

Business plan 2020/21

July 2020



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Welcome from our Chair and Chief Executive

Welcome to our business plan for 2020/21 which sets out our financial and delivery plans as we enter into the fourth year of our now [refreshed five year strategy](#).

Our direction

This year, we have undertaken a refresh of our corporate strategy to take stock of where we are now and take into account changes and developments in the external environment, such as the NHS Patient Safety Strategy, and the NHS Long Term Plan. Our approach also considers the UK's preparations for the end of the transition period and the future relationship with the EU and the rest of the world.

Our vision and key priorities are largely unchanged, but a key change since April 2019/20 is that we now provide indemnity cover for general practice. This means that, for the first time, information on claims arising in both primary and secondary care can be brought together in one place.

We launched our current corporate strategy in 2017 and at the same time we rebranded all of our services under a new identity of NHS Resolution. Our continued focus is on resolving concerns and supporting care providers and the wider health system to learn from the incidents which become

concerns. We have successfully connected our service areas to enable shared insight and learning, for example, launching joint events to our primary care audience across our Primary Care Appeals, Practitioner Performance Advice and Claims Management services.

We are proud of what we have achieved with our continued focus on resolving claims, concerns and appeals, reducing the level of formal litigation, pioneering mediation within healthcare claims and developing a bespoke model offering packages of tailored support for faster resolution of practitioner concerns. We have developed new models for investigation and learning in maternity via our Early Notification (EN) scheme and introduced a new framework to ensure that where we identify areas of potential wider concern, we take appropriate action.

We have contributed to patient safety by continuing to look at high risk areas for claims; most recently in emergency medicine.

Key figures

- Payments in respect of clinical negligence claims for England in 2018/19 were £2.4 billion for secondary care, compared with £0.8 billion in 2008/09. However, due to the 'pay-as-you-go' nature of our indemnity schemes, these figures do not reflect the true costs of clinical negligence incurred by trusts which will need to be paid in future years. For 2018/19 we estimated that the annual cost of harm at current prices was approximately **£9 billion** of which 60% related to maternity claims.
- As of the 31 March 2019, **£83 billion** would be required by the NHS secondary care system in England to cover the estimated value of current clinical negligence claims and those claims where the incidents have already taken place, but not yet become a claim.

Our success in this area requires us to translate the data that we hold into useful and usable information for the NHS and to do so within the constraints of data protection law.

To do this more effectively we need to significantly enhance our internal capabilities and infrastructure in the next few years to meet the increased scope of our activities and the opportunities this presents, employ the newer technologies now available to us, such as artificial intelligence, and take advantage of opportunities for greater efficiencies and utilising the claims data which we hold.

Our plan therefore envisages a step change in investment both in our people and our systems as well as the necessary up-front costs of moving to new premises in London in line with the government property hub strategy. However, it is anticipated that we will continue to drive efficiencies in the business, including exercising pressure on indemnity spend and our running costs will remain at less than 2% of our annual expenditure.

The cost of claims

The costs associated with clinical negligence claims represent a key strategic challenge for the NHS and government.

In 2020/21, the Clinical Negligence Scheme for Trusts (CNST) contributions will increase by a headline rate of 15%. This is due to a number of factors, including reduced central funding to address changes to the Personal Injury Discount Rate (PIDR), general claims inflation, and damages inflation in high value maternity claims.

The change in the PIDR has also affected the cost of settling claims in respect of individual specialties, with higher value claims, such as maternity, being disproportionately affected. The growth in contribution towards maternity claims costs will increase by 24%, compared to 10% for non-maternity claims and a 15% increase overall.

However funding through tariff has been updated to reflect this change. We continue to support the wider work across government to address those drivers of cost which remain outside our control and will ensure that we are in a position to implement any changes agreed through this work, in addition to taking whatever action we can within the existing legal framework.

Mindful of the impact of coronavirus on the wider health system and on NHS Resolution, we will continue to monitor and assess any impact on our ability to manage the work set out within this plan.

We look forward to making further progress towards our strategic aims and to work with our partners to support the NHS, its patients and its staff in the coming year.



Ian Dilks / Chair



Helen Vernon / Chief Executive

Summary – priorities for the year ahead

Looking to the year ahead, we have identified five key priorities which link to our strategic aims to resolve disputes and support harm reduction:-

1. Consolidating and communicating our offer to **primary care**
2. Setting our future course and starting work to transform our **business intelligence capability and systems architecture**
3. Going further to deliver **early resolution**
4. **Working with our partners** to strengthen collaboration and share our insight
5. Undertake **operational transformation** to restructure our claims service and develop new ways of working to enable a London office move to a government hub.

Priority 1 Primary care

What do we want to do and why

We will continue to focus our attention on managing claims for primary care in 2020/21.

We will deliver an excellent service to our primary care partners and their patients across all of our business areas whether that be Primary Care Appeals, Practitioner Performance Advice or Claims Management.

We will work with others to ensure that our primary care offer supports the wider workforce objectives set out in the NHS Long Term Plan and the NHS People Plan.

How we will do this

We will ensure that those working in general practice know how to access all the services we provide for them.

We will focus on building our ability to extract, share and learn from meaningful data from claims within general practice in order to support harm reduction. To support this, we have recruited clinical general practice staff to support our work to link learning from the information we now hold from the causes of claims in both primary and secondary care settings.

We will continue to handle primary care claims whilst maturing our Clinical Negligence Scheme for General Practice (CNSGP) operation. We will grow our internal expertise in

general practice claims across all of our functions and exploit further opportunities for shared engagement events for all of our primary care services.

We will build relationships with primary care stakeholders to ensure that our services develop in consultation and meet the needs of the changing way in which healthcare is delivered and support the plans set out by other national bodies.

We will continue to work with the two medical defence organisations who have reached agreement with government in relation to general practice liabilities which pre-date the inception of CNSGP and take over interim operating responsibility for any transferred claims.

Priority 2 Business intelligence and systems architecture

What do we want to do and why

We are improving our business intelligence capabilities in order to:

- Contribute to reducing harm to patients by turning the data we hold into useful information which can be shared and have impact externally.
- Drive our operational efficiency, enhance the level of insight into our data and operations and inform policy development.

How we will do this

We will determine the future course in relation to our systems architecture and embark on the first phase of this work in 2020/21.

This will involve developing a business case and engaging with the Department of Health and Social Care (DHSC) and Cabinet Office approvals process to secure the appropriate clearances and funding.

We will also take steps to improve the way in which we hold our information coupled with a robust approach to business resilience and cyber security.

Priority 3 Delivering earlier resolution

What do we want to do and why

Delivering early resolution is central to our strategy and continues to be key focus in 2020/21.

We will provide cost effective resolution, concluding cases early and evaluating and broadening our range of dispute resolution services.

We also want to extend the reach of our services into the organisations we indemnify and support the resolution of concerns and disputes through our Practitioner Performance Advice service. As our EN scheme for maternity starts to mature, we will consider how to best compensate patients fairly and revisit the criteria for entry into the scheme.

How we will do this

We will evaluate our dispute resolution offer and target our approach to achieve the optimum result for the type of case concerned, whether that is mediation or another form of dispute resolution.

This will include working more closely with our membership so that we have a shared and consistent approach and that the value of our services is fully understood and accessed by trust boards and front-line staff.

We will review our EN scheme both in terms of the current scope and the way in which we handle the maturing cases. Moving upstream, we will collaborate with the Parliamentary and Health Service Ombudsman (PHSO) on

developing a complaints standards framework and with DHSC on work to improve how the NHS listens, learns and acts on feedback to support local dispute resolution.

Within our Practitioner Performance Advice service, we will deliver a range of interventions to meet local NHS needs in complex cases and launch a professional support and remediation programme.

Priority 4 Working with our partners

What do we want to do and why

In order to ensure what we share for learning has the greatest impact, we must work with and through others. We will strengthen our collaboration with partner organisations to enable improvements in care, and act quickly on emerging concerns using the insights we are able to share.

To make the most of the platform of membership of our indemnity schemes, we will continue our work to convene experts, providers and users of healthcare services to consider what works well in addressing the causes of harm.

How we will do this

We will improve our approach to working and engaging with our partners, including our international equivalents and contacts, and extend the reach of our training and education programmes.

We will ensure that we take a strategic approach to engagement with partners throughout the year which is based on shared priorities and areas of interest. We will use the intelligence we gather and share to further all the work we do to support the delivery of fair resolution and learning from harm.

Priority 5 Operational transformation

What do we want to do and why

In order to drive further improvements in our operations we will need to restructure the way we deliver our services.

In our claims management service, we will revisit our operating model in order to integrate the new general practice indemnity scheme, CNSGP, and deliver operational improvement across the board. This will benefit all of our members by targeting both the time and cost associated with

managing claims and improving the experience for patients and healthcare staff. Moving to a regional approach will mean that we can work hand in hand with local health systems.

In addition we will work with our staff on new ways of working given a planned London office move to a government hub in early 2021 and the expansion of our Leeds base.

How we will do this

Consulting with our staff and external stakeholders, delivering an office move in London and increasing our Leeds presence. Starting the work to deliver a revised operating model which provides the best possible service at value for money for the NHS.

We will tender major legal services contracts and develop our people to uphold the standards which allow us to maintain our Investors in People accreditation.

Part 1

Overview

Who we are and what we do

Our purpose is to provide expertise to the NHS to resolve concerns fairly, share learning for improvement and preserve resources for patient care.

Strategic aims



Resolution

Resolve concerns and disputes fairly.



Intelligence

Provide analysis and expert knowledge to drive improvement.



Intervention

Deliver interventions that improve safety and save money.



Fit-for-purpose

Develop people, relationships and infrastructure.

Our services

Claims Management

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

Practitioner Performance Advice

Provides advice, support and interventions in relation to concerns about the individual performance of doctors, dentists and pharmacists.

Primary Care Appeals

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

Safety and Learning

Supports the NHS to better understand their claims risk profiles, to target their safety activity while sharing learning across the system.

Supported by

Finance and
Corporate
Planning

IT and Facilities

Membership
and Stakeholder
Engagement

Policy,
Strategy and
Transformation

Our values

Professional

Expert

Ethical

Respectful

Some of our achievements in 2019/20

Resolution



- Successfully launched the CNSGP with a range of materials and a 24 hour and seven day a week helpline for those covered by the scheme and administered oversight arrangements for medical defence organisations who reached an agreement with government on historic liabilities.
- Took a number of cases to the courts to develop case-law in the broader interests of patients and the NHS covering issues such as consent to share confidential patient information with family members.
- Published '**Being fair**' to support the NHS Patient Safety Strategy for a just and learning culture promoting a balance of fairness, support for both patients and staff when things do not go as planned together with accountability for what happened and responsibility for learning and taking action.

Intelligence



- Contributed a chapter to **The NHS Patient Safety Strategy** published in July 2019 evidencing again that litigation is now understood to be a valuable source of learning when considering patient safety and improvement.
- Published a review of the first year of our EN scheme in maternity for brain injuries at birth and continued to contribute to the wider maternity system to improve safety and reduce harm.
- Developed and implemented a cross-organisational framework for the identification and management of significant concerns about patient care.
- Surveyed those we work with about our Appeals operations, in order to obtain comprehensive feedback on our services leading to service improvements such as with our web search functionality for decisions.

Intervention



- Successfully introduced new assessment models in relation to clinical performance and behaviours, which has resulted in a more focused and faster service that better meets the needs of our stakeholders.
- Developed and shared a membership charter with members of our schemes and delivered regional member engagement events.
- Began a successful pilot to support teams experiencing disruptive behaviours in clinical settings, with reviews undertaken at five trusts across various clinical specialities.
- Increased the number of behavioural assessments and delivered ten assisted mediations, where we bring clinicians together to help them find a mutually acceptable way forward when there are disputes in the workplace.
- Concluded the second year of the CNST maternity incentive scheme to drive improvements in maternity and neonatal services by incentivising ten actions, agreed with system partners, and launched a third year with refined actions.

Fit-for-Purpose



- Further aligned ourselves to the Government Estates and Places for Growth strategies by opening a larger office in Leeds and recruiting from the local job market. Our claims teams are now dual operating from London and Leeds.
- Assessed and implemented measures for the UK's departure from the EU, in consultation with our staff, suppliers and partners.
- Undertook a review of the operating model for our Claims Management service to design a model that will best serve all of our scheme members.
- Launched a junior case manager programme and commencing an apprenticeship scheme which will diversify our workforce and allow us to grow our own talent.
- Re-certified under ISO27001 (information security systems) and undertook significant work to plan our future-state systems architecture.
- Achieved Cyber Essentials Plus certification.
- Awarded silver accreditation by Investors in People demonstrating our commitment to putting our people first.

Some things which we did not progress as originally planned 2019/20

We decided at this stage to pause a planned pilot with members to determine how the learning from expert witness reports is shared and implemented pending a wider review of data protection considerations and how we hold and share data.

We have extended the time to develop a framework for the reporting, analysis and evaluation of Practitioner Performance Advice data in order to undertake wider consultation with our partners. In the interim, we commissioned an internal audit to undertake a review of the Practitioner Performance Advice service which provided a 'substantial' assurance.

In the most challenging area of our strategy, our business intelligence and systems architecture as this has taken long than initially anticipated, we sought technical input from an external consultancy to ensure that we pursue the optimal approach which will deliver the best value for money for the NHS.

We have commenced work with external consultancy support to review and reform the operating model within our Claims Management function. In order to align this work with the review of our core systems this will continue into 2020/21.

Part 2

What we will do in 2020/21

Strategic priority 1 – Resolution



We will resolve concerns and disputes fairly and effectively

Whether we are seeking to resolve a claim, assist with a concern about a clinician, or adjudicate a contract dispute, we aim to provide support at the earliest opportunity. Using all of the tools at our disposal, we strive to reach resolution as quickly as possible, and work with our partners to better understand how to prevent the same thing happening again.

We aim to:

- Provide cost effective resolution, getting to the right answer early, evaluating and broadening the range of dispute resolution services and reducing the requirement for formal processes such as litigation.
- Contribute to the development of a just and learning culture across the NHS, informing and enabling improvements to how incidents, complaints and performance concerns are managed.

What we will continue to do in 2020/21

- Resolve clinical and non-clinical claims fairly with the aim of getting to the right answer as quickly as we can and, as far as possible, keeping cases out of formal court proceedings.
- Deliver transparent, robust and impartial resolution in the field of primary care contracting disputes with decisions routinely published on our website.
- Deliver effective management of requests for advice from healthcare organisations in relation to individual clinicians, raise awareness of and continue to deliver high quality education services to support organisations in resolving concerns locally.
- Support members and clinicians to develop a just and learning culture, being open, candid and where appropriate by offering a sincere apology.
- Continue to work with system partners to maximise opportunities for learning to contribute to harm reduction across both primary and secondary care.

| Our key initiatives in 2020/21 | What we will do |
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| Evaluate our dispute resolution offer in Claims Management and target our approach to achieve the optimum result, whether through mediation or other forms of dispute resolution. | <p>Continue to expand our mediation resolution service in appropriate cases and use the evaluation undertaken in 2019/20 to inform where and how best to deploy mediation.</p> <p>By quarter 3 to be working with members, patients and their representatives to develop and expand our current dispute resolution schemes.</p> <p>Embed principles to help identify cases where our safety and learning function can add value to these schemes including the recruitment of a safety and learning lead to support dispute resolution.</p> |
| Develop a continuous improvement model in Claims Management which delivers strategic and operational benefits to resolve claims fairly. | Show evidence of testing and implementing new initiatives and methods of claims-handling by quarter 4. |
| Support resolution by developing and promoting a just and learning culture. | Support staff to understand and create a just and learning culture within NHS Resolution with evidence across all operational areas as to how this is being applied to be available by quarter 4. |
| Support work to develop NHS Resolution's role as a system leader in the resolution of concerns/complaints. | <p>Develop strong links and tangible programmes of jointly led work with partners such as PHSO, DHSC and NHS England and NHS Improvement.</p> <p>Develop a programme of work with partners which draws on the findings of our research on why people make a claim. This will include consideration of the different dynamics which might apply in primary care claims.</p> |
| Develop the operational effectiveness of the CNSGP and Existing Liabilities Scheme for General Practice (ELSGP) and develop appropriate key performance measurement and reporting. | <p>Develop our operating procedures to ensure cases are handled efficiently and are tailored to the needs of general practice.</p> <p>Take a deeper look at the needs of the general practice community in relation to indemnity and use this to inform the way we interact with them.</p> <p>Build the Claims Management team and recruit to the establishment required to deliver against our objectives for all of our indemnity schemes.</p> <p>Utilise in-house clinicians to examine the data set generated by CNSGP and any transferred historic claims, linking this with data from secondary care claims in order to provide greater insight across the entire care pathway.</p> |

| Our key initiatives in 2020/21 | What we will do |
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| <p>Improve our communications to extend the reach of our services into organisations to support the resolution of concerns and disputes.</p> | <p>Develop and execute a campaign to promote a broader range of dispute resolution services available to claimants.</p> <p>Build on the year one awareness-raising phase of CNSGP communications plan and transition into the next phase of increasing understanding among frontline practitioners, using a multi-channel approach to promote CNSGP at scale.</p> <p>Promote the benefits of Practitioner Performance Advice to ensure appropriate reach, where this will be of benefit, positioning us as the service of choice for medical directors, responsible officers (ROs) and HR professionals to assist them to manage clinical performance issues.</p> <p>Raise awareness as a key function that supports improved patient safety and keeps doctor, dentist, and pharmacist capacity working in the NHS.</p> |
| <p>Develop the Early Notification (EN) scheme</p> | <p>Scope options to develop our approach to the assessment of compensation packages in consultation with patients and their representatives.</p> <p>Review the reporting criteria for the EN scheme in conjunction with our partners such as the Royal College of Obstetricians and Gynaecologists (RCOG) and the Healthcare Safety Investigation Branch (HSIB) in order to minimise duplication.</p> |
| <p>The Primary Care Appeals service to advance engagement with key stakeholders in the primary care environment.</p> | <p>By quarter 4, Primary Care Appeals to have established and developed engagement relating to its services.</p> |

Strategic priority 2 – Intelligence



We will provide analysis and expert knowledge to drive improvement

In order to ensure we are able to continuously improve, interrogate and share what we know, we need to build our business intelligence capability and develop our systems architecture.

Work has begun and our aims for 2020/21 are:

- Determine the future course in relation to our core systems and embark on the first phase of this work.
- Improve the way in which we hold our information.

What we will continue to do in 2020/21

We will continue to test and develop our IT systems and contingency measures to maintain an alignment with ever evolving cyber security threats, as well as continuing to report on management information and key performance indicators.



| Our key initiatives in 2020/21 | What we will do |
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| Next steps in our systems architecture work (core system review). | The organisation will recruit to its first ever Chief Information Officer (CIO) role and build a project and delivery team to implement the first year of our programme to improve our systems architecture. |
| Undertake pilot activity to identify the right strategic opportunities for NHS Resolution to deploy process automation and artificial intelligence. | Take forward up to five pilot use cases by quarter 3. |
| Improve our approach to information management. | Improve our approach to information management, including introducing a dedicated records manager post, to ensure that we can obtain the maximum value from the information we hold and that it is accessible, searchable and that we continue to comply with our own retention policies and external standards. |
| Develop our approach to business intelligence. | <p>Deliver a data warehouse by quarter 2 to streamline our data, allow simpler interrogation and allow better analysis.</p> <p>Review current data metrics to ensure clear definitions and ensure consistency between different reports.</p> <p>Deliver a data reporting/visualisation tool by quarter 4 to allow for improved and streamlined presentation of data and to enable departments to run and present their own reports on our data.</p> <p>Grow and reorganise the Business Intelligence team moving the reporting line to a newly recruited CIO role and realigning the service to a business partnering model for the operational areas to improve the analytics within the organisation.</p> |

| Our key initiatives in 2020/21 | What we will do |
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| Develop wider international links learning from others. | Build on our partnership with the other national medical indemnity bodies in the UK and the Republic of Ireland and with our international equivalents. This will provide an opportunity to explore the challenges and potential solutions for healthcare indemnity. It will enable the sharing of global initiatives around scheme management and learning, including reducing claim volumes, costs and improving patient safety. |
| Ensure effective reporting of activity and understand the impact of the Advice service. | Establish a research and evaluation programme during quarter 3 to ensure we learn from the cases we manage and share that with front-line clinical staff in order to drive improvement. |
| Undertake a thematic review of claims data. | Appoint a Clinical Fellow to undertake a thematic analysis of claims data arising in an area of vascular complications related to diabetes across primary and secondary care – capitalising on the benefit of holding information on both primary and secondary care claims in one place. |
| Realign our teams across all services to ensure that we are able to work closely with evolving regional structures for health and social care. | Move forward the design of teams and services to better serve regional models including improved links with Health Education England, Academic Healthcare Science Networks and safety collaboratives and regional leads where there are shared programmes of work. |

Strategic priority 3 – Intervention



We will deliver in partnership, interventions and solutions that improve safety and save money

The indemnity schemes we manage provide an important platform for sharing what works as well as a powerful financial lever to incentivise change. In order to contribute to improvements in healthcare and influence the legal environment, we need to work with and through others. In order to do this most effectively, we recognise the need to ensure that what we do and the value it adds is understood and that we are informed of and connected to the objectives of others.

We aim to:

- Play a unique role in incentivising safety improvement, using our indemnity schemes as both a platform for learning and a financial lever for change.
- Use our indemnity schemes to contribute to the maternity and neonatal safety improvement programme.

What we will continue to do in 2020/21

- Develop the maternity incentive scheme into its third year of delivery.
- Review all our indemnity schemes to ensure that they continue to respond to the diverse and changing range of healthcare provision in the NHS.
- Continue our ongoing membership and support of key patient safety initiatives including the Maternity Transformation Programme Board, RCOG's 'Learn and Support' programme and HSIB's work on investigations.
- Contribute to wider NHS work on violence reduction – learning from claims on assaults and creating a culture of safety subgroup to support staff safety within the NHS.

| Our key initiatives in 2020/21 | What we will do |
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| Using our indemnity schemes to contribute to harm reduction and safety improvement. | <p>Deliver year 3 of the maternity incentive scheme while working alongside system partners to agree how to evaluate its impact.</p> <p>Review the use of financial incentives to explore the potential for other incentive scheme(s) by quarter 4.</p> |
| Deliver a range of interventions to meet local NHS needs in complex Practitioner Performance Advice cases. | <p>Extend the reach of advice, assessment and intervention services to a range of healthcare providers, across the UK and overseas. In quarters 1 and 2 we will focus resources on primary care as we work with new providers and commissioners in helping them manage practitioner performance concerns.</p> <p>In quarter 1 we will respond to a service improvement review of our professional support and remediation service, which helps clinicians back to safe and valued practice through action planning.</p> <p>We will expand the team delivering assisted mediations during quarter 1 through specialist training and we will improve our external network to increase visibility and learning opportunities.</p> <p>Explore further development of the team review service, including specialist training for reviewers and an expansion into the provision of specialist behavioural interventions.</p> |
| Develop dispute resolution guidance for Primary Care Appeals. | By quarter 4 to review existing generic guidance with a view to extending its scope, finalising and publishing. |
| Review and, where necessary, update the local dispute protocol (rent cases) for Primary Care Appeals. | By quarter 4, to review the existing protocol, consult with stakeholders on any proposed amendments, finalise and publish the updated version. |

| Our key initiatives in 2020/21 | What we will do |
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| <p>Work with our partners to take forward the recommendations made in our report on the EN scheme.</p> | <p>Share themes and lessons, sometimes from cases where admissions of liability have been made, by developing case studies and publishing them on our website.</p> <p>Develop eLearning modules for midwives with the Royal College of Midwives.</p> <p>Develop ideas for research proposals from our data for example in relation to fetal monitoring and CTG traces, to further understand the response to traces which deviate from normal.</p> <p>Greater focus of sharing learning from EN cases at Local Maternity System level.</p> |
| <p>Develop/improve relationships with families and increase their understanding of the EN scheme.</p> | <p>Develop resources for families to explain the EN scheme and the investigation process.</p> <p>Engage families to support the development of resources, including case studies for learning and other EN outputs.</p> |
| <p>Improve engagement with front-line clinicians to achieve a greater awareness of claims and how they can be prevented.</p> | <p>Our Safety and Learning service will build on the success of recent focused events with clinicians and explore further opportunities to work collaboratively with Practitioner Performance Advice so work is aligned and standardised resulting in the highest quality of education and learning support materials.</p> <p>Deliver a range of regional and national events and resources, which will be published on our website, via social media and the channels of our partners such as the Royal Colleges.</p> |

Strategic priority 4 – Fit-for-purpose



We will be fit-for-purpose by offering best value and developing our people, relationships and infrastructure

We aim to offer best value by developing our people, relationships and infrastructure. We will need to build our infrastructure, continue to develop our people, and make choices about how we best use our resources in order to meet the different demands of the next stage of our development.

We aim to:

- Successfully implement new ways of working in order to ensure a successful move to a government London hub.
- Ensure we have the right skills and resources in place to deliver our services and to manage significant change across the organisation.
- Be a learning organisation that continuously improves and delivers services with the most effective use of our resources.
- Retain our Investors in People accreditation.

What we will continue to do in 2020/21

- Build a robust and flexible workforce in line with our workforce strategy that equips and empowers staff including our current and future leaders.
- Implement our improvement plan in line with the Investors in People framework and the priorities set out in our workforce and organisational development strategy. We will integrate our internal work around 'being fair' within our organisational development work.
- Review governance structures and maintain resource to manage preparations for the end of the transition period. Following this, we will continue to monitor the UK's negotiations with the EU and other countries.
- Progress the required recruitment over a period of expansion to enable delivery of our services whilst minimising the use of agency staff or short term contracts.
- Review and improve the way in which information is managed to support the delivery of our functions taking into account the requirements of data security.
- Improve our data security so we remain compliant with data protection law and retain certification for ISO 27001.
- Maintain our Cyber Essentials Plus certified status as well as to continue to learn from our own experiences and that of others in order to invest in effective security measures.
- Build on our quality assurance processes, including audit and compliance.
- Improve our governance over projects processes including commissioning, delivery and benefits realisation for new projects by evolving our programme management office.
- Work to the Government Commercial Operating Standards and Public Contract Regulations so as to ensure effective and consistent procurement and drive continuous improvement through enhanced contract management.

| Our key initiatives in 2020/21 | What we will do |
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| Ways of working and accommodation move. | <p>Undertake a co-design programme to engage staff on ways of working and assess the impact and risks to mitigate disruption.</p> <p>Review our policies and ways of working and implement new approaches seeking to create a safe, flexible, collaborative and inspiring workplace for our staff.</p> <p>Effectively project manage the London office move within budget and on time.</p> |
| Improve our operating model for managing claims including a review of roles, systems and processes. | Conclude a review into the most effective operating model by the end of quarter 2. Initiate delivery of the necessary changes in 2020/21 with a view to completing and evaluating in 2021/22. |
| Procure our legal panel. | Design and coordinate a structured legal procurement exercise in accordance with the appropriate corporate governance frameworks. |
| Develop our equality, diversity and inclusion agenda in order to ensure NHS Resolution has a culture where individual differences and diversity are welcomed. | Create an equality diversity and inclusion agenda and action plan. |
| Further adopt the Internet First objective by migrating our core IT systems to the cloud. | We will devise a migration plan to move our core IT systems to the cloud. |
| Develop our digital communications channels to enable our stakeholders to interact with us online and provide the best experience to users. | Develop the website in line with new accessibility regulations, keep the website up to date and continue to produce more multimedia content to promote sharing information, news and campaigns tailored to users. We expect this to lead to a year on year increase in users, page views and increase in impressions and a decrease in the 'bounce rate'. |
| Continue to encourage greater use of evaluation across communications activities. | Formalise our model for planning communications campaigns and to encourage internal teams to have clear objectives when undertaking communications activities. |

| Our key initiatives in 2020/21 | What we will do |
|-----------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Building local capacity and capability through Practitioner Performance Advice service. | <p>Update our educational materials to reflect changes within the NHS and professional regulation, as well as current best practice and key developments in case law.</p> <p>Continued engagement through Responsible Officer networks, to better understand the particular challenges in the wider healthcare system relating to performance management and the differing regional needs of our users.</p> <p>Extend our action learning offer to case investigators and case managers, where staff across the NHS team up with five peers to form a trusted learning group who help challenge thinking on how to manage day to day issues and develop realistic and pragmatic solutions to problems.</p> |
| Confirm supplier for appointments of advisers on current market rent cases in Primary Care Appeals. | By quarter 1, to have sought advice regarding procurement, liaised with potential supplier and confirmed arrangements. |
| Develop our new apprenticeship scheme to become a rolling programme. | Evaluate the first year of the current programme and redesign/vary the current structure, as necessary. |
| Improve financial information and reporting. | Deliver the planned benefits of our new finance system, ensuring best use of the new reporting tools. |

Part 3

Measuring our performance

Measuring our performance

We have reviewed our key performance indicators to ensure that these provide an appropriately balanced view of quality, cost and delivery while taking into account customer feedback.

Claims Management key performance indicator targets are not published as this information could affect our ability to manage claims effectively.



Resolution

| | Area | Target |
|--------------------------------------------------------------------------------------------------------|----------------------|----------|
| To respond to a letter of claim involving a clinical matter within the pre-action protocol period. | Claims Management | Internal |
| To respond to a letter of claim involving a non-clinical matter within the pre-action protocol period. | Claims Management | Internal |
| To respond to a letter of claim within the agreed time frame agreed between the parties. | Claims Management | Internal |
| Time to resolution from claims decision to agreement of damages. | Claims Management | Internal |
| The volume of cases that are repudiated initially with a subsequent payment agreed. | Claims Management | Internal |
| Reduction in the volume of cases which enter formal court proceedings. | Claims Management | Internal |
| The movement in the financial reserves placed on a claim is managed within a target range. | Claims Management | Internal |
| 'First step' letters sent out within days of receiving the appeal or dispute. | Primary Care Appeals | 90% |



Resolution (continued)

| | Area | Target |
|---------------------------------------------------------------------------------------------------|----------------------|----------|
| Appeals or disputes where 14 or more days' notice of hearing has been given. | Primary Care Appeals | 100% |
| Appeals where decision maker agreed with recommendation of case manager. | Primary Care Appeals | 80% |
| Outcome of quality audits for appeals and dispute files. | Primary Care Appeals | 90% |
| Average number of weeks taken to resolve appeals and disputes – Internal input only. | Primary Care Appeals | 15 weeks |
| Average number of weeks taken to resolve appeals and disputes – additional input. | Primary Care Appeals | 19 weeks |
| Average number of weeks taken to resolve appeals and disputes – Oral Hearing. | Primary Care Appeals | 25 weeks |
| Average number of weeks taken to resolve disputes – Current Market Rent valuation input required. | Primary Care Appeals | 33 weeks |



Intelligence

| | Area | Target |
|-----------------------------------------------------------------------------------------------------|---------------------------------|--------|
| Healthcare Professional Alert Notices issued/released (where justified) within target working days. | Practitioner Performance Advice | 90% |
| Healthcare Professional Alert Notices revoked (where justified) within seven working days. | Practitioner Performance Advice | 90% |



Intervention

| | Area | Target |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------|----------------------------------------------------------------------|
| Positive feedback from member trusts visited on recognition of products. | Safety and Learning | At least 60% |
| Response to members <ol style="list-style-type: none"> 95% response rate to members following a request for contact within three working days. Participation in 18 regional engagement events for members which include two national sharing and learning events. Eight safety and learning products to be made available for members. | Safety and Learning | 1. 95% 2. 18 events 3. 8 products |
| Practitioner Performance Advice education events rated by participants at least four out of five for effectiveness/impact. | Practitioner Performance Advice | 90% |
| Requests for advice from Practitioner Performance Advice responded to within two working days (or within an alternative timeframe requested by the employing/contracting organisation). | Practitioner Performance Advice | 90% |
| Assessments and other interventions delivered within target timeframe. | Practitioner Performance Advice | 90% |
| Assessment and other intervention reports produced/issued within target timeframe. | Practitioner Performance Advice | 90% |
| Percentage of exclusions/suspensions critically reviewed in line with the following timescales: Stage 1: after initial four weeks Stage 2: at three months Stage 3: at six months. | Practitioner Performance Advice | 90% |
| Decisions on referrals for assessments and other interventions communicated to the referrer within 13 working days of receipt of all referral information. | Practitioner Performance Advice | 90% |



Fit-for-purpose

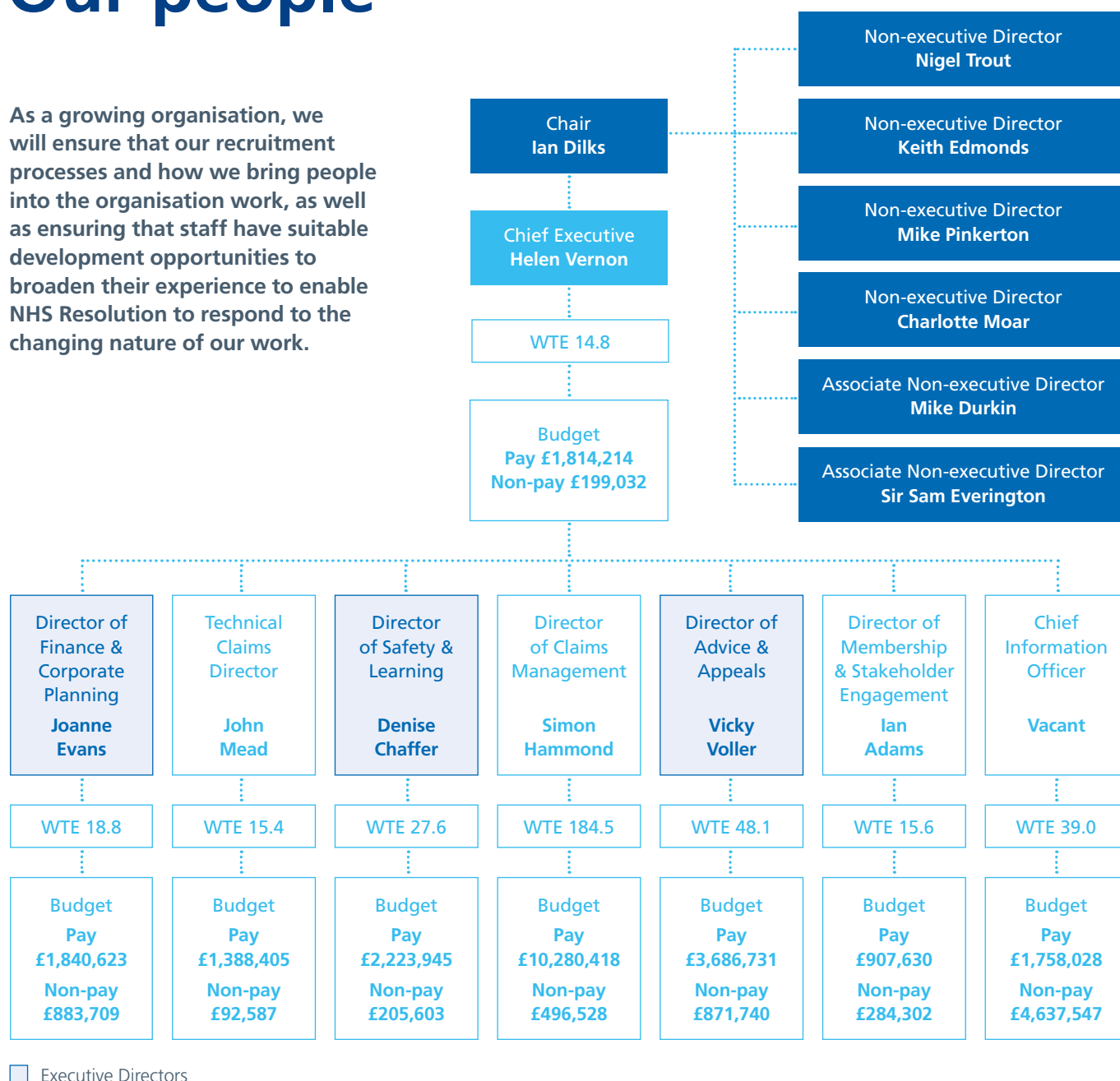
| | Area | Target |
|------------------------------------------------------------------------------------------------|-------------------------------------|---------------------------------------------------|
| Indemnity scheme financial spend. | Finance | Between 95% and 100% of target |
| Undertake annual customer satisfaction survey to inform service development. | Membership & Stakeholder Engagement | Complete in 2020/21 |
| CNST member participation in our customer satisfaction survey to ensure engaged customer base. | Membership & Stakeholder Engagement | 60% of our CNST membership |
| Evidence of increasing scores covered by annual customer satisfaction surveys year on year. | Membership & Stakeholder Engagement | Increasing scores in 50% of subject areas covered |
| Overall approval rating in the 2020/21 customer satisfaction survey. | All | 55% |
| Downtime (unavailability between 7am – 7pm) of any IT system. | IT | No > 5% of working month |
| Downtime (unavailability between 7am – 7pm) for the extranet and claims reporting services. | IT | No > 2.5% of working month |
| Critical security patches for externally facing systems to be applied promptly. | IT | Within 14 days of issue |
| Helpdesk to respond to calls within two hours of receipt. | IT | 90% |
| Vacancy rate. | All | <10% |
| Uptake of annual staff appraisals. | All | 90% |
| Engagement for the staff survey. | All | >75% |
| Voluntary turnover of staff during six month probationary period. | All | <85% |
| Prompt payment of suppliers within 30 days. | Finance | 95% |

Part 4

Our people

Our people

As a growing organisation, we will ensure that our recruitment processes and how we bring people into the organisation work, as well as ensuring that staff have suitable development opportunities to broaden their experience to enable NHS Resolution to respond to the changing nature of our work.



We are committed to ensuring that our staff are comfortable to raise concerns without fear of blame and that we listen to and act appropriately on their concerns. In addition we will take action to support our staff with the challenges presented by handling sensitive casework.

In 2020/21 we will work to further embed a culture of openness across NHS Resolution and will learn from our Freedom to Speak Up Champions.

As part of the release of our updated corporate strategy, staff will have the opportunity to work with their teams to understand what behaviours we need to exhibit in order to support our values: professional, expert, ethical and respectful.

Part 5

Our resources

Our resources

The following graphs and tables set out the key 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 CNST scheme relative to our other activities.

NHS Resolution receives funding for its schemes in two ways:

- Income from members of CNST, Liabilities for Third Parties Scheme, and Property Expenses Scheme, and from customers of training and other services offered by our Practitioner Performance Advice service.
 - Grant-in-aid funding (cash financing) for services determined by DHSC, e.g. Practitioner Performance Advice, Primary Care Appeals, indemnity schemes for legacy health bodies, and for general practice indemnity arrangements. In addition, income, grant-in-aid funding and expenditure are subject to a number budgetary classifications that we are required to manage within.
- The key dimensions are programme (relating to frontline expenditure i.e. NHS), and administration (relating to Departmental requirements).

The tables show the various elements of our budgetary framework that we are managing within. The Revenue Resource Limit is the budget total for our revenue expenditure net of income.

Note that all budgets will be confirmed in year, specifically the additional costs of settling claims related to changes in the PIDR from the pre-March 2017 level, and the costs of resolving general practice indemnity claims. Indicative values have been included in this document and are subject to final DHSC approval.

Expenditure

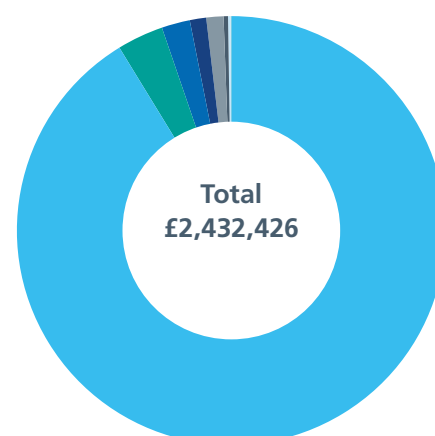
Our total expenditure budget for 2020/21 is currently £2,432,426. The majority of this, £2,400,855k, is spent on resolving claims.

Our total administration costs are £31,571k and represent less than 2% of our overall expenditure.

Please note: All budgets regarding general practice indemnity arrangements and additional costs arising from the current personal injury discount rate are not included in the diagrams and tables below – these will be agreed during the financial year with DHSC.

Expenditure budget (£000) 2020/21

| | |
|-----------------------------------------|--------------|
| ■ Clinical Negligence Scheme for Trusts | (£2,219,782) |
| ■ DHSC Clinical Liabilities | (£85,000) |
| ■ Liabilities for Third Parties Scheme | (£52,044) |
| ■ Existing Liabilities Scheme | (£30,000) |
| ■ Administration | (£31,571) |
| ■ Property Expenses Scheme | (£8,029) |
| ■ DHSC Non-clinical Liabilities | (£5,000) |
| ■ Ex-Regional Health Authority | (£1,000) |



Current annual budget 2020/21

| Grant-in-aid funding | | £000 |
|---------------------------------------------------------------|--|---------|
| Programme | | |
| Department of Health and Social Care clinical liabilities | | 85,000 |
| Existing Liabilities Scheme | | 30,000 |
| Department of Health and Social Care non-clinical liabilities | | 5,000 |
| Ex-Regional Health Authority | | 1,000 |
| Total grant-in-aid funding – programme | | 121,000 |
| Administration | | |
| Administration | | 5,946 |
| Agenda for Change 2020/21 | | 179 |
| NHS Pension 2020/21 | | 148 |
| Total grant-in-aid funding - administration | | 6,273 |
| Other funding – depreciation and impairments | | 1,173 |
| Total Revenue Resource Limit | | 128,446 |

Income and expenditure

| Income and expenditure | | £000 |
|---------------------------------------------------------------|--|------------------|
| Income - programme | | |
| Clinical Negligence Scheme for Trusts | | 2,239,000 |
| Liabilities for Third Parties Scheme | | 57,000 |
| Property Expenses Scheme | | 8,100 |
| Practitioner Performance Advice service | | 1,053 |
| Total income - programme | | 2,305,153 |
| Expenditure – programme | | |
| Clinical Negligence Scheme for Trusts | | 2,219,782 |
| Liabilities for Third Parties Scheme | | 52,044 |
| Property Expenses Scheme | | 8,029 |
| Department of Health and Social Care clinical liabilities | | 85,000 |
| Existing Liabilities Scheme | | 30,000 |
| Department of Health and Social Care non-clinical liabilities | | 5,000 |
| Ex-Regional Health Authority | | 1,000 |
| Indemnity schemes administration | | 24,245 |
| Practitioner Performance Advice service | | 1,053 |
| Total expenditure - programme | | 2,426,153 |
| Expenditure - administration | | 6,273 |
| Total expenditure | | 2,432,426 |
| Ring fenced depreciation and impairments | | |
| Depreciation | | 1,060 |
| Impairments | | 113 |
| Total ring fence depreciation and impairments | | 1,173 |
| Net expenditure (expenditure less income) | | 128,446 |
| Revenue Resource Limit less net expenditure | | 0 |

Annually managed expenditure provision 2020/21

NHS Resolution's annually managed expenditure (AME) budget relates to the change in the value from one year to the next, of liabilities expected to be settled in the future, arising from NHS Resolution's indemnity schemes.

This provision covers the projected costs of current claims which have not yet been paid and claims for incidents which we expect to have occurred but have not been notified.

| Change in provisions forecast for 2020/21 | | £000 |
|---------------------------------------------------------------|--|------------------|
| Existing Liabilities Scheme | | (13,000) |
| Ex-Regional Health Authority | | 0 |
| Clinical Negligence Scheme for Trusts | | 7,247,000 |
| Liabilities for Third Party Scheme | | 16,000 |
| Property Expenses Scheme | | 2,000 |
| Department of Health and Social Care clinical liabilities | | (30,000) |
| Department of Health and Social Care non clinical liabilities | | (3,000) |
| Clinical Negligence Scheme for General Practice | | tbc |
| Existing Liabilities Scheme for General Practice | | tbc |
| Clinical Negligence Scheme for Coronavirus | | tbc |
| Total AME | | 7,219,000 |
| AME resource limit | | 7,219,000 |

Capital expenditure

Capital expenditure related primarily to IT equipment and software replacement and development.

| Capital expenditure plan 2020/21 | | £000 |
|----------------------------------|--|--------------|
| Capital expenditure | | 1,400 |
| Total capital expenditure | | 1,400 |

Part 6

High-level risks

High-level risks

Our system of internal control is designed to eliminate risk where possible and manage residual risk to a reasonable level, rather than to eliminate all risk of failure to achieve our strategic objectives.

Our supportive risk management framework ensures:

- Integration of risk management into activities across the organisation as well as policy making, planning and decision making processes.
- Adverse incidents, risks and complaints are minimised by effective risk identification, prioritisation, treatment and management.
- Risk management is an integral part of our culture and encourages learning from incidents.
- A risk management framework is maintained, which provides assurance to the Board that strategic and operational risks are being managed.

We have an internal governance framework to support the Senior Management Team in their decision making and to provide assurance on the effectiveness of internal controls. We place effective identification and control of risk at the heart of good decision making.

Risks are monitored and escalated to the appropriate risk register and managed in line with a board owned appetite for risk.

Our Operational Risk Review Group (ORG) considers and reviews the risks that could impact the delivery of our business plan and makes recommendations to the Senior Management Team.

We work with our internal audit provider to develop a comprehensive annual internal audit plan which will offer insight and assurance that existing internal controls are adequate and suggest improvements where required.

Utilising a strategic risk register enables the Senior Management Team to mitigate threats and exploit opportunities by considering appropriate treatment plans and business plan priorities.

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