



NHS Partners Network Annual report 2007/08



NHS Partners Network vision and mission

Our vision

NHS Partners Network fully supports the NHS Confederation's vision of excellence for patients, the public and staff by supporting the leadership of the new NHS.

NHS Partners Network strives for independent sector providers to become a fully accepted part of a mixed economy NHS, offering greater patient choice, championing innovation and providing a substantial proportion of patient care, to the benefit of patients, tax payers and shareholders.

Our mission

NHS Partners Network strives to be the natural collective voice of the independent sector within the NHS, at every level of care, and to help its members improve health and health services, by:

- influencing policy, implementation and the public debate
- supporting leaders through networking, sharing information and learning
- raising the profile of independent NHS healthcare providers and building greater understanding of and support for the role they play in the NHS.

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Foreword

Chairman's introduction

2007 was an important year in the development of NHSPN and a particularly challenging one for all of us involved in the ISTC Phase 2 contracting programme. Whilst a proportion of the contracts have commenced, albeit after considerable delay, it is extremely disappointing to note that the overall value of the NHS elective and diagnostic activity outsourced to the independent sector has thus far fallen well short of the expectations set by the ministers when the programme was first launched. At the time of writing we still await the remaining decisions in respect of a number of Phase 2 projects and are hopeful that this will do something to restore confidence.

Notwithstanding anxieties about the ISTC programme, I would like to highlight a number of achievements in 2007 that NHSPN members can be rightly confident and proud about:

- A high proportion of IS providers are now on the Extended Choice Network and volumes are rising rapidly.
- Despite some initial hesitancy, the Government has reiterated its commitment to 'Free Choice' and 'Any Willing Provider' and enshrined this commitment in the recently-published *NHS Operating Framework and principles and rules for cooperation and competition*.
- NHSPN is now an established network within the NHS Confederation and is exerting a meaningful influence in the media and on health and policy. Contacts at ministerial and official level throughout the year demonstrated that NHSPN

is regarded as the key industry body representing IS providers to the NHS.

- Amongst members, NHSPN has provided a valuable forum for cooperation on issues of common concern.

Following David Worskett's appointment, we now have a full-time director in place. He is building on the good work done by Graham Kendall who was acting general manager for the network prior to David's appointment. I now feel we have the resources in place to increase our influence and effectiveness in 2008.

Having completed two years as Chairman, I handed over to Mike Parish, Chief Executive of Care UK, after our AGM in March, having completed our first year in the NHS Confederation.

I have enormously enjoyed the role and, in addition to all the support I have had from members, I would like to thank my colleagues on the NHSPN executive committee as well as Graham and David for the support you have all given me as Chairman.

Yours sincerely



Richard Jones

Chairman, NHS Partners Network
Commercial Director, Spire
Healthcare

Introduction

NHS Partners Network was officially launched as part of the NHS Confederation in 2007 with a reception at the NHS Confederation Annual Conference in June. Bryan Stoten, the incoming chair of the NHS Confederation, announced that NHSPN would become part of the Confederation during his plenary speech at the conference.

This followed a vote of all ordinary members of the NHS Confederation, comprised of traditional NHS organisations, to bestow equal status on independent providers of care to NHS patients. This was the culmination of several years' work by the Confederation and was passed with an overwhelming majority. It is also important that there is the recognition of IS providers as part of the family of NHS providers with equal status,

in a free choice environment in line with Government policy.

Since joining the NHS Confederation, NHSPN has made significant headway in terms of external recognition and in terms of becoming a fully accepted part of the Confederation's new, network-based structure. The opportunity to benefit from enhanced access to the highest levels of Government, the NHS and Parliament, and to share core resources such as Parliamentary monitoring, media relations and meeting/event management, has strengthened the role of NHSPN and the services it can offer its members. There are further opportunities in all these areas which can be developed over the coming months, notably in respect of policy expertise and research and the scope for dialogue with the other major networks within the Confederation.

NHSPN membership

During 2007/08, there were ten members of NHS Partners Network:

- Alliance Medical Ltd
- Care UK PLC
- Circle
- Clinicenta
- Netcare UK
- Nuffield Hospitals
- Ramsay Healthcare UK
- Partnership Healthcare Group
- Spire Healthcare
- UKSH

A number of changes in the sector occurred during the year which affected the composition of the

Network. These included the merging of Nations Healthcare and Circle, the separation of BUPA hospitals from BUPA to form Spire Healthcare, the rebranding of Capio as Ramsay Healthcare UK following acquisition by Ramsay, and also the acquisition of Mercury Health to Care UK PLC.

The executive committee of NHSPN, responsible for day-to-day direction of activities, was composed of:

Richard Jones	(Spire Healthcare)
David Hillier	(Ramsay Healthcare UK)
David Highton	(Clinicenta)
Geoff Benn	(Care UK PLC)
Jan Benson	(Netcare UK)
Matthew James	(Nuffield Hospitals)

People

From April to November 2007 Graham Kendall performed the role of Acting General Manager of NHSPN. From mid-November David Worskett took up post as the newly appointed director. Graham Kendall continues to provide consultancy services in order to ensure continuity.

Richard Jones was awarded the accolade of Independent Healthcare Ambassador of the Year by Laing and Buisson in recognition of his achievements in catalysing NHSPN's activity throughout his tenure as chair of NHSPN.

Major highlights and achievements

Choices

In April 2007, the Government took a significant step forward in expanding patient choice by announcing the summer launch of the 'Choices' website. NHSPN welcomed the principle of NHS Choices but was initially concerned about data comparability, visibility and the rules governing which providers appeared on the site. During the year, NHSPN has worked closely with the Department of Health, Central Contracts Management Unit and the NHS Choices team to ensure that these problems are resolved. We now expect that when the site is re-launched in April 2008 as part of the implementation of the full 'free choice policy', independent sector providers will be fully visible and treated on a par with other NHS providers.

We will continue to monitor the profile and visibility of independent sector organisations on the website and work with the NHS Choices team to develop solutions where regulatory issues continue to be a problem until legislation currently before Parliament harmonises the regime for different types of providers.

Standard Contract

Development of the Standard Contract for acute services has been a major area of work during the year. The final product launched as part of the 2008–09 NHS Operating Framework reflected the considerable effort put in by NHSPN representatives. There remain serious concerns that the contract is too onerous and commercially unrealistic for some important independent sector providers, including those in the voluntary sector and some of the potential providers at primary care level. NHSPN has met senior Department of Health representatives to discuss these concerns and secured recognition that

they should be looked at during the course of 2008, along with the arrangements for transition from ECN contracts to a new contractual framework.

Payment by Results

In the summer, York University was commissioned by the Department of Health to conduct a study into Payment by Results and how to make it a fairer system for all providers. NHSPN submitted a paper explaining the key areas where discrepancies occur between the independent sector and the NHS. We also have representatives sitting on the Department of Health's External Advisory Group and its supporting Technical Working Group.

HCC enquiry into ISTCs

In July, the Healthcare Commission (HCC) published a report on ISTCs. Earlier in the year a leak of the HCC document had resulted in some ill-informed criticism, but NHSPN was able to exert influence to make sure that the final version was a fairer representation. This included submitting comments on the final draft, preparing a response and devising a media handling strategy in advance of publication. This focused on emphasising where ISTCs performed well, improvements in ways of working with the NHS and proposals for better cooperation between independent sector providers and the HCC and the Department of Health to develop an improved dataset that is meaningful to patients, commissioners and GPs.

Phase 2 ISTC Contracts

In November, the Department of Health announced that a number of the original Wave II

ISTCs were not going to go forward as planned and one existing ISTC would be terminated. This was a disappointment for NHSPN and its members but was not entirely unexpected. On the positive side it created an opportunity to stress the broader benefits of the ISTC programme, which the decision appeared to have overlooked; and the need to reassure the investment community that the Government remained fully committed to a pluralist system. During December and January a number of Government statements, including some from the Prime Minister, went out of their way to restate this commitment, thus stabilising the platform for the sector for the future. At the time of writing we await the outcome of the review of the remaining seven Wave II schemes on which decisions are still outstanding.

CBI ISTC report

NHSPN worked closely with the CBI in the preparation of its report on ISTCs. Members contributed case studies and statistics to demonstrate the contribution made by ISTCs even during their initial stages. NHSPN also contributed to the editorial process to ensure that the tone and presentation of the report was as helpful as possible. The report was released in early February, generating considerable media attention, of which NHSPN secured a significant share.

Darzi review

In summer 2007, NHSPN made a major submission to Stage 1 of Professor Lord Darzi's review looking at the future of the NHS. This emphasised the value of pluralism in terms of improved patient care, innovation and efficiency. The submission was well received and the Network followed up with a further submission as part of stage two of Professor Lord Darzi's review, this time focusing on how the

independent sector could contribute to the implementation of the new approach being developed by Professor Lord Darzi and his team.

CHKS

In December, NHSPN signed a contract with CHKS for the first phase of a project collecting and analysing comparative clinical data from IS providers. The project was run jointly with IHAS and will provide a basis for ongoing routine collection of benchmarking data, allowing meaningful comparisons both within the sector and with the NHS. NHSPN therefore hopes for the presentation of clear, clean and concise data by IS providers, which in turn can set a standard to which all providers should aspire.

The CHKS first draft report will be reviewed by the NHSPN Clinical Forum in March 2008 so that decisions can then be taken about ongoing data collection and benchmarking arrangements.

System management

During the last quarter of 2007, NHSPN members took part in important consultations with the Department of Health about the terms of the proposed new Principles for Competition and Cooperation, which were subsequently published as part of the new Operating Framework. These principles are a major step towards achievement of our goal of a genuinely 'level playing field' for all NHS providers. Subsequently, in early 2008, the Network has been fully involved in consultations about the implementation of these principles, including vital components such as the composition and role of the new Competition Panel and the Codes for Promotion and for Transactions (for example, NHS mergers and acquisitions).

Annex A:

Major high-level meetings

During the year, NHSPN members conducted a series of high-level meetings and briefings aimed at furthering the interests of members. These included:

May 2007

- Andy Burnham, Minister of State, Department of Health
- Letter to Gordon Brown, then Chancellor

June 2007

- Chan Wheeler, Commercial Director – General, Department of Health

July 2007

- Independent Sector reception with Ben Bradshaw, Minister of State, Department of Health
- Mark Britnell, Director-General of Commissioning and System Management, Department of Health

August 2007

- Chan Wheeler, Commercial Director – General, Department of Health
- Establishment of regular meetings with Robert Cleary, Head of Data at NHS Choices
- Mario Dunn, Special Adviser to the Secretary of State for Health

September 2007

- Bill Moyes, Chief Executive of foundation trust regulator, Monitor, was the guest speaker at the September NHSPN quarterly members' meeting
- Mario Dunn, Special Adviser to the Secretary of State for Health

- Seminar hosted by the NHS Confederation with Bob Ricketts, Head of Access Policy Development and Capacity, Department of Health
- Meeting with Healthcare Commission
- NHSPN supported the Health Hotel reception at the Labour Party conference, which was addressed by the Minister of State, Dawn Primarolo, and attended by the entire Government health team

October 2007

- Informal conversations with Andrew Lansley and the Conservative party conference
- Meeting with Andrew Lansley on the Conservative Party's draft bill

November 2007

- Anna Walker, Chief Executive of the HCC was the guest speaker the November NHSPN quarterly members' meeting
- Chan Wheeler, Commercial Director – General, Department of Health

December 2007

- Alan Johnson and Ben Bradshaw, Minister of State, Department of Health
- Mark Simmonds, Conservative Junior Health Spokesman

January 2008

- Mark Britnell, Director-General of Commissioning and System Management, Department of Health, and Bob Ricketts, Head of Access Policy Development and Capacity, Department of Health
- Chan Wheeler, Commercial Director – General, Department of Health

Annex B:

Sub-group Committee members

Workforce

David Hillier (chair)	Ramsay Healthcare UK
Lydia Aydon	Spire Healthcare
Steve Bennett	Care UK PLC
Gillian Deane	Circle
Carmel Flatley	Circle
David Highton	Circle
Richard Parker	Ramsay Healthcare UK
Ros Raitshell	UKSH
Amanda Watkins	Partnership Health Group

Political and Policy

Matthew James (chair)	Nuffield Hospitals
Lydia Aydon	Spire Healthcare
Geoff Benn	Care UK PLC
Jan Benson	Netcare UK
Fiona Calnan	UKSH
David Highton	Circle
David Hillier	Ramsay Healthcare UK
Richard Jones	Spire Healthcare
Jonathan Pearson	Circle
Grant Rex	Partnership Health Group
Andrew Smith	Alliance Medical Ltd

Commissioning and Contracting

Geoff Benn (chair)	Care UK PLC
Peter Ackerman	Circle
Lydia Aydon	Spire Healthcare
Jan Benson	Netcare UK
Andrew Campbell	Circle
Ian Deans	Partnership Health Group
Rosemary Hackett	Partnership Health Group
Tracy Hampson	Nuffield Hospitals
Jane Higgins	Partnership Health Group
David Hillier	Ramsay Healthcare UK
Mark Hunt	Care UK PLC
Emma Inston	Spire Healthcare
Matthew James	Nuffield Hospitals
David Loasby	Spire Healthcare
Rozan Newfeldt	Partnership Health Group
Elizabeth Potter	Spire Healthcare
Chris Smith	Netcare UK
Jennifer Tait	Circle
Hilary Thomas	Care UK PLC
Emma Tobin	Nuffield Hospitals
David Tomlinson	Partnership Health Group
Richard Tuson	General Healthcare
Douglas Watson	Ramsay Healthcare UK

Regulation and Clinical Forum

Jan Benson (chair)	Netcare UK	David Highton	Circle
Jonathan Asbridge	Circle	David Hillier	Ramsay Healthcare UK
Lydia Aydon	Spire Healthcare	June Holden	UKSH
Su Barnett	Nuffield Hospitals	Matthew James	Nuffield Hospitals
Geoff Benn	Care UK PLC	Richard Jones	Spire Healthcare
Maureen Breen	Netcare UK	Simon Mellor	Alliance Medical Ltd
Fiona Calnan	UKSH	Jonathan Pearson	Circle
Matthew Calver	Spire Healthcare	Marian Pearson	Nuffield Hospitals
Jane Cameron	Ramsay Healthcare UK	Grant Rex	Partnership Health Group
Jan Clement	Spire Healthcare	Andrew Smith	Alliance Medical Ltd
JJ de Gorter	Spire Healthcare	Hilary Thomas	Care UK PLC
Paul Evans	Partnership Health Group	David Tomlinson	Partnership Health Group
Massoud Fouladi	Circle		

THE NHS CONFEDERATION
the voice of NHS leadership



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