

From the Permanent Secretary
Sir Chris Wormald



Department of Health & Social Care

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Dame Meg Hillier MP
Chair of Public Accounts Committee
House of Commons
London
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Sent via email to: pubaccom@parliament.uk

31 May 2022

Dear Chair,

Re: Public Accounts Committee, 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 1, 2 and 4 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 department's 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.

Furthermore, we have been undertaking extensive discussions with the relevant trade unions on reforms to Local Clinical Excellence Awards (LCEAs), a key part of the consultant reward package. While, disappointingly the BMA and HCSA did not secure the approval necessary to take the Framework Agreement forward to a member ballot, this has instead resulted in the follow-on arrangements already set out within the consultant contract coming into effect from April 2022. These arrangements allow employers a significant degree of local flexibility to run their LCEA schemes to suit their own priorities, including those designed to enhance and reward productivity. We will continue to work with NHS Employers to support and encourage best practice.

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.

There have already been extensive discussions between NHS Employers and the 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.

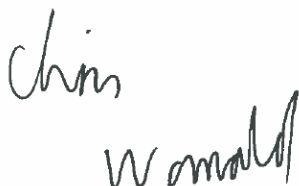
The department is considering options to further such discussions and has started to undertake the necessary preparatory work towards this. It remains the DHSC's aim that consultants will be paid their contractual rates for all NHS work.

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 HCSA on reforming the LCEAs, the follow-on arrangements already set out within the consultant contract will come into effect from April 2022. These arrangements allow employers a significant degree of local flexibility to run their LCEA schemes to suit their own priorities including those designed to enhance and reward productivity. We will continue to work with NHS Employers to support and encourage best practice.

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,

A handwritten signature in black ink, appearing to read 'Chris Wormald', written in a cursive style.

SIR CHRIS WORMALD
PERMANENT SECRETARY