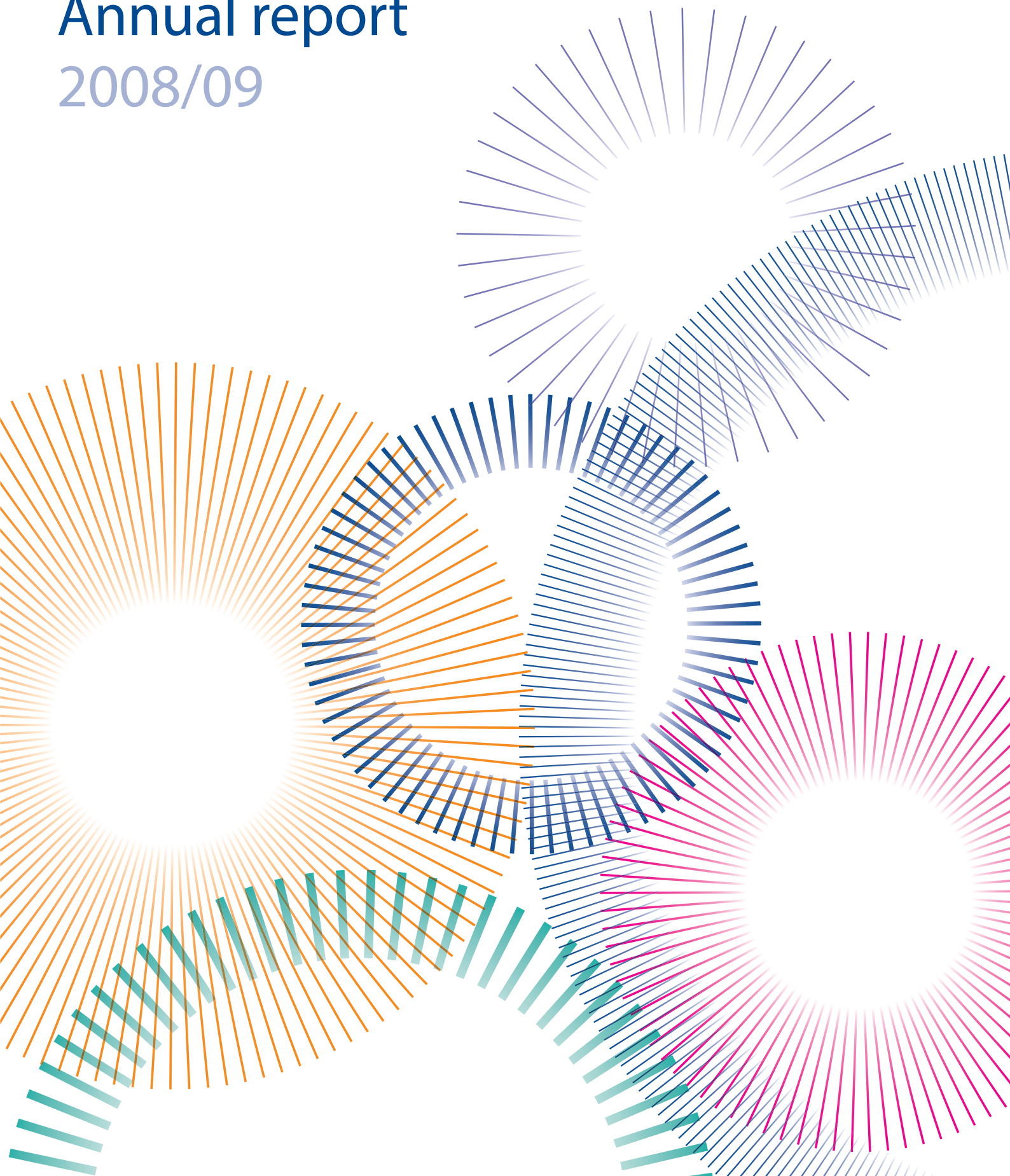


Annual report

2008/09



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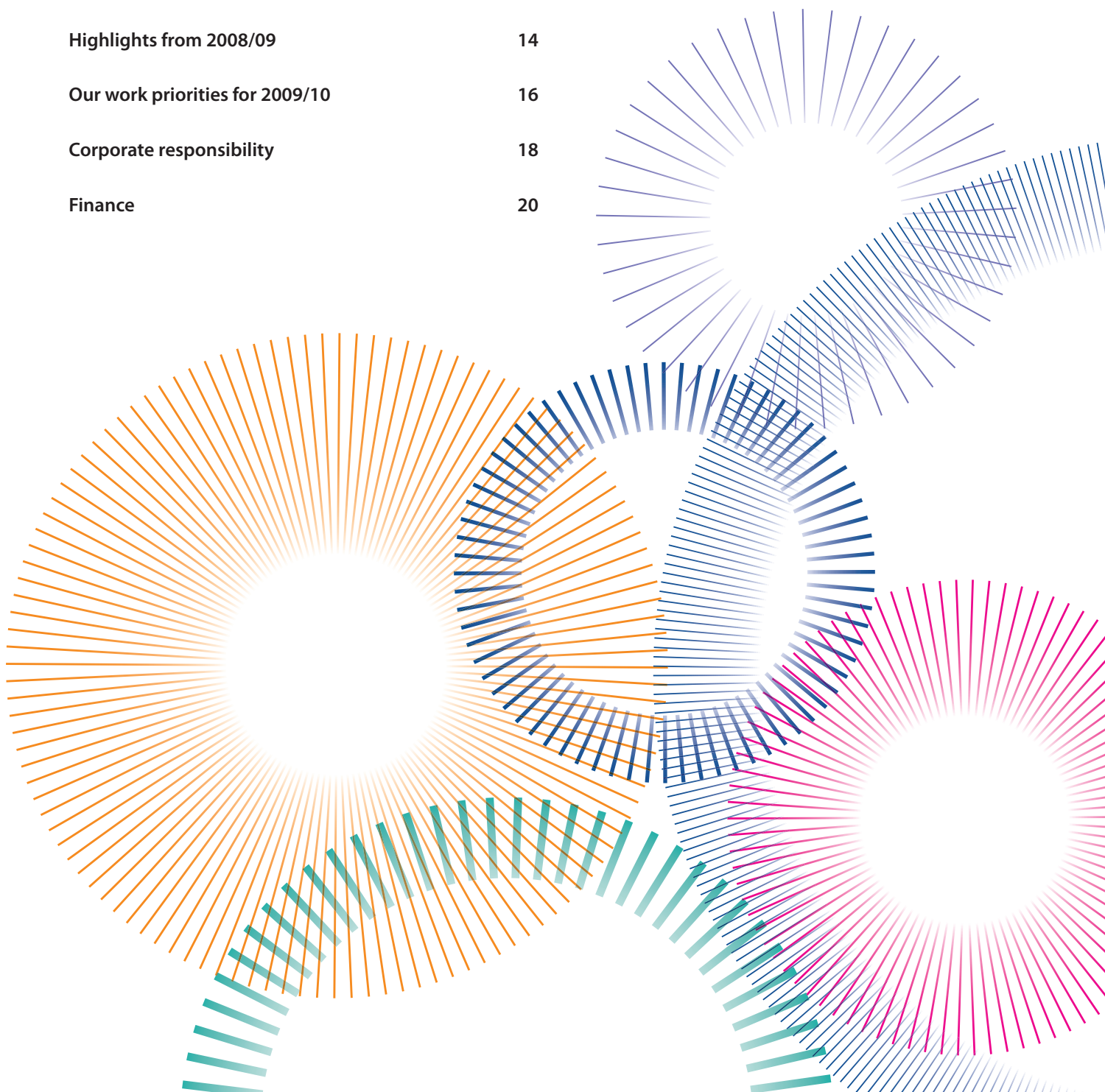
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Foreword from the chair



I have enormously enjoyed the job of chairing the NHS Confederation over the past year and during such a significant and exciting period for the organisation. The Confederation has continued to grow and develop into the largest and most inclusive independent membership organisation

in the health and social care sector.

In the past 12 months alone, from 1 April 2008 to 1 April 2009, eight more trusts have joined the Primary Care Trust Network and eight more independent sector providers have joined the NHS Partners Network. Six more organisations have joined the Mental Health Network and, over the same period, membership to the Foundation Trust Network has increased from 168 to 199 trusts. We now have just short of 100% membership of all eligible NHS organisations.

In view of the rapid growth and accomplishments of the organisation, trustees felt it was the right time to reflect upon our achievements and consider the strategy for the future. It is particularly important that we have a clear vision and direction as we enter a period of unprecedented financial challenge. We must also prepare for a general election that whatever the outcome, will undoubtedly impact upon the shape of the system and change the very context in which we operate.

The trustees commissioned a strategic review of the organisation in the summer of 2008 to ensure that in these exciting but challenging times the NHS Confederation remains relevant and significant and is able to provide the best possible service to its members.

The strategic review has now been completed and our members have played a crucial role in helping to steer the content of the review, shape our priorities and implement its recommendations. On behalf of the NHS Confederation I would like to thank everybody who has given up their time to be involved in this important piece of work.

It is a pleasure working alongside Steve Barnett and I was delighted when he was appointed to the permanent chief executive position in February. I share his vision and ambitions for the NHS Confederation and I know that he and the rest of the leadership team have the skills, determination and drive to take the organisation forward and in doing so best serve the interests of the NHS in this time of change.

Bryan Stoten
Chair

Chief executive's statement



The past 12 months have been a very busy period for the NHS Confederation and I am immensely proud to have taken over as permanent chief executive at such a significant time for the Confederation and for the whole of the NHS.

Developments within the NHS Confederation over recent months have reflected the changes that are shaping the wider health and social care system. The growing diversity of our membership also mirrors the relationships that are embedding across different parts of the system.

Our networks are all making significant advancements in their own fields. The Foundation Trust Network, which is our longest-established network, has over the past year developed a significant programme of work to support quality improvement in foundation trusts, and in partnership with the Cass and Manchester Business Schools and Institute of Chartered Secretaries and Administrators, launched a new professional development programme for foundation trust company secretaries. It also held its first two-day governance conference, exploring corporate and wider governance issues with more than 500 senior delegates from authorised and aspirant foundation trusts.

Our Primary Care Trust Network has been working hard to influence the direction of world class commissioning and enhance the reputation of primary care trusts within the NHS and with wider stakeholders. It has also set up a Provider Services Forum in recognition of the increasing separation of responsibilities between commissioning and service provision.

Membership of our Mental Health Network has continued to grow and its level of influence has developed significantly. Over the past 12 months, it has played a crucial role in developing a coalition of partners to influence and shape the next phase of mental health policy as the existing National Framework for mental health comes to an end in 2009.

Over the past year, our NHS Partners Network has successfully grown into its role as the voice of the independent sector in the NHS and is increasingly being consulted and engaged on a wide range of NHS topics, from contracts and system management to sector-wide workforce issues.

Our Ambulance Service Network has established itself as the independent voice for ambulance services in the UK and has supported its members to work more closely with other parts of the NHS. The network launched its *'Visions for urgent and emergency care'* in June 2008, which helped to raise the profile of ambulance services and increase awareness of the contribution they make to the delivery of world class urgent and emergency care.

You can find out more about what our networks have achieved over the past year, as well their priorities for 2009/10, by reading the individual network annual reports.

The Service Delivery and Organisation Network has made great strides over the past 12 months in helping to better connect NHS managers with health research. In partnership with the North West SHA, it delivered an action learning set for new NHS managers who want to access and use research more effectively. The network is now looking to expand the programme so it can support more managers in the region.

Continued over

The Health Services Research Network has also had considerable success over the past year, ensuring that the voice of health services research was heard in the NHS Next Stage Review debates and gaining a seat on the new Health Innovation Council, chaired by Professor Lord Darzi and David Nicholson.

European legislation will have an increasing impact on the UK health systems and we have responded by incorporating the NHS European Office to promote NHS priorities and interests to the European institutions. It has already had considerable success in lobbying for hospitals to be excluded from the EU Emissions Trading Scheme, influencing the cross-border eHealth project and updated medical devices legislation. The imminent directive on patients' rights to access cross-border care will have significant implications for the NHS, and the European Office will support NHS leaders in responding to this as well as helping to shape future EU legislation.

NHS Employers has had considerable success over the past 12 months, concluding a three-year pay deal for Agenda for Change staff, and agreeing the GP contract for 2009/10. It has also published guidance on key human resource issues in the event of an outbreak of pandemic flu and in response to the Government's PSA16 target, published its *Mental health and employment in the NHS*. NHS Employers has saved the NHS an estimated £240 million over the past five years through NHS Jobs and has answered over 65,000 enquiries per month through the NHS Careers service. I am delighted to have recently appointed Sian Thomas to the post of director of NHS Employers and I look forward to working closely with Sian in the future. NHS Employers' achievements as well as its priorities for 2009/10 are outlined in the NHS Employers 2008/09 annual review.

Wales and Northern Ireland are both a vital and valued part of the NHS Confederation. Both countries will be undergoing fairly radical and large-scale changes to their health systems over the next few months and we will be looking for new ways of providing central support to the members in both countries whilst respecting their need for a certain independence. I will also be leading a programme of engagement with strategic health authorities (SHAs) in the coming months to ensure that we provide increased value for money to this important section of our membership.

What makes the NHS Confederation so unique is that it brings all parts of the system together to create consensus and help drive the health agenda forward. Over the past year we have been a prominent voice in key debates that impact upon the whole of the NHS, including whether or not patients should be allowed to 'top-up' their NHS care with private treatment, issues around safeguarding vulnerable children, hospital car parking and the National Programme for IT and, of course, the ongoing debates around leadership.

We played a significant role in helping to shape the final proposals set out by Professor Lord Darzi in his NHS Next Stage Review and have been prominent in influencing the new regulatory processes and compliance criteria set out by the Care Quality Commission.

2008/09 will undoubtedly be remembered for the global economic downturn. We were quick to respond to the crisis, outlining the financial implications for the NHS following the Pre-Budget Report in November 2008, and helping members make sense of the efficiency savings announced in the April 2009 Budget. We will continue to develop our work in this area to help NHS leaders respond to increasing financial pressures.

As we move forward into the end of 2009 and beyond, I want to build upon the collective strength of our membership to ensure that we continue to provide a strong voice for the whole of the NHS and help drive improvements in patient care across the system.

I want to see us develop a stronger programme of work around leading-edge policy and commentary. We have already started to build capacity in this area and have recently published a series of debate papers on the future of leadership in the NHS. We have also held a number of breakfast debates and policy salons that bring together members, practitioners, policy experts, academics and key decision-makers to discuss current and emerging issues in health policy.

We will increase our work to provide a distinct voice for the different parts of the system by growing and supporting our family of networks. I passionately believe that our credibility as a significant commentator on the key issues facing the NHS and the wider health and social care system comes from being member driven. I want us to use the networks as the gateway into the membership, tapping into the huge reservoir of talent that exists in the system and making it easier for our members to shape debates and policy from the bottom up.

I want the NHS Confederation to become the leading representative body and the dominant voice in the world of health and social care, indispensable to our members and the first point of call for health commentators and policy-makers. I will also be looking to develop my own agenda around leadership, passion and 'people' issues which I believe are all interlinked and are the fundamental tenets of good health and social care.

The next six to 12 months are going to be a very busy time for the Confederation. I have taken up my position on the Leadership Council – the key body charged with helping to deliver the vision set out in the NHS Next Stage Review. I will continue to work with our partners to ensure it delivers real and sustainable benefits for patients, the public and NHS staff.

This year's Confederation annual conference and exhibition, *Local leadership: a national service*, will build upon our leadership work, with the theme of leadership in tougher economic times dominating the programme. The three-day event will be busy and exciting, with the usual strong cast of plenary speakers and strand sessions and interesting additions including a speech from Alastair Campbell, former communications adviser to the Prime Minister, on his personal experience of mental health problems and stigma. This is in addition to the Secretary of State for Health, Alan Johnson; Shadow Secretary of State for Health, Andrew Lansley; and the Liberal Democrat's Shadow Health Secretary, Norman Lamb.

Looking ahead to the general election, which must take place before 3 June 2010, the Confederation will be working hard to influence policy development and ensure that we engage with all political parties as they seek to refine their manifestos for government. We intend to publish our own challenges for Government document which will set out key policy challenges for all politicians in advance of an election.

These are fascinating and challenging times, but the NHS Confederation is ideally placed to build on past success. I am committed to making the Confederation a world-class membership organisation, influencing and facilitating, shaping and developing new ideas and working with the full range of health organisations and partners to make healthcare the best it can be for staff, patients and the public.

Steve Barnett
Chief Executive

About us

The NHS Confederation is the only independent membership body for the full range of organisations that make up today's NHS. We represent 99 per cent of NHS trusts and a growing number of independent healthcare providers.

Our ambition is a healthcare system that delivers first-class services and improved health for all. We work with our members to act as an independent driving force for positive change by:

- influencing policy, implementation and the public debate
- supporting leaders through networking, sharing information and learning
- promoting excellence in employment.

All of our work is driven by our core values:

- putting patients and the public first
- ensuring we are member driven
- providing independent challenge
- creating dialogue and consensus.

Our membership is made up of a wide range of healthcare organisations, including primary care trusts, NHS acute trusts, NHS foundation trusts, mental health trusts, ambulance trusts, independent sector providers that deliver services on behalf of the NHS and strategic health authorities.

We provide a range of services to meet the shared needs of our members – ensuring NHS leaders have a strong influencing voice in Government, parliament, with national stakeholders and the media and through our programme of networking, information sharing and learning, helping members to provide strong and innovative leadership to the NHS.

NHS Employers is part of the Confederation and works to support our members on workforce issues. The NHS European Office, incorporated into the NHS Confederation in 2008, works to inform our members of key EU developments and promote the priorities and interests of the NHS to European institutions.

We also have a family of networks that provide a distinct voice for each section of our membership and offer a range of services tailored to meet their specific needs. Our networks include:

Ambulance Service Network

In January 2008, the Ambulance Service Association merged with the NHS Confederation to form the Ambulance Service Network (ASN). The ASN is now the main organisation representing the NHS and public ambulance services in the UK.

Foundation Trust Network

The Foundation Trust Network (FTN) was established as part of the NHS Confederation to provide a distinct voice for NHS foundation trusts. The network represents foundation trusts as well as those trusts preparing for foundation status.

Mental Health Network

The Mental Health Network (MHN) was established as part of the NHS Confederation to provide a distinct voice for mental health and learning disability service providers.

NHS Partners Network

NHS Partners Network (NHSPN) was established in 2005 and incorporated into the NHS Confederation in June 2007. It is an alliance of independent (commercial and not-for-profit) healthcare providers involved in all aspects of NHS care, including diagnostic and specialist treatment centres.

Primary Care Trust Network

The Primary Care Trust Network (PCTN) was established as part of the NHS Confederation to provide a distinct voice for primary care trusts (PCTs) in England.

The Health Services Research Network (HSRN) and the Service Delivery Organisation Network (SDO Network) form part of the Confederation and work to support research, evaluation and innovation in healthcare.

The NHS Confederation also provides a variety of forums and special interest groups to ensure that it meets the distinct needs of its diverse membership. We have a dedicated team of staff working to support NHS acute trusts across England that do not yet have foundation trust status. We also provide a platform for our independent sector members to engage with NHS organisations and help them to keep abreast of developments within the healthcare system.

Our Associate membership brings together over 100 non-NHS organisations involved in health and healthcare in the UK. Through our events and networking, regular provision of insight and information and ongoing consultation and engagement, we help to build productive partnerships with the NHS. We also offer an "Insight" information service, designed specifically for academic institutions, that provides news and information on the latest developments in healthcare.

We have also worked to build the profile of our black and minority ethnic (BME) leadership forum which aims to ensure that national health services are meeting the needs of BME communities. It also works to champion increased diversity and promote best practice within all levels of the NHS and wider healthcare system.

For more information on our work, please contact:

The NHS Confederation
29 Bressenden Place
London SW1E 5DD
Tel 020 7074 3200
Email enquiries@nhsconfed.org
www.nhsconfed.org

Business objectives, strategy and future direction

Strategic review

In the summer of 2008, the NHS Confederation trustees commissioned a strategic review of the organisation. The last organisational review was carried out in 2005 and we successfully delivered ahead of time the strategic objectives set out – growing our membership to 99 per cent of NHS trusts, opening up our membership to the full range of healthcare providers and developing our core member services. We have worked to strengthen our existing networks, most notably the FTN and PCTN and since 2006, have introduced the MHN, NHSPN and the ASN. We also welcomed into the NHS Confederation the SDO Network, HSRN and, in 2008, the NHS European Office.

Our ability to grow and adapt in line with the changing face of the modern NHS has contributed to our success and it is in view of the rapid growth and accomplishments of the organisation that trustees felt it the right time to take stock and assess our strategic direction for the future. The NHS Confederation trustees commissioned Stanton Marris, consultants with experience of conducting organisational reviews in both the public and private sector, to carry out the work which will set the direction for the next three years and will build on the NHS Confederation's considerable success as a membership organisation.

In the course of the review we have carried out extensive consultation with staff, trustees and a significant number of members and stakeholders. The review, which has now been completed, set out to consider three main areas: role and purpose; governance and structure; and culture and process.

Our role and purpose

The strategic review confirmed that the primary purpose of the NHS Confederation is: "To serve members' needs, represent their interests and support their aspirations to improve the nation's health and wellbeing." The Confederation of the future should demonstrate that it is:

- a member organisation serving members' needs and deriving authority from its understanding of members
- independent, with a strong, authoritative profile
- focused on its priorities and accountable to its members
- unique – doing what cannot effectively be done by others.

Serving members needs

We know from key pieces of research, including our 2008 stakeholder perceptions audit and member satisfaction survey, that our ability to bring together the full range of healthcare organisations and provide an overview for the whole of the NHS is highly valued and is seen as unique to the Confederation.

We will continue to maintain a strong centre and build upon the collective strength of our organisation to provide a powerful voice for NHS leaders. We will concentrate on influencing policy developments that impact upon the whole of the health and social care system in order to drive sector-wide improvements in patient care. This is particularly important as we enter an era of unprecedented financial difficulty and politicians and healthcare leaders will have to make tough decisions on where resources are allocated across the system. We will focus our efforts on helping members to make sense of cross-cutting issues and respond to developments that shape the overriding framework and context in which the modern NHS operates.

We are particularly effective in digesting, summarising and articulating health policy, and research shows that our regular briefings are well respected and highly valued by our members and stakeholders. However, we know that our audiences want us to deliver more critical discussion and 'edgy' debate around the key issues. They want us to take a more active role in leading the way for members and the NHS as a whole, taking the mantle and carving

out a path for the future. We are committed to developing a stronger programme of work around leading-edge policy and commentary and have already started to build capacity to develop our leadership function.

We will increase our work to provide a distinct voice for the different parts of the system by growing and supporting our family of networks. The networks will continue to develop work programmes to meet the specific needs of their members and will act as the gateway by which we engage and involve members in our work. We will use the intelligence, energy and resources within the networks to build our legitimacy to speak on behalf of our members and increase the influence of the Confederation.

Independence and profile

Our ability to act as an independent membership organisation is key to maintaining our credibility, authority and profile. We have always, and will continue to, critique policy based solely on the interests of patients, the public and NHS staff.

Our ability to act as an independent commentator is even more crucial in view of the changing political context. We have already stepped up our contact programme with all political parties over the past few months and are committed to ensuring that we engage with all individuals involved in the development and implementation of healthcare policy. We have also stepped up our contact programme with the Department of Health (DH), partners and wider stakeholders to ensure that we are a key voice in the range of debates and discussions that help to shape the health and social care system.

Research shows that our members also want us to be clearer about where we stand on key issues and take a more robust stance in the wider public debate. We will work to strengthen our public voice by responding fairly, but robustly to issues that are debated in the media. We are working to strengthen our relationships with key media to help ensure that we are not just responding to

the issues, but are proactive in helping to set the content and tone of the debates, providing a stronger public voice for NHS leaders and contributing to increased public confidence in the NHS.

Focus and accountability

Through effectively engaging and involving members in our work we can support our members to deliver strong and innovative leadership to the NHS and drive improvements in patient care. We need to ensure that we are fully accountable to our members, are focusing on the issues that are most important to them, and are delivering the full range of services to meet their needs.

We intend to build our legitimacy to speak on behalf of our members through putting robust structures and processes in place to better embed members in our work – ensuring that our members help to set our priorities and steer the delivery of our work programmes. We have set out in greater detail how we will achieve this in the governance section of this report, on page 10.

Doing what others can't

The NHS Confederation is one of the largest and most inclusive independent membership organisations in the health and social care sector. It is the only body to bring together all parts of the system and provide a distinct and powerful voice for NHS leaders. We will continue to use our unique position to influence policy and provide comment on issues that affect the whole of the service, contributing to sound policy-making, balanced debate and increased public confidence in the NHS. We will also strengthen our role in helping members to make sense of cross-cutting issues and respond to developments that shape the overriding framework of the NHS.

We will take full advantage of having all parts of the system under the umbrella of the Confederation to improve shared learning and interaction across the sectors. We are also looking at other organisations that occupy a similar ground in the market place to see where the gaps are and develop services not currently being offered elsewhere.

Governance and structure

We asked Stanton Marris to review our organisational model as well as our governance arrangements to ensure that our members are properly integrated into our work through our Board of Trustees, Council and Network Boards. We also considered what our internal structures should look like to enable us to provide the best possible service to our members.

Organisational model

The NHS Confederation is a registered charity and is subject to the regulation and scrutiny of both Companies House and the Charity Commission. The Confederation is governed by a Board of Trustees which is ultimately responsible for the legal and financial accountability of the organisation.

Following the strategic review, we will be exploring how we can further develop our commercial activities. The NHS Confederation is a not-for-profit organisation and any generated surplus is re-invested into member services and helps to keep membership fees down.

We have also been looking at our fees and subscriptions to ensure that we continue to provide good value for money to our members. Following on from the strategic review, we are pleased to announce that all membership fees for 2009/10 have been frozen. Additionally, if an organisation is a member of more than one of our networks, they will be entitled to a 10 per cent discount on the 'core' Confederation element of their fee.

Governance structures

To help clarify and strengthen our governance structures and ensure that members are properly embedded in the work of the NHS Confederation, the review examined the role and composition of our Board of Trustees, Council and Network Boards.

Following the introduction of the networks, we will be developing a more clearly defined role for Council and ensuring that council membership is more reflective of the make-up of the constituent parts of the organisation. We will also be reviewing the respective responsibilities of the Board of Trustees and the internal management board; introducing streamlined decision-making processes; developing our support services for the networks and the centre; and developing cost-efficiency measures.

We will be presenting members with proposals to ensure they have the opportunity to shape and agree upon the final governance and management structures. A full report will be published once proposals are finalised.

The Network Boards and NHS Employers Board will continue with the same responsibilities as now but will benefit from a planned new scheme of delegation.

Wales and Northern Ireland are both a vital and valued part of the NHS Confederation. Both countries will be undergoing fairly radical and large-scale changes to their health systems over the next few months and we will be looking for new ways of providing central support to the members in both countries whilst respecting their need for a certain independence.

Internal structures

To help us successfully deliver the aims and objectives set out in this report, we have made some immediate changes to the internal structure of the organisation. The changes are designed to ensure we are able to service the needs of the core Confederation whilst better integrating and coordinating the work of each of our networks – utilising the advantages of being within the umbrella of the Confederation to improve shared learning and interaction over cross-cutting issues.

We have amalgamated the vital policy and communications functions. Nigel Edwards has taken on a wider role of director of policy and communications to enable us to strengthen our policy and influencing work and to build our position as thought leaders.

We are also appointing a new director of communications and a new senior manager to coordinate our member engagement and communications work. In addition to this, we have recently appointed a new director of resources and are pleased to announce that Sian Thomas has been appointed as the permanent director of NHS Employers.

A new corporate member services directorate will oversee our events, marketing, publishing and commercial relations teams to help us realise our significant commercial potential.

Culture and process

We want to ensure that we have the right internal culture, values and behaviours in place to enable us to continue to thrive as an organisation. We recognise that our employees are our most important asset and we are committed to ensuring that all staff have the appropriate skills, knowledge, competence and aptitude to undertake their role effectively.

We already have a number of internal processes in place to ensure that our employees have access to appropriate levels of training and personal development opportunities. We have also implemented a number of initiatives to ensure a healthy and happy working environment. Many of these policies and initiatives are described in the corporate responsibility section of this report, on page 18.

A number of recommendations which will help us to further improve our internal working processes have come out of the strategic review and we have set up a distinct programme of work to help deliver on these objectives.

The NHS Confederation trustees

The trustees meet four times a year. Members are:

Chair: Bryan Stoten, Chair, Warwickshire PCT

Vice-chair: Angela Ballatti, Chair, Royal Devon and Exeter NHS Foundation Trust

Vice-chair: Lisa Rodrigues, Chief Executive, Sussex Partnership NHS Foundation Trust . Chair, MHN

Honorary Treasurer: Susan Sorensen, Deputy Chief Executive, Whittington Hospital NHS Trust

Audit Chair: Malcolm Hanney, Chair, Bath and North East Somerset PCT

Northern Ireland: Pat MacCartan, Chair, Belfast Health and Social Care Trust

Wales: Lyndon Miles, Chair, Gwynedd Local Health Board

Trustee: Trevor Campbell Davis, Chief Executive, Oxford Radcliffe Hospitals NHS Trust

Trustee: Tony Dell, Chair, North East Ambulance Service NHS Trust

Trustee: Karen Knapton, Chair, East Riding of Yorkshire PCT

Trustee: Alan Stephenson, Chair, Ashton, Leigh and Wigan PCT

Co-opted: Julie Acred, Chair, Foundation Trust Network

Co-opted: John Burnside, Chair, Ambulance Service Network

Co-opted: David Highton, Vice-chair, NHS Partners Network

Co-opted: Lise Llewellyn, Chair, Primary Care Trust Network

The NHS Confederation directors



Steve Barnett
Chief Executive



Nigel Edwards
Director of Policy and
Communications



Sian Thomas
Director, NHS Employers



Sue Slipman
Director, Foundation
Trust Network



David Stout
Director, Primary Care
Trust Network



David Worskett
Director, NHS Partners
Network



Steve Shrubbs
Director, Mental Health
Network



Liz Kendall
Director, Ambulance
Service Network



Mike Ponton
Director, The Welsh
NHS Confederation



Alan Gilbert
Director, The Northern
Ireland Confederation



John O'Brien
Director of Corporate
Membership Services



Alastair Henderson
Director of Operations
and Deputy Director
of NHS Employers

Kevin Geeson
(not pictured)
Director of Resources

Maura Thompson
(not pictured)
Acting Director
of Communications

Highlights from 2008/09

Our work in 2008/09

The NHS Next Stage Review

In June 2008 health minister Professor Lord Darzi published his long-awaited NHS Next Stage Review. The Review was billed as the biggest shift in health policy for a generation and we played a significant role in helping to shape the final proposals. We were robust in collating views from our members and maintained a programme of contact with Professor Lord Darzi, health ministers and other senior (DH) personnel throughout the review process.

In our *Challenges for Darzi* report, we outlined a number of tests that we believed Professor Lord Darzi's proposals should be judged against to ensure they create positive outcomes for patients, the public and NHS staff. The final report, published in June 2008, contained many of our key asks including the absence of major restructuring, a focus on quality, and the emphasis on prevention as well as treatment services.

Economic crisis

2008/09 will undoubtedly be remembered for the global economic downturn. We were quick to respond to November's Pre-Budget Report, highlighting that efficiency savings will need to be found through the tariff and better use of NHS estate. We were pleased that the Operating Framework for 2009/10 contained no new national targets.

We hosted a Whitehall debate with former health secretaries Patricia Hewitt and Stephen Dorrell and other key figures to discuss the likely implications of the financial crisis for health and healthcare, using lessons from the past to suggest how NHS leaders should respond. We also hosted a breakfast meeting at Number 10, bringing NHS leaders and policy makers together to discuss key issues and concerns.

The importance of strong leadership in tough economic times is set to dominate our 2009 annual conference programme.

Top-up payments

Summer 2008 saw us leading the debate about whether or not patients should be allowed to 'top-up' their NHS care with private treatment. We worked with members to influence cancer tsar Professor Mike Richards' review and were pleased that the Government announced in November that patients can retain their entitlement to NHS treatment whilst paying for additional care.

We responded to the National Institute for Health and Clinical Excellence (NICE) consultation on appraising treatments that may extend life for patients with incurable illnesses and short life expectancy ahead of new guidance published in January.

Reputation management guide for boards

We published a reputation management guide for boards highlighting the importance of reputation for NHS organisations, the factors driving reputation locally and nationally and key challenges and components needed to build and actively manage reputation.

2008/09 has been a challenging year for PCT reputation. Much of the national media focus has been on the role of PCTs in priority setting and decision-making in exceptional case panels. We have undertaken work with our PCT Network to raise awareness of the role of PCTs in decision-making on high-cost drugs and have represented PCT views in Westminster debates as well as in national and trade media.

Member services

In September 2008, we launched our fortnightly health policy digest e-newsletter, providing information on all the latest policy developments and research findings as well as commentary and opinion from key figures in the health and social care sector. Feedback shows that this is a highly valued information source for our members.

The design and layout of our website has been refreshed with clearer content and improved signposting to help members and others find areas of interest and move around the site more easily.

Sustainability

Our work on climate change continues and our response to the NHS Sustainable Development Unit's draft carbon reduction strategy reflected members' recognition that the NHS has a responsibility to make a significant contribution to the UK's efforts to reduce greenhouse gas emissions.

Work with the new regulator

Prior to the introduction of the Care Quality Commission (CQC) – the new regulator for health and social care – we worked to influence the emerging thinking and to shape its regulatory processes and compliance criteria. We have been robust in saying it is important for the CQC to build on the lessons and experiences from its predecessor bodies to create a modern, effective regulator which is risk-based and proportionate and does not add to the regulatory burden of NHS organisations.

Party political conferences

At the 2008 political party conferences we were clear that all parties should avoid 'stock solutions' to the issues and challenges affecting health and social care. We said it was important that they look at the four really difficult problems in health: social care funding; health inequalities; prevention; and helping people return to work.

Safeguarding children and vulnerable adults

In a year when issues around safeguarding children were again at the top of the agenda, we set up a member group in this area to ensure that our positions and responses were grounded in our members' experience. We worked with our members to develop our response to the Haringey case, through working groups and gaining both formal and informal feedback on the Laming Review recommendations. Through our media work we set out the NHS Confederation's position on issues around leadership, staff support and training, and the role of boards in challenge and scrutiny. Our ongoing programme of work in this area includes a place on the expert group supporting the new government advisor on the safety of children.

We also set up a member group on safeguarding vulnerable adults, submitted a response to the 'No Secrets' policy update and were actively involved in the DH working group on adult safeguarding.

Speaking out on the National Programme for IT

In February 2009 we asserted that difficult decisions would have to be made about the National Programme for IT (NPFIT). When the Public Accounts Committee published its report about NPFIT in early 2009, we took the opportunity to say that our members were very concerned about the lack of progress on the electronic care record system.

Responding to increased pressures

In the year when the NHS had severe winter pressures and there was a 15 per cent increase in the number of GP referrals to hospital in the first quarter, we worked quickly to establish with our members where the pressure points were and how they were responding.

Snapshot of 2008/09

- 14 submissions to Parliament, including six oral evidence sessions to Parliamentary committees and eight written briefings to Parliamentarians
- 81 meetings with our key stakeholders
- 141 meetings with political figures
- 334 media releases or statements and features produced, twice last year's figure
- 450 people attended our Christmas reception
- 828 mentions in the media, broken down into 628 trade, 132 national and 68 regional
- 1,248 media enquiries handled
- 2,199 annual conference attendees
- 3,677 daily press summaries produced
- 7,090 subscribers to weekly Interchange alert bulletin

Our work priorities for 2009/10

Productivity and efficiency

The NHS faces an unprecedented challenge. It will have to deal with increasing demands and expectations in an environment in which there will be a significant decline in real resources. We are planning to work with the Joint Medical Consultative Committee and the NHS Institute for Innovation and Improvement to identify opportunities for shifting resources within programmes to improve efficiency. We will be working with members and other organisations active in this area to identify innovative practice to improve efficiency. A number of the political and policy barriers to efficiency will need to be dealt with if we are to have any chance of successfully meeting the scale of the challenge we face. We will also be lobbying where appropriate to remove blockages to more efficient practice and ensure that key policy-makers understand the nature of the issues we face.

Influencing the NHS Next Stage Review implementation

We played a significant role in helping to shape the final proposals set out in the NHS Next Stage Review, and have been clear that the Review's momentum must be maintained. We are working with our members to make sure that it delivers for patients and staff the promised focus on quality, leadership and emphasis on prevention as well as treatment.

Influencing the health policies of the next government

As ever, we are working with all parties to ensure their proposed policies on health are sensible, workable and in the best interests of patients, the public and staff. Using the breadth of our membership and our collective expertise, we are well placed to influence the policies of the elected government in 2010. We will be publishing our own challenges for Government document which will set out key policy challenges for all politicians in advance of an election. We will continue to host topical debates in Westminster and step up our contact programme with senior politicians and officials.

Developing as thought leaders

We will continue to develop our debating and 'thought leadership' function over the coming months to provide more critical discussion around key issues and take a more active role in leading the way for members and the NHS as a whole. We have already started to build capacity within the organisation to help strengthen our policy and influencing work and build our position as thought leaders.

Making sense for our members

This year we want to make better use of our unique position to help members make sense of the complex health policy picture. We will be developing a programme of work focusing particularly on innovation, quality, regulation and partnership working.

A stronger public voice for NHS leaders

We will be working to strengthen the public voice of NHS leaders by responding fairly but robustly to issues that are debated in the media. We are working to strengthen our relationships with key media to help ensure that we are not just responding to the issues, but are proactive in helping to set the content and tone of the debates, contributing to balanced discussion and increased public confidence in the NHS.

Leadership

Leadership was a key theme arising from the NHS Next Stage Review and our work in this area will be targeted at addressing some of the challenges around leadership and talent management. We will be looking at how we can improve leadership across the board, including at middle-management level, and will also be highlighting the positive contribution local NHS leaders are making through innovation and best practice.

Steve Barnett, NHS Confederation chief executive, has been appointed to the National Leadership Council, which is the main body charged with helping to deliver the vision set out in the Review. We will be working to ensure that policies around leadership development deliver real and sustainable benefits for patients, the public and NHS staff.

Quality

Our work in this area is aimed at helping our members to understand the 'quality agenda'. We will be responding to and influencing emerging policy as well as highlighting how our members are driving quality improvements, with an immediate focus on assessing where quality improvements can be made across the system. We are also looking at the nature of quality accounts with particular input from our FTN.

Following the recent report into the quality of care and management at Mid-Staffordshire NHS Foundation Trust, we have asserted that there should be greater emphasis on the sharing of good ideas and management experience across the whole of the health service. New policy solutions are not required in the wake of the Mid-Staffordshire investigation, however, we need to ensure the policies and systems already in place are working properly. We believe that a programme of board-level peer review would benefit organisations, encouraging a culture of looking and learning from elsewhere and providing challenge divorced from inspection, and we plan to further promote and develop this idea in 2009/2010.

Regulation

Our work on regulation will focus on helping to ensure that regulation is proportionate and fit-for-purpose, getting the right balance between autonomy and improvement. An immediate priority is to continue to build relationships with the new regulator for health and social care – the (CQC) – as well as other regulatory bodies, and we will be trying to disentangle some of the problems of overlap and ambiguity between system management and regulation.

Climate change

We have established a member reference group, working with the Sustainable Development Unit and are planning an event and publication leading up to the international climate change summit in Copenhagen in December.

Other work areas

Our policy team will continue to work on other areas of importance to our members such as informatics, research policy, work on complaints, pandemic flu, NICE, patient and public involvement, children, maternity, rural hospitals and the future of non-foundation trusts.

Member services

We have created a new member communications team, bringing together our membership team with key aspects of our wider communications to enable us to deliver improved engagement and communication with our members.

We will be working to develop our online services and increase opportunities for member interaction through the use of online exchanges and discussion forums. We will develop our online polling to help get instant responses and feedback on policy developments and will look at mechanisms for increasing user-generated content to help share learning and spread best practice. We will also look to deliver more interactive conferences and events and extend our online networking capabilities to enable members to get in touch with colleagues across the UK. We are also working to implement online credit card payments so our audiences can purchase publications and book onto events more quickly and easily. We will use our online services to further raise our profile with external audiences, developing an enhanced media area for journalists to access photos, statistics and press releases and utilising social networking tools to raise the profile of key figures within the organisation and provide comment on key issues of the day.

Finally, we will be looking to personalise our range of member communications, from web pages to our electronic and printed communications, enabling members to select what they receive from us and when.

Corporate responsibility

We have a number of policies in place to ensure that we deliver on our corporate responsibilities as an employer and as a public body.

Environment and sustainability

Environmental policy

We are committed to reducing our impact on the environment by improving the environmental performance of our estate. This policy reflects our drive to conserve resources, reduce pollution and increase staff awareness of environmental issues. Our staff-led green group has spearheaded a range of green initiatives, including:

- the introduction of recycling facilities so that all offices now recycle paper, cardboard, plastic and cans
- implementing the use of 100 per cent recycled paper and stationery
- leading a campaign to encourage staff to switch off PCs, monitors, printers and lights to help reduce our energy consumption
- using glasses and mugs instead of disposable cups
- recycling old equipment and replacing with more energy efficient products
- ensuring all print suppliers hold ISO14001 and/or FSC environmental accreditation, have an environmental policy statement and use vegetable-based inks. All the paper we use is recycled to some degree, FSC-approved (made from virgin wood fibre from sawmill residues, forest thinnings and/or well-managed sustainable forests), recyclable and bio-degradable
- hosting a series of staff briefings on environmental issues
- creating an intranet page of 'top tips' for becoming greener at home and links to environmental websites
- including the environmental policy and initiatives in new staff inductions.

Our employment policies and practices

We have a number of policies in place to help ensure that we are an employer of choice and provide a healthy and happy working environment for our employees.

Equal opportunities policy

We are committed to equal opportunities in all aspects of recruitment and selection. We have a number of policies and guidelines in place to ensure that the best candidate is chosen for each job vacancy regardless of age, disability, race, nationality, ethnic or national origin, gender, religion, beliefs, sexual orientation, domestic circumstances, social and employment status, HIV status, gender reassignment, political affiliation or trade union membership. The policy and procedures apply to both internal and external recruitment.

Staff forum

In 2006 we introduced a staff forum to increase staff involvement in the work of the organisation and provide a way to keep staff informed on business ideas, proposals and developments. The terms of reference were revised in 2008 to reflect a more forward thinking forum which has a broader remit covering initiatives and work that benefits individuals and the organisation. Each member of staff has a forum representative through which they can feed in their views. The chief executive, head of human resources and internal communications manager attend the staff forum meetings. The forum has recently published an 'It's all about us' framework which set out areas of personal responsibility for all staff and managers and is currently working to support staff in implementing recommendations from the strategic review.

Anti-bullying and harassment policy

In 2007, our anti-bullying and harassment policy was reviewed and updated in conjunction with feedback provided via the staff forum. The significant change to the policy included the introduction of an anti-bullying and harassment adviser network to provide confidential support and advice to any member of staff who has felt bullied or harassed in the workplace. The network is also available to offer advice to anyone who has been accused of such behaviour. The chief executive and senior management team actively endorsed the new initiative and the principles that underpin it.

Equality and diversity policy

In 2008, we undertook an initiative to help mainstream equality and diversity across the organisation. The project aimed to develop policies, systems, processes and staff so that equality, diversity and human rights are integral to our core business, informing and influencing how we deliver our services to members on a daily basis.

Investors in people

We have committed to the achievement of Investors in People (IiP) to help embed excellent employment practices across the organisation. The organisation underwent an assessment at the beginning of May 2009 and is currently awaiting the outcome from the accreditation panel.

Staff training and development

We are committed to ensuring that all staff are able to develop the necessary knowledge and skills to perform their role effectively, help the organisation meet its key development objectives and maintain a high standard of service to our members. The policy sets out the values, principles and policies that underpin any investment in training and development within the NHS Confederation. All training and development provided must be in accordance with the following principles:

- based on business plans, objectives and priorities
- linked to the requirements of individual jobs
- equally accessible to all staff
- systematically evaluated to ensure maximum value for money.

Healthy workplaces

We produce a healthy workplace bulletin for all staff to help improve their health and well-being. Topics covered to date include nutrition, exercise and stress. As part of the healthy workplaces initiative, all staff receive free fruit every Monday.

Public life

Gifts, hospitality and declaration of interest

This policy is to ensure the integrity and probity of the NHS Confederation, our staff, and those acting on our behalf are not compromised by the offering, acceptance or rejection of gifts or hospitality. The policy states that employees shall not use their authority or office for personal gain and shall seek to uphold and enhance the standing of the NHS Confederation by maintaining an unimpeachable standard of honesty, impartiality and integrity in their business relationships.

- **Gifts** under £20 do not have to be recorded, unless an employee receives gifts from a single source within one year that exceeds £100. Any gifts over £20 should not normally be accepted by an individual.
- **Offers of hospitality** must be reasonable and suitable to the circumstances and a number of tests must be applied:
 - Would NHS Confederation members or the public question the appropriateness of hospitality received or given?
 - Would a reasonable person, assessing the hospitality provided by the NHS Confederation, judge that it was appropriate and represented reasonable value for money for members' subscriptions or the public purse?
 - All instances of receipt or provision of corporate hospitality should be recorded in the register of gifts and hospitality along with the cost or estimated value.
- **Loyalty schemes** – staff should not directly benefit from travel paid for by the NHS Confederation. If air miles, free train tickets or similar are received they should be recorded in the register of gifts and hospitality and surrendered for corporate travel use.
- **Offers of fees for speaking engagements** should only be accepted on the basis that they are payable to the NHS Confederation.

We adhere to the seven principles of public as set out by the Committee on Standards in Public Life (the Nolan Committee). These include selflessness, integrity, objectivity, accountability, openness, honesty and leadership.

Finance

Summary information from the latest audited accounts of the NHS Confederation, covering the 14 month period to 31 March 2008, is shown in the table below. Income and expenditure for the year ending 31 March 2009 is anticipated to show a similar profile, with expenditure closely matching incoming resources.

Delivery of the activities outlined or referred to in this report involves expenditure of approximately £30 million. A significant element of the NHS Confederation's funding continues to be sourced from the Department of Health (2008/09: £16 million) for services to members on workforce issues. Income from subscriptions contributes the majority of the balance of net income.

Summary of income and expenditure 2007/08

	£m
Income	
Income from charitable activities	
Subscriptions	7.0
Conferences, training and other income	2.9
NHS workforce and employment activities	19.8
Other income	1.7
Total	31.4
Expenditure	29.3
Net surplus	2.1

For more information on our work, please contact:

The NHS Confederation
29 Bressenden Place
London SW1E 5DD
Tel 020 7074 3200
Email enquiries@nhsconfed.org
or visit www.nhsconfed.org

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