

Business plan

2024/25

NHS
Resolution



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Part 1:

Introduction



Part 1:

Introduction

Welcome from our Chair and Chief Executive

Welcome to our business plan for 2024/25. This sets out our financial and delivery plans for the third year of *Advise, Resolve and Learn: Our strategy to 2025*.

Against a backdrop of well-documented workforce and service-related pressures on the health service, NHS Resolution performs a vital function in providing stable and comprehensive indemnity, resolution and advisory services. By 2025, our indemnity model will have been in place for 30 years, having developed over its lifespan to support general practice and respond to the Covid-19 pandemic as well as to deliver incentives for safety improvement and unique insights on safety back to the NHS. We have built effective relationships across the NHS and in justice and the wider legal system to deliver the best possible service for public funds and in support of shared objectives to improve healthcare for NHS patients.

For the coming year, our focus will be on the next phase of modernisation and change. NHS Resolution has led innovation in dispute resolution which year on year has led to more claims for compensation being resolved out of court than ever before. This avoids further distress for patients and NHS staff and reduces costs. To maximise these benefits, the next phase of our Claims Evolution Programme in 2024/25 will bring more claims management in-house to NHS Resolution and reduce the money spent on external legal costs. This will enable us to build on our dispute resolution approach in pursuit of our ambition that no compensation claim against the NHS should be litigated unless it is absolutely necessary.

At the same time, we will be moving to the next and final stage of the development and roll-out of our new, modern case management system, CaseHub, across the business.

This is a significant technology programme for NHS Resolution and will be our main priority for 2024/25 in order to ensure that we deliver the expected benefits of this investment. CaseHub will accelerate efficiencies in how we work, streamline how we interact with the NHS and boost our analytical capability.

This will mean we can provide even better value for public funds and enhance our role in sharing insights for safety improvement.

In parallel, we will need to be ready to respond to expected changes in the legal market. In addition, a scheduled review of the Personal Injury Discount Rate (PIDR) will carry significant operational and financial implications for our work together with a degree of uncertainty as to the outcome and market response. We will prepare and stand ready to respond to the announcement and the impact that follows.

Part 1:

Introduction

Our strategy to do all we can to improve safety in healthcare, using the information, levers and influence that we hold, remains unchanged. NHS Resolution will be contributing to a number of ongoing inquiries in the coming year, which will require that we prioritise our resource to do this to the best of our ability. Safety in maternity services remains a key focus and we will conclude the evaluations of our Maternity Incentive and Early Notification schemes to ensure that the future development of those schemes enables them to reach their maximum potential in terms of benefits for patient safety and how we respond to harm. A new 'recommendation to implementation' tool that we are piloting with NHS emergency departments will show how the plethora of recommendations that NHS trusts have to address can be aligned to local pressures and safety management concerns to help set priorities.

Our work *Being Fair* set out a more reflective approach to learning from incidents and supporting healthcare staff, and we have aimed to weave this into all of our services.

Supporting our NHS workforce is critical to safer care, and our Practitioner Performance Advice Service, which performs a vital function in this regard, will drive forward its work to provide a holistic, organisation-wide view of performance concerns to organisations who come to us for support as well as responding to the increased demand for our services.

As for many of our NHS partners, the environment we work in is becoming increasingly complex and, as we deliver our core services alongside our transformation programmes, we expect a challenging and pressured year ahead.

We are therefore grateful to our NHS partners, our sponsoring department and to our own staff for their commitment and hard work to ensure we deliver all that we set out to achieve in this ambitious plan.



S Cheshire

Sally Cheshire

Chair



Helen Vernon

Helen Vernon

CEO

Part 1:

Introduction

Who we are and what we do

We are an arm's length body of the Department of Health and Social Care (DHSC), tasked with:

Administering a range of indemnity schemes to cover the risks involved in delivering general practice and secondary healthcare services in England.

Delivering expert advice and support on the management of concerns about the performance of doctors, dentists and pharmacists.

Using our unique perspective across the causes of claims, performance concerns and contracting disputes to provide insights back to the NHS to help to improve safety and manage risk.

Resolving contracting disputes between primary care contractors and commissioners of primary care, operating independently and transparently.



Part 1:

Introduction

Figure 1: Our strategic aims for 2022-25

Our strategic priorities



Priority 1. Deliver fair resolution

All of our services will focus on achieving fair and timely resolution, wherever possible keeping patients and healthcare staff out of formal processes to minimise distress and cost.



Priority 2. Share data and insights as a catalyst for improvement.

Ensuring that our unique datasets help derive usable insights that benefit patients and the healthcare and justice system.



Priority 3. Collaborate to improve maternity outcomes.

Bringing together key parties to determine what further improvements can be made within our areas of expertise to support the Government's maternity safety ambition.



Priority 4. Invest in our people and systems to transform our business.

Developing our people, systems and services so that we can continue to deliver best value for public funds.

Our services

Claims Management

Delivers expertise in handling both clinical and non-clinical claims through our indemnity schemes.

Practitioner Performance Advice

Delivers expert advice, support and interventions on the fair management of concerns about the performance of doctors, dentists and pharmacists.

Primary Care Appeals

Offers an impartial resolution service for the fair handling of primary care contracting disputes.

Safety and Learning

Supports the NHS, our members and beneficiaries to better understand their claims risk profiles, to target their safety activity while sharing learning across the system to improve patient care.

Enabled by

Digital, Data, and
Technology, and
Transformation

Finance and
Corporate
Planning

Policy,
Strategy and
Communications

Our values

Professional

We are dedicated to providing a professional, high quality service.

Expert

We bring unique skills, knowledge and expertise to everything we do.

Ethical

We are committed to acting with honesty, integrity and fairness.

Respectful

We treat people with consideration and respect and encourage supportive, collaborative and inclusive team working.

Part 1:

Some of our achievements in 2023/24



Resolution

Reduced the volume of claims entering a formal process, thereby saving costs, and providing earlier resolution for patients and healthcare staff.

Expanded our dispute resolution options and resolved over 16,834¹ claims for compensation.

Managed a range of sensitive and precedent-setting cases to a conclusion, including in the appeal courts and established innovative compensation approaches to groups of claims.

Brought our partners in legal, governance and clinical teams in the NHS together, to share how we respond when things go wrong and how we resolve compensation claims together, delivering 21 events.

Resolved 276 primary care contracting appeals and disputes, many of which raised new issues. Our Primary Care Appeals service resolved the remaining Covid-19 payment disputes. While the overall number of payment disputes was low, the total value of the disputes amounted to £2.5 million².

Opened 956 new requests for advice from healthcare organisations with concerns about the practice of individual practitioners as well as services.

Delivered 46 education programmes across the NHS to improve how the service responds to performance concerns in the workforce.



Insights

Published five *Insights* papers relating to Practitioner Performance Advice.

Held an in-person national emergency medicine conference, attended by 147 delegates, aimed at bringing together professionals working in emergency departments across England to share learning from compensation claims and on-the-ground experiences of how to improve care.

Published updated claims scorecards, an interactive improvement tool to enable NHS trusts to extract and analyse information on high-value and high-volume claims.

Launched our new podcast series with the first episode focusing on how insights from claims data can be used by emergency medicine teams to help improve safety.

Worked with our legal panel firms, drawing on their collective expertise to inform current and future priorities for NHS Resolution and our partners in improving safety and the response to compensation claims.

Delivered a range of claims webinars to almost 400 NHS delegates, focusing on topics such as compassion in claims management, working in the independent sector and LTPS claims. Of the delegates who attended the independent sector webinar, 82% said they learned something new or heard a new insight.

Continued to operate, and continuously improve, our framework to manage concerns referred to our Significant Concerns Group including the addition of a specific process to manage and respond to immediate concerns.

¹ This figure represents all clinical and non-clinical claims settled in 2023/24.

² This relates to Secretary of State for Health and Social Care directions to NHS Resolution to determine pharmacy payment disputes in relation to the costs incurred by pharmacies for providing services during the Covid-19 pandemic. Our Primary Care Appeals service resolved the remaining Covid-19 payment disputes in relation to decisions taken by NHS Business Services Authority to either refuse to make payments or to recover past payments.

Part 1:

Some of our achievements in 2023/24



Maternity

Strengthened how we connect with families who interact with our services, including appointing a family liaison officer, continuing the valuable work with our Maternity Voices Advisory Group and holding a parent focus group to help us improve how we communicate with families engaged with our Early Notification Scheme.

Led by our Advice service, we launched our new maternity team review aimed at the team-related issues that can affect performance in maternity services in England.

Launched our [e-learning module](#) specifically focused on maternity care. The module uses three illustrative case stories to support clinicians working in maternity services. Since its launch in June 2023, 904 users have accessed the module.

Commenced the evaluation of our Early Notification and Maternity Incentive schemes.

Worked with our Collaborative Advisory Group to develop the Maternity Incentive Scheme to respond to the current pressures on maternity services and further incentivise safety improvement. Supported and informed the work of national policy and inquiries into the safety of maternity services.



Investing in people and systems

Achieved Disability Confident Level 3 accreditation.

Shifted our entire Claims Management service to a regional model to align with NHS structures, strengthening the connection with local NHS services and our teams. This has enabled a deeper shared understanding of the challenges experienced by healthcare providers and of opportunities to learn from claims. In line with the achievement of a reduction in litigation, we have built on the opportunity this creates to save costs by progressing the first phase of our plan to undertake more claims work in-house.

Completed the first phase of a pilot of our Claims Support service, which will drive efficiencies in claims management while making the most of our in-house expertise.

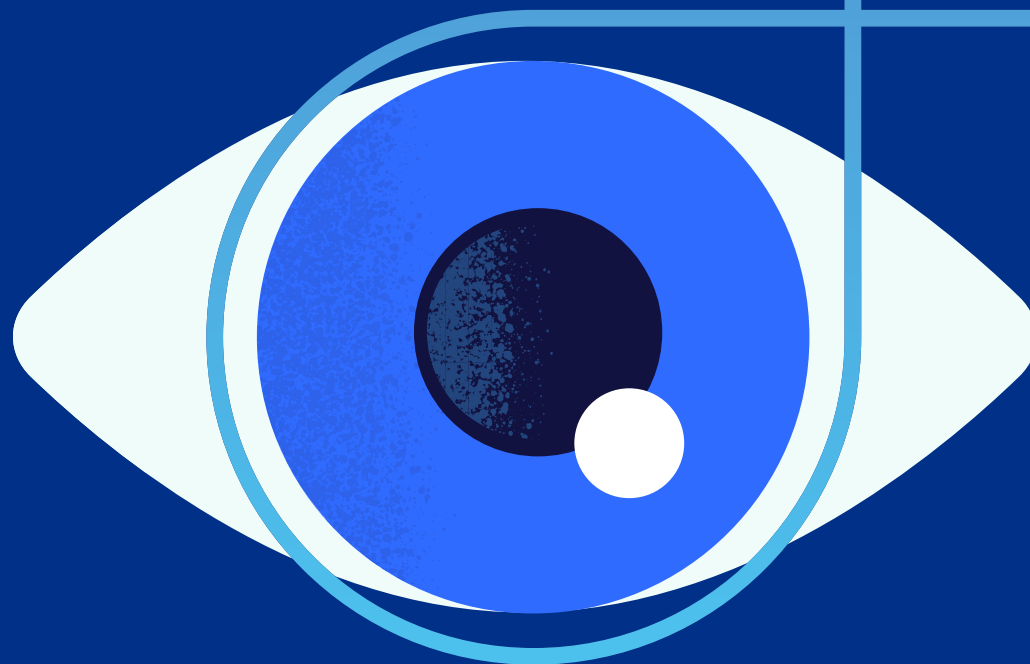
Implemented our new IT system, CaseHub, for our Advice service, applying learning from the early adopter model to the upcoming roll-out for the Claims Management service.

Part 2:

Our focus for 2024/25

We will continue to focus on the delivery of our core services, efficiently and to a high standard. In parallel we will drive forward necessary and planned changes and improvements to our services and how we operate to ensure that we are keeping pace with wider changes in the NHS and justice systems and taking advantage of opportunities such as developments in technology and upcoming changes in the legal environment.

Pages 11-15 provide an overview of our in-year deliverables against each of our four strategic priorities. To ensure we are effectively tracking performance against our business plan deliverables, we have developed annual key performance indicators (KPIs) which are listed in *Part 4: Our performance*. Oversight of the activity detailed in this plan is through the governance framework detailed in *Part 3: Our governance*.



Strategic priority 1:

Delivering fair resolution

All of our services will focus on achieving fair and timely resolution, wherever possible keeping patients and healthcare staff out of formal processes to minimise distress and cost.

Claims Management

Our [Claims Management](#) (Claims) service provides expertise in handling both clinical and non-clinical claims to members of our Indemnity Schemes (KPIs 1 and 2).

In 2024/25 we will:

Enhance our approach to dispute resolution via resolution meetings, mediation, early neutral evaluation and stock takes. This will include progressing our claims mediation supplier tender.

Refresh our approach to the Covid-19 protocol³, improving co-operation between all parties, supporting the resolution of more claims pre-action.

Implement effective processes to manage any changes in the legal market and upcoming potential changes to the PIDR.

Support the implementation of CaseHub, taking advantage of the new technology to drive efficiencies in claims resolution.

Practitioner Performance Advice

Our [Practitioner Performance Advice](#) (Advice) service provides advice, support and interventions in relation to concerns about the individual performance of doctors, dentists and pharmacists (KPIs 4 and 5).

In 2024/25 our Advice service will:

Support the further development of our new IT system, CaseHub while developing organisational activity reports and Advice, Assessment and Remediation services.

Primary Care Appeals

Our [Primary Care Appeals](#) (Appeals) service will provide prompt and fair resolution of appeals and disputes between primary care contractors or those wishing to provide primary care services and the commissioners of primary care services (KPI 3).

In 2024/25 we will:

Gain feedback on our service to help inform service improvement and enhance user experience.

³ Our Covid-19 Clinical Negligence Protocol has improved co-operation between all parties, supporting the resolution of more claims pre-action. The protocol outlines a best practice approach to claims handling agreed between the Society of Clinical Injury Lawyers (SCIL), the patient safety charity Action against Medical Accidents (AvMA) and ourselves, and encourages a collaborative relationship between lawyers acting for patients and defendant organisations as well as removing barriers to resolution such as limitation periods.

Strategic priority 2:

Sharing data and insights as a catalyst for improvement

Ensuring that our unique datasets help derive usable insights that benefit patients and the healthcare and justice systems.

We will share our insights in a range of ways and with a wide range of stakeholders across the healthcare system. In 2024/25 this will include publishing learning from claims and cases in addition to hosting events and webinars to share learning with both frontline clinicians and those working in the health and justice sectors (KPIs 6 and 7).

In 2024/25 our [Safety and Learning](#) service will continue to progress our innovative 'recommendation to implementation' work, piloting a tool that sets out in one place recommendations from our three [thematic reviews](#) focusing on clinical negligence claims in emergency departments in England. The tool provides a clear 'ward to board' methodology for improvement and assurance.

We will also work closely with the DHSC, other Government departments and other arm's length bodies, contributing our data and expertise. As we await further developments following the Health and Social Care Select Committee's inquiry into litigation reform, we will continue to support work on options for change as part of our national role as experts in compensation claims arising from healthcare.

Strategic priority 3:

Collaborating to improve maternity outcomes

We will build on our reputation as a trusted partner in the maternity healthcare system, bringing together key parties to see what more can be done to support the Government's maternity safety ambition to halve rates of stillbirth, neonatal and maternal death and brain injuries that occur during or shortly after birth by 2025.

We recognise that avoidable errors in maternity services still occur and that incidents have devastating consequences for the child, mother and wider family, as well as the NHS staff involved. We can never reverse the damage that has been caused but what we can do is play our part to support those affected by these incidents and bring in measures to improve maternity care in the future.

Through our Early Notification Scheme, in 2024/25 we will continue to develop our processes to ensure families receive compensation more quickly (KPIs 9 and 10), supported by improved engagement with families affected. We will also complete the evaluation of the scheme. The planned evaluation will focus on the impact of earlier investigation on clinical outcomes, legal admissions and on the experiences of families and clinicians involved in claims. We will work with our Maternity Voices Advisory Group and others to consider the findings of the evaluation, ensuring that we provide an effective and compassionate response to families affected by maternity incidents, within the current legal frameworks.

We will continue to deliver the Maternity Incentive Scheme (KPI 11), aiming to improve the scheme to ensure it focuses on supporting harm reduction. We will complete a robust evaluation of the scheme.

In addition, we will continue to support the Government to deliver their maternity safety ambition and, where relevant to our work, the Women's Health Strategy.

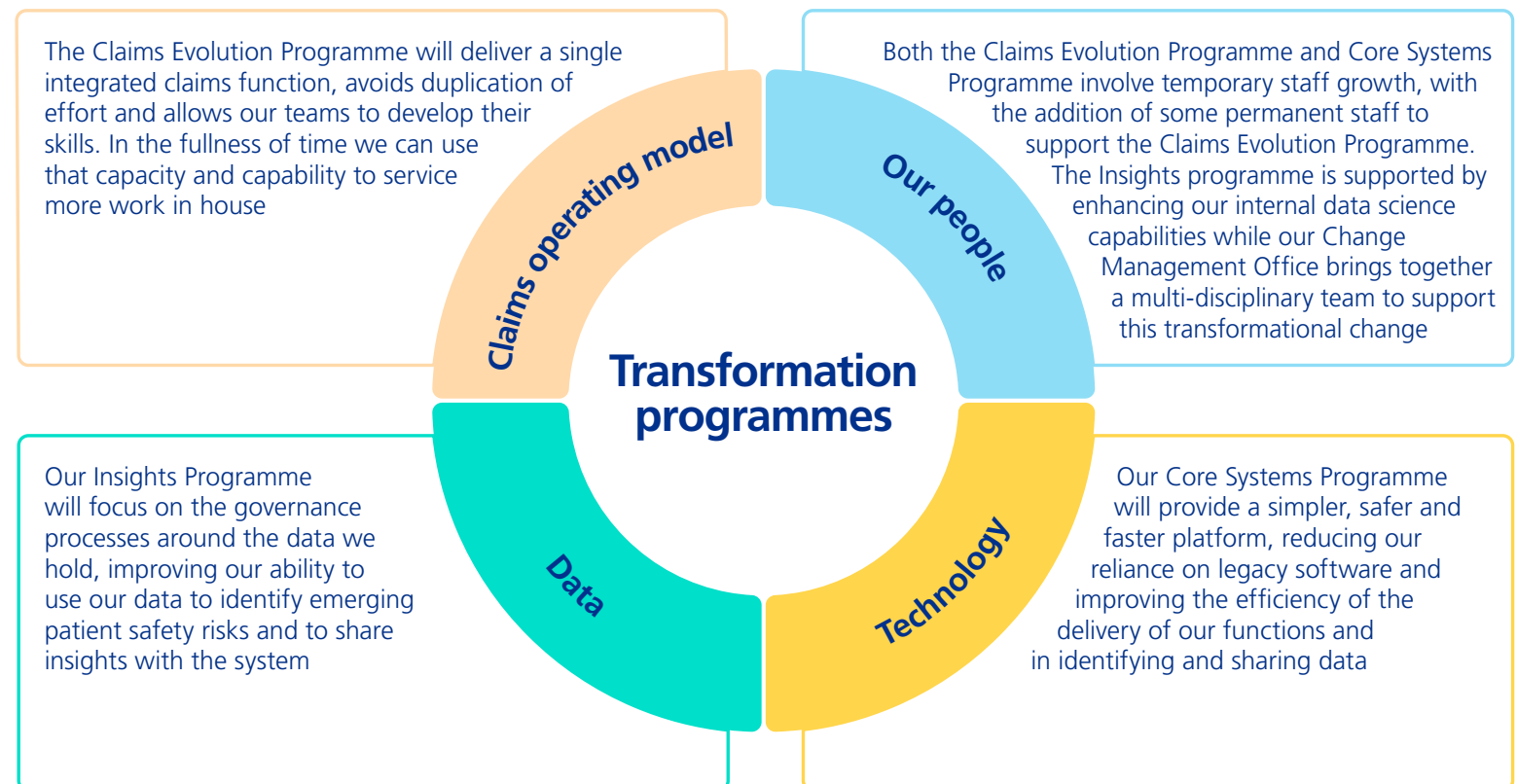
Strategic priority 4:

Investing in our people and systems to transform our business

We will develop our services to support wider changes in the NHS and we have initiated two change programmes to invest in our people, systems and services to continue delivering best value for public funds.

We are taking a pragmatic and paced approach to our two transformation programmes, the Core Systems Programme and the Claims Evolution Programme, allowing us to be responsive to changes in the NHS, the external environment and the needs of our stakeholders. Figure 2 provides further detail on our approach to our transformation programmes.

Figure 2: Transformation programmes



Strategic priority 4:

Investing in our people and systems to transform our business

Having successfully migrated our Advice cases to CaseHub as part of our Core Systems Programme in the last financial year, we will be focusing on migrating our Claims and Appeals services (KPI 12). CaseHub is a new, modern case management system that will make it easier to interact with NHS Resolution, increase our analytical capability and deliver efficiencies such as automation. By the end of the year we will also have added the administration of our [Healthcare Professional Alert Notices \(HPANs\)](#), managed by our Advice service. Once the implementation of the Core Systems Programme is complete, work to continually improve and update the functionality of CaseHub will become part of our business-as-usual activity.

In 2024/25 we will also continue to progress all workstreams associated with the Claims Evolution Programme, bringing more claims management work in-house, resulting in planned reduction on the money we spend on external lawyers. This year we will be focusing on:

- bringing more of our pre-litigation work in-house
- fully embedding the Claims Support service, enabling case managers to be more efficient and make better use of their expertise by undertaking less administrative work and focusing more on technical case work.

Alongside a reduction in external legal costs, the Claims Evolution Programme will enable us to manage more cases outside of the litigation process and help us to continue to build on a more collaborative approach to dispute resolution, reducing stress to patients and staff.

As described on page 23, we will also continue to support our staff (KPI 13), including throughout its transformational phase, in addition to managing our budget within net Departmental Expenditure Limits (KPI 14).

Part 3:

Our governance



Part 3:

Our governance

Governance framework and structures

We report on the organisation's performance to the Board and to the DHSC on a regular basis in accordance with the Framework Agreement with the DHSC.

Our Chief Executive, as NHSR's Accounting Officer, and the Board are responsible for taking forward the strategic aims and objectives of NHS Resolution consistent with our overall strategic direction.

The Board has four committees to enable it and our Accounting Officer to discharge their responsibilities.

The four committees are as follows:

- Audit and Risk Committee (ARC)
- Remuneration and Terms of Service Committee (RemCo)
- Reserving and Pricing Committee (RPC)
- People Committee (PC)

The committees are each made up of members of the Board and include at least one independent Non-Executive Director. In addition, appointments of independent members who are not full Board members are made to ARC, RPC and PC to provide access to a broader range of relevant skills and experience.

You can find out more about [our governance structures and the role of the Board and its committees](#) on our website.

Executive leadership

The Senior Management Team (SMT) includes the directors from across the organisation.

The SMT meets most weeks and discusses issues concerning the activity of NHS Resolution for which the SMT has oversight or approval is required, including resource management, planning, governance arrangements, complaints and stakeholder management.

The SMT reviews particular areas of our activity or areas of development and considers any changes in the external environment that may have an impact on NHS Resolution and its services.

Part 3:

Our governance

SMT governance sub-groups

As illustrated in table one, we have established internal governance groups that provide operational leadership on matters related to business plan delivery. These groups provide assurance to the SMT through regular reporting and the escalation of any risks or issues that could impact our business objectives.

Table 1: SMT governance sub-groups

SMT sub-group	Function
Change Management Group (CMG)	<p>Oversees the governance, commissioning and implementation of projects and programmes to enable delivery of the business plan.</p> <p>Ensures Value for Money and benefit realisation.</p> <p>Ensures that best change management practice is identified and shared within the organisation.</p>
Information Governance Group (IG)	<p>Provides expertise to enable the production, oversight and maintenance of key information governance policies and protocols in line with legal and organisational requirements.</p> <p>Has operational oversight of the maintenance of ISO 27001 certification.</p>
Operational Delivery Group (ODG)	<p>Monitors the delivery of business plan objectives and identifies associated risks and issues.</p> <p>Reviews operational performance and ensures improvement plans are implemented.</p> <p>Ensures compliance with the policies approval process and assesses key changes to operational policies.</p>
Significant Concerns Group (SCG)	<p>Supports the prompt and effective management of significant concerns identified by individual NHS services. Functions where these give rise to a need for a coordinated organisational response.</p>
Workforce Delivery Group (WDG)	<p>Provides dedicated focus on workforce development and management (both the Human Resources and Organisational Development aspects).</p> <p>Ensures NHS Resolution has an effective organisational culture, workforce plan and consistent application of HR policies that support delivery of organisational objectives.</p> <p>Ensures compliance with relevant legislation and DHSC/wider Government directives.</p>

Part 3:

Our governance

1

Governance and accountability

We have in place a system of internal controls/governance which includes policies, procedures, practices and organisational structures designed to provide reasonable assurance that objectives will be achieved, and that any risks will be eliminated where possible. What we currently have in place:

2

Capacity to handle risk

Through our risk management framework, we regularly consider the risks and issues that could have an impact on the achievement of our business objectives. This includes consideration of the controls we have in place to mitigate those risks and, where required, developing plans to bring those risks within appetite. Risk reporting and escalation is set out in our [risk management policy and procedure](#), which is published on our website.

3

Management assurance

Our assurance framework brings together governance and quality linked to our strategic objectives. Its purpose is to ensure that systems and information are available to provide assurance on identified strategic and operational risks and that such risks are being controlled and objectives achieved.

4

Internal audit

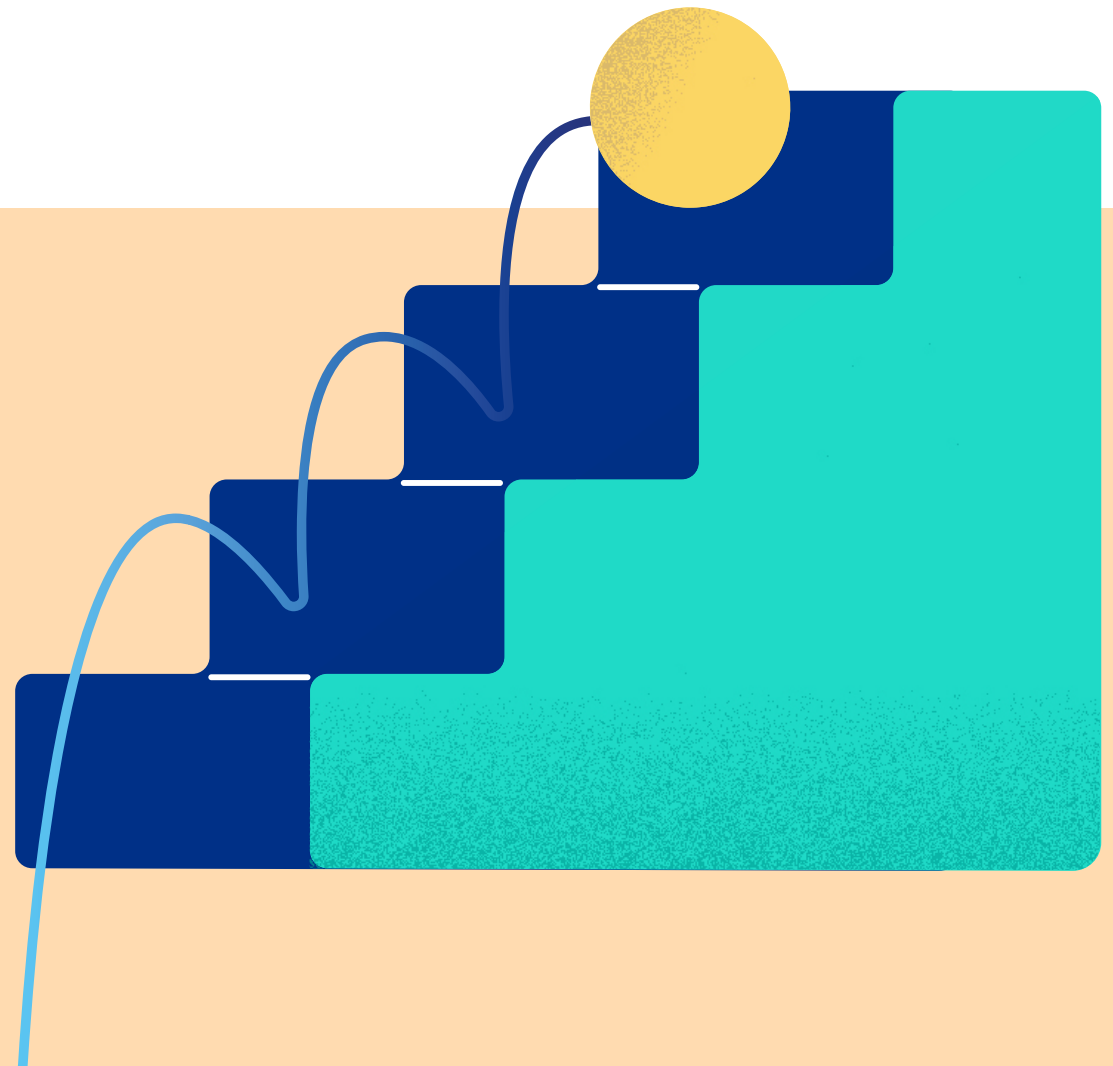
Our internal audit plan is developed in conjunction with management and the Audit and Risk Committee to focus on areas of risk, and provide insight, advice and assurance on our internal controls. Further information on our assurance and controls can be found in the [Governance section of our Annual Report and Accounts](#), which can be found on our website.

Part 4:

Our performance

We review our performance metrics annually to ensure they continue to reflect our strategic priorities and the external environment. These metrics are monitored through our internal performance framework, including bimonthly performance reporting to NHS Resolution's Board, as well as through quarterly accountability meetings with the DHSC.

We are continuing to take forward work in 2024/25 to review our corporate planning, performance reporting and risk management frameworks to ensure we are effectively tracking performance against delivery of our strategy and managing associated issues and risks. We will also closely monitor the implementation of CaseHub, recognising the potential impact this may have on our business-as-usual work throughout the year.



Part 4: Our performance

Table 2: Annual Key Performance Indicators

Annual KPI No	Strategic priority	Annual KPI	Area	Target ⁴
1	Resolution	Time to resolution from claims decision to agreement of damages	Claims Management	Internal
2	Resolution	Reduction in volume of cases that enter litigation before appropriate dispute resolution	Claims Management	Internal
3	Resolution	80% of pharmacy appeals where decision maker agreed with recommendation of case manager	Primary Care Appeals	80%
4	Resolution	90% of advice and other case interventions delivered within target timeframe	Practitioner Performance Advice	90%
5	Resolution	90% of all exclusions/suspensions critically reviewed (where due)	Practitioner Performance Advice	90%
6	Insights	Demonstrate engagement with the system to share learning products/services; respond to feedback on these; and review evidence of uptake/implementation	Safety and Learning	90%
7	Insights	90% of delegates rate the workshops not less than 4 out of 5 for overall quality	Practitioner Performance Advice	90%

⁴ KPIs with internal targets are not reported externally due to commercial sensitivity.

Part 4: Our performance

Table 2: Annual Key Performance Indicators

Annual KPI No	Strategic priority	Annual KPI	Area	Target
8	Insights	<p>Significant concerns⁵:</p> <ul style="list-style-type: none"> • Demonstrate that concerns raised through our Significant Concerns Group have included relevant qualitative info • Demonstrate that concerns raised through our Significant Concerns Group have appropriate steps taken (combination of appropriate steps and actions completed) • Demonstrate that concerns raised through our Significant Concerns Group have appropriate steps taken in a timely way 	Organisation-wide	100%
9	Maternity	Reduction in the time from notification to a decision on entitlement to compensation on an Early Notification Scheme case compared to a similar cerebral palsy case received via the traditional claims route	Claims Management	Internal
10	Maternity	EN clinical review within 30 days of acceptance within the Early Notification Scheme	Safety and Learning	100%

⁵ This KPI has been included to monitor the effectiveness of the operation of the framework to manage concerns which have been referred by individual functions to the cross-organisational Significant Concerns Group. More information about NHS Resolution's Significant Concerns Group can be found on pages 52–53 of NHS Resolution's 2022/23 Annual Report and Accounts.

Part 4: Our performance

Table 2: Annual Key Performance Indicators

Annual KPI No	Strategic priority	Annual KPI	Area	Target
11	Maternity	Maternity Incentive Scheme reverification – 90% of reverification processes completed within their respective predefined timescales	Safety and Learning	90%
12	Invest in our people and systems	General Practice Indemnity schemes and Clinical Negligence Scheme for Trusts claims being managed on CaseHub by the end of the financial year	Digital, Data and Technology and Transformation	Internal
13	Invest in our people and systems	Management of budgets within net Departmental Expenditure Limits. Measured as income from members plus budget from DHSC vs expenditure	Finance	No overspend, underspend within 5%
14	Invest in our people and systems	We continue to maintain the Investors in People ‘We invest in People Gold’ accreditation	Human Resources and Organisational Development	Investors in People annual review recommends NHS Resolution is on track to retain ‘We invest in people Gold’ accreditation ⁶

⁶ Formal reaccreditation will take place in 2026.

Part 5:

Our people

We published our People strategy in 2022/23, setting out the people-related activity required to support implementation of our strategy to 2025. All of the existing or planned interventions under the strategy are aligned to the Investors in People (IiP) indicators, demonstrating our ongoing commitment to best practice and continuous improvement as we look to consolidate on our achievement of the Gold IiP standard.

Our People strategy consists of five pillars, all of equal importance built upon foundations of organisational culture, communication and engagement, and HR and OD digitalisation, as illustrated on the next page.



Part 5: Our people

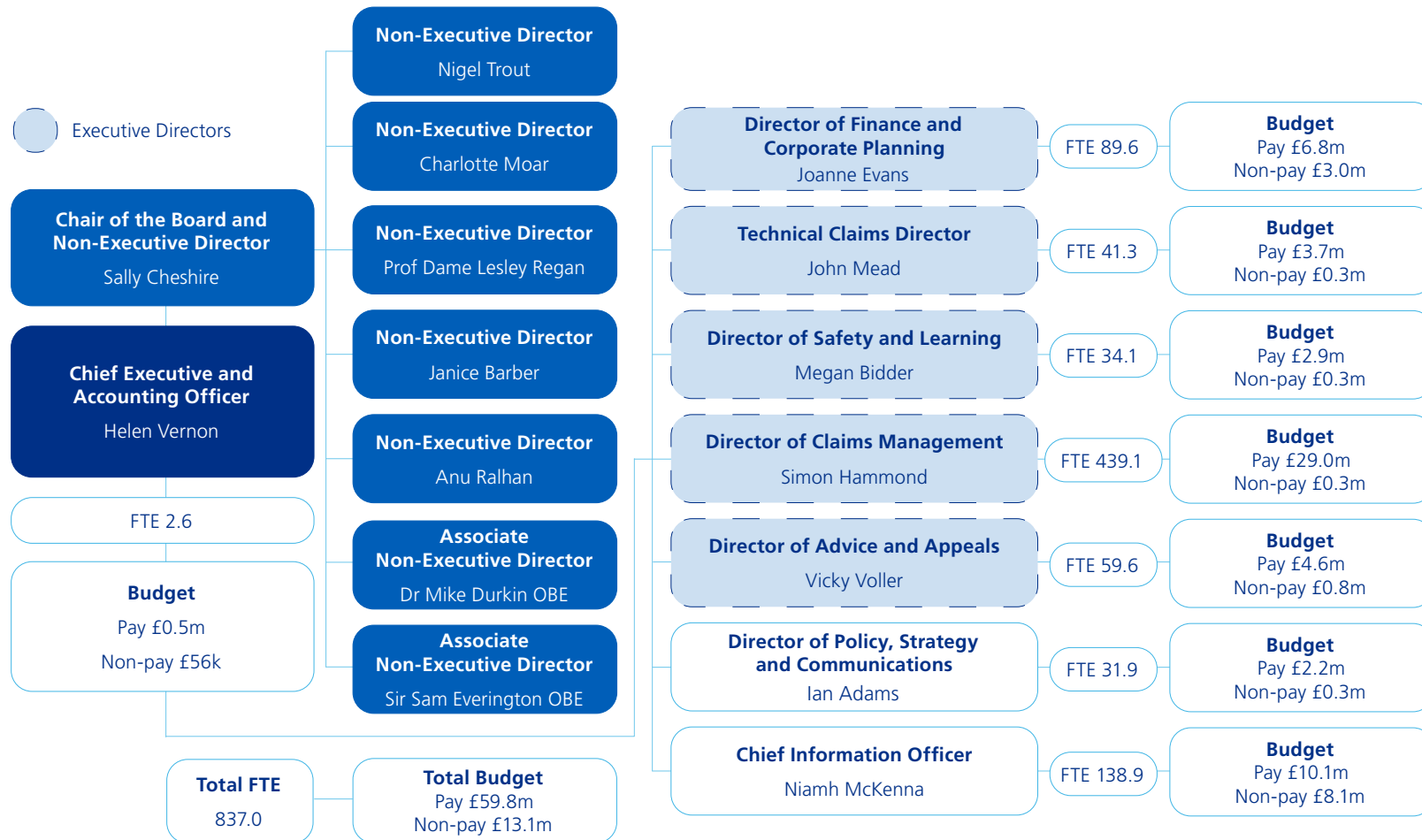
Figure 3: NHS Resolution's People strategy



To ensure that we continue to support our workforce throughout its transformational phase, and in accordance with our People strategy, we intend to support workforce developments at the right time and in response to the specific activities needed to deliver our transformation agenda.

Part 5: Our people

Figure 4: Overview of our resource and full-time equivalent (FTE) requirements for 2024/25^{7,8}



⁷ Please note this figure does not include an average of 13.4 FTE within the Core Systems Programme, which will be capitalised as part of the project.

⁸ The pay and non-pay figures have been rounded up to one decimal place.

Part 6:

Our resources

This section sets out our revenue funding streams and planned expenditure against them. The relative size of the various schemes we operate are shown visually in the graphs and highlight the scale of the Clinical Negligence Scheme for Trusts (CNST) relative to our other activities.



Part 6:

Our resources

NHS Resolution receives funding in two ways:

1

Income from members of the CNST, Liabilities to Third Parties Scheme and Property Expenses Scheme, and from customers of training and other services offered by our Practitioner Performance Advice service.

2

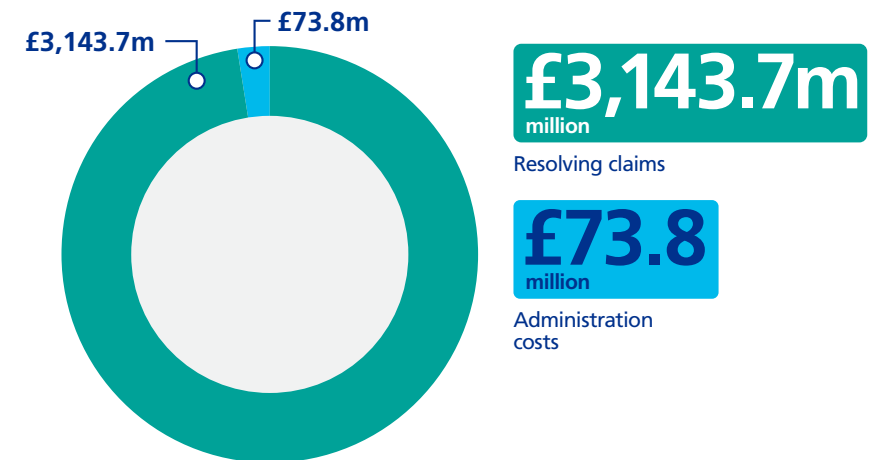
Grant-in-aid funding (cash financing) for services determined by the DHSC, e.g. Practitioner Performance Advice, Primary Care Appeals, indemnity schemes for legacy health bodies and for general practice and coronavirus indemnity scheme arrangements. In addition, income, grant-in-aid funding and expenditure are subject to a number of budgetary classifications within which we are required to manage. The key dimensions are programme (relating to frontline expenditure, i.e. NHS), and administration (relating to DHSC requirements).

Tables three to six show the various elements of our budgetary framework. The Revenue Resource Limit is the budget total for our revenue expenditure net of income.

As illustrated in figure five our total expenditure budget for 2024/25 is currently £3,217.5m, the majority of which (97.7%) is spent on resolving claims. Our total administration costs represent less than 2.3% of our overall expenditure.

Of the above £3,217.5m, NHS members contribute £2,925.9m in income as part of indemnity scheme membership and total funding from DHSC is £291.6m. Additionally, Practitioner Performance Advice plans to generate £1.0m of income to cover the cost of delivering Advice services not stated as free to customers outside of England.

Figure 5: A breakdown of NHS Resolution's total expenditure budget for 2024/25



Part 6: Our resources

Table 3: Current annual expenditure 2024/25

Indemnity scheme expenditure	£m	Administration expenditure	£m
Clinical Negligence Scheme for Trusts	2,821.2	Member funded schemes administration	51.7
Liabilities for Third Parties Scheme	44.0	Administration of General Practice indemnity schemes	13.4
Property Expenses Scheme	9.0	Administration of Coronavirus indemnity schemes	0.6
Department of Health and Social Care clinical liabilities	86.3	Grant in Aid expenditure for Practitioner Performance Advice and Primary Care Appeals	6.3
Existing Liabilities Scheme	24.9	Pension and Agenda for Change pay uplifts	1.8
Department of Health and Social Care non-clinical liabilities	9.1	Total administration expenditure	73.8
Ex-Regional Health Authority	1.3		
Clinical Negligence Scheme for General Practice	51.0		
Existing Liabilities Scheme for General Practice (MPS and MDDUS)	95.0		
Clinical Negligence Scheme for Coronavirus	1.9		
Total indemnity scheme expenditure	3,143.7		

Part 6: Our resources

Table 4: Current annual budget 2024/25 – ring-fenced depreciation and impairments

Ring-fenced depreciation and impairments	£m
Depreciation	3.1
Impairments	0
Total ring-fenced depreciation and impairments	3.1

Capital expenditure

Capital expenditure related primarily to the development and implementation of CaseHub (as referenced on page 15), which will replace our legacy Claims Management System, plus further spend anticipated on IT equipment and software.

Table 5: Capital expenditure

Capital expenditure	£m
Capital expenditure 2024/25	3.9
Total capital expenditure	3.9

Glossary

An online glossary is available to support this document.

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