



Department of Health & Social Care

Dame Meg Hillier MP
Chair of Public Accounts Committee
House of Commons
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Dear Chair

Eleventh Report of Session 2013-14 Managing NHS hospital consultants

I am writing to provide the committee with an update from the Department of Health and Social Care on progress against the outstanding Recommendations in the above-named report:

1: PAC recommendation: In its business case supporting any future renegotiation of the contract, the Department should set ambitious targets that deliver significant productivity growth.

The target date for this implementation has been revised to Autumn 2025. Our intention remains the introduction of amended contractual arrangements for consultants to help increase productivity. Consultants take a central role in improving productivity, including through their roles in wider multi-disciplinary teams. Any changes would likely need to be delivered through joint negotiations, these require all parties to agree to partake and then to reach collective agreement.

In the absence of a multi-year deal, we will continue to seek opportunities to progress some elements of reform with a view to improving value for money and enhancing productivity.

2: PAC recommendation: In order to improve services for patients, the department must ensure that any future contract is flexible enough to allow seven day working and should set a maximum limit on payments for additional work.

The target date for this implementation has been revised to Autumn 2025. There have already been extensive discussions between NHS Employers and the British Medical Association (BMA) on contractual changes to support the delivery of a seven-day service for patients who have urgent and emergency care hospital requirements. These have included looking at making the contract more amenable for relevant specialities as well as individuals with the most challenging working patterns.



Department of Health & Social Care

It remains our ambition that consultants should be remunerated at nationally agreed rates, including that work conducted during hours that may currently be considered extra-contractual be arranged through a national contract. We are continuing to engage on the issue and will progress a contract that facilitates around-the-clock care as economic conditions permit.

The national consultant contract sets out terms and conditions concerning medical consultant remuneration. Deciding upon remuneration levels that fall outside of the contract remains a judgement for employers.

4: PAC recommendation: All trusts should improve the value for money of consultants by linking the achievement of job plan objectives and good clinical outcomes with the appraisal process and pay progression.

While an agreement was not reached with the BMA and Hospital Consultants and Specialists Association (HCSA) on reforming the Local Clinical Excellence Awards (LCEAs), the follow-on arrangements already set out within the consultant contract came into effect in April 2022. These arrangements allow employers a significant degree of local flexibility to run their LCEA schemes to suit their own priorities. In the absence of a national framework, we will continue to work with NHS Employers to support and encourage best practice. We would expect this to start to bring about improvements towards the end of this year which should increase over time as employers further develop new award schemes.

Furthermore, mandatory revalidation continues to engage doctors in a process that provides a framework for continuous improvements on the quality of their practice.

Yours sincerely,

**SIR CHRIS WORMALD
PERMANENT SECRETARY**