, including for the HEE workforce plan 'Facing the facts, shaping the future', due to be published in July 2018;
- the Department in developing and implementing policy on NHS executive pay to reflect wider Government policy on executive pay in the public sector; and
- HEE, professional regulators and royal colleges to increase training opportunities and focus on the development of clinical leaders.

Between now and 2020 NHS Improvement will:

- implement the national VSM pay framework to ensure better control of VSM pay in NHS trusts and foundation trusts, and support the Department in implementing Government policy on executive pay in the public sector;
- implement improved arrangements to provide system oversight of any performance related pay, including earn back or other mechanisms as they are agreed, to ensure objectives are linked to key corporate operational performance standards and awards are seen to be fair across all NHS providers.

4. Strategic change aligned with the Five Year Forward View, ensuring greater integration across the provider sector, including working with communities to develop new models of care that are tailored to meet local needs, and effective proportionate access to urgent care 24 hours a day, seven days a week.

In 2018/19 NHS Improvement will:

- work collaboratively with NHS England to support local areas to ensure delivery of agreed plans within each STP area, including progress against metrics;
- work with NHS England to provide more streamlined support for local health systems in developing and implementing Sustainability and Transformation Plans and in developing service models that better integrate care and that improve resource utilisation, quality of care and population health outcomes;
- continue to support the development of foundation groups/hospital chains to support quality and productivity improvements across the provider sector, including enabling strong providers to extend their successful operating models more widely, without detracting from meeting performance standards;
- work with NHS England to identify more systematically the future approach to joint working and collaboration across the two organisations in support of local health systems.

In 2018/19 NHS Improvement will work collaboratively with the Department, NHS England and other partners to support:

- the further development of the new models of care set out in the Five Year Forward View, breaking down barriers between GPs and hospitals, physical and mental health, and health and social care, and helping reduce inequalities in access and outcomes;
- local health economies in building capacity and capability for effective engagement with patients and local communities, particularly from diverse or disadvantaged

communities, when considering strategic change;

- implementation of the Five Year Forward View for mental health and parity of esteem between mental and physical health;
- implementation of the national plan to transform care for people with learning disabilities;
- local work with social care partners to ensure patients do not receive care in inappropriate settings.

Between now and 2020 NHS Improvement will:

- promote and enable closer integration of health and social care services in every area of England;
- support the further development and implementation of city and county-wide devolution deals;
- support providers in enhancing their contribution to preventing ill health amongst both their patients and staff, with a view to improving individual and population health outcomes and reducing health inequalities.

5. Maintain and improve operational performance ensuring the NHS has the capacity and capability to continue to perform well during this Parliament and is able to deal with any rises in demand such as over the winter months.

In 2018/19 NHS Improvement, working with NHS England, will:

- co-implement the agreed A&E recovery plan to deliver aggregate A&E performance in England above 90% in September 2018, with the majority of trusts meeting 95% in March 2019, including by:
 - integrating demand and capacity planning across the year, for elective and non-elective activity;
 - focusing on length of stay, through continuing to focus on both simple and complex discharges;
 - ensuring appropriate workforce and bed capacity to deliver capacity plans;
 - implementing a new operating model to support delivery nationally, regionally and locally;
 - ensuring all care home residents at risk of admission to hospital are first seen by a GP or ambulance ‘see and treat’ model;
 - continuing to implement the urgent and emergency care transformation programme, including embedding changes to urgent treatment centres, ambulances and NHS111 delivery models to reduce the rate of growth in demand for A&E services.
- support NHS providers in achieving the standards for early intervention in psychosis and for access to psychological therapies or ‘talking therapies’;
- support providers in meeting agreed standards for referral-to-treatment times, cancer waiting times, diagnostic test waiting times and ambulance response times;
- ensure that commissioners’ and providers’ 2019-20 planning includes relevant plans to manage a smooth and orderly exit from the European Union.

Between now and 2020 NHS Improvement, working with NHS England and other partners, will:

- seek to reduce inequalities in experience, access or outcomes, in line with NHS Constitution standards and the health inequalities legal duty;
- work with NHS England and other partners to ensure that at least 95% of people attending A&E departments are assessed, discharged, transferred or admitted within four hours from 2019 onwards;
- work with NHS England and other partners to ensure that at least 92% of patients on incomplete non-emergency pathways have been waiting no more than 18 weeks from referral, that no-one waits more than 52 weeks before starting definitive treatment and that less than 1% of patients needing diagnostic tests wait more than six weeks from referral;
- take an active part in the delivery of the recommendations of the independent Cancer Taskforce, including working with NHS England on:
 - delivering new and upgraded radiotherapy equipment;
 - delivering the new 28 day Faster Diagnostic Standard;
 - rolling out an individually designed recovery package to help each patient live well with and beyond cancer;
- ensure that at least 85% of cancer patients begin first treatment within 62 days of an urgent GP referral and maintain performance against other cancer waiting times standards;
- support local areas to implement the outcome of negotiations with the European Union to ensure that services continue to operate effectively.