

From: [NR] HMT[/O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=844C79763C7F409C8425E13F8CED7BF1; [NR]

Sent: Thur 21/01/2021 11:43:46 AM (UTC)

To: [NR] HMT [NR] @hmtreasury.gov.uk; CST Action - HMT[Action.CST@hmtreasury.gov.uk]

Cc: [NR] @hmtreasury.gov.uk; Symes, Elkie - HMT[Elkie.Symes@hmtreasury.gov.uk]; [NR] @hmtreasury.gov.uk; Public Services Group - Health Team[HealthTeam@hmtreasury.gov.uk]; VAGH[VAGH@hmtreasury.gov.uk]; Little, Catherine - HMT[Catherine.Little@hmtreasury.gov.uk]; Garton, Will - HMT[Will.Garton@hmtreasury.gov.uk]; Glassborow, Jazmin - HMT[Jazmin.Glassborow@hmtreasury.gov.uk]; [NR] HMT [NR] @hmtreasury.gov.uk; [NR] HMT [NR] @hmtreasury.gov.uk; [NR] HMT [NR] @hmtreasury.gov.uk; Smewing, Conrad - HMT[Conrad.Smewing@hmtreasury.gov.uk]; Fairbrother, David - HMT[David.Fairbrother@hmtreasury.gov.uk]; [NR] HMT [NR] @hmtreasury.gov.uk; [NR] HMT [NR] @hmtreasury.gov.uk; Henricson-Bell, Olaf - HMT[Olaf.HenricsonBell@hmtreasury.gov.uk]; [NR] HMT [NR] @hmtreasury.gov.uk; [NR] HMT [NR] @hmtreasury.gov.uk; Jones, Elin - HMT[Elin.Jones@hmtreasury.gov.uk]; [NR] HMT [NR] @hmtreasury.gov.uk; [NR] HMT [NR] @hmtreasury.gov.uk

Subject: RE: CST Advice - DHSC Supplementary Estimates, and Enhanced Discharge Programme

Hi [NR]

Thanks very much to you and everyone in the team for the work on this – a huge effort.

Notifying No 10 – A general comment first from the CST, which you discussed with him yesterday too as part of the Argar pre-brief. As you know better than anyone, the CST thinks the scale of the funding changes for Supps in DH is staggering – and the scale of movement particularly reveals the poor quality data and lack of financial management in DH. As CST said yesterday, he is keen that we give No 10/PM visibility of this, not least to reinforce the need for a major culture change on transparency. We shouldn't need to set conditions requesting access to data and modelling – CST view is that this should be automatic and continual. CST doubts the PM is sighted on the scale of the problem, so is keen to find a way to inform him. Good to get your views on the best way to do this, but CST was pleased with the letter we previously sent to the PM so is keen to do something similar, which we'd run through CX etc? Feels like something we need to do ahead of any of this going before Parliament.

Below is a full readout from the advice – a couple of points where CST would like follow up info before agreeing. Could we maybe collate these into a further piece of advice where possible?

On the Part 3 advice:

- Agree with the approach of budget cover to protect frontline services, whilst not approving ensuring it remains irregular
- Para 5 – preference is option a, to write to the NAO. CST recognises that relationship with DH is important, but his view is we have repeatedly demonstrated flexibility over the last year, which is the key point for the relationship. It is important HMT position is clearly set out. CST doesn't accept that this could be portrayed as not giving the NHS everything it needs – £55bn at supps, budget cover etc shows that (CST said para 8 of the advice set out argument for HMT well). The letter is an opportunity to show how generous HMT has been in funding DH – both in terms of quantum, but also pace.
- Para 10/11 on PPE, ventilators – agreed
- Para 12, testing – concerned by the failure to on-board civil servants and feels he isn't sighted enough on this. Shouldn't Covid O have considered this as an item for ministerial discussion? Who has it been escalated to? What is being done now to manage consultancy and contractor costs down? **Please could CST have a note on T&T workforce** (following on from Eva's email a couple of days ago too), with a breakdown of costs and options in this space for him/Lord Agnew to push. I think the civil servant hiring point has been escalated to Simon Case (?) so good to show it has had senior oversight.
- Para 13 – fine, subject to commercial view from CO
- Para 14 – fine
- Para 15 to 18 – agreed
- Para 19 – Nightingales – CST will agree this, but questions whether we will need to re-open if the impact of lockdown stabilises inpatient admissions. **Amber**, I know you've got advice coming on this.
- Para 20 – agreed
- Para 21 – agreed
- Para 22 – Dental clinical placements – Does 11 weeks covering the 16 weeks lost mean the course can be 5 weeks shorter in the future? CST keen if we push on this. For those completing dental clinical placements HMG funds, do they have to become NHS dentists for a period of time and if so how long, or are they free to set up as a private practice? If they don't have to work for the NHS can we review this as part of our reforms given we are paying for their training. CST would like some further info on this before signing off.
- Para 23 – agreed
- Para 24 – agreed. What is the court case costing £100m?
- Para 25 – agreed (though commented that wasn't great!)
- Para 26 – agreed
- Para 27 – not agreed yet – would like an update on compliance with past data requests on pharmacy so we can agree this with adequate data conditions.
- Para 28 – agreed, but with the condition that DH Ministers put their commitment to doing this in writing to CST
- Para 29 – agreed with recommendations, including withholding approval for the 100% points and that we should not fund an incentive scheme we had not signed off. CST thinks this is a good illustration of the problems will poor data within DH spending

NHS Enhanced Discharge

- CST agreed with recommendations, so £320m subject to the conditions outlined
- We should not agree to Simon Stevens request to suspend CHC – but we should continue to discuss with them should capacity situation worsen

- What modelling have the NHS done on staff absence in light of vaccine deployment – presumably fewer absences?
- On LAs with significant assessment backlogs – CST would like options on what HMT can do to help address this – e.g. can we apply a condition to future LA funding that they only receive some of their funding when action has been taken/ information fully shared?
- Do we have an action plan in place on CHC to recover and what are the timescales for doing so?
- CST agrees Parliament would accept late change if health situation required it.
- CST would also like a specific update on domiciliary care - state of play, covid reform possibilities, any options for budget albeit that may be too late?

Thanks again,

NR



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The box deadline for sending advice to the Chief Secretary is 2pm on Monday to Thursday.

From: NR - HMT NR @hmtreasury.gov.uk>

Sent: 19 January 2021 18:59

To: NR @hmtreasury.gov.uk>; CST Action - HMT
<Action.CST@hmtreasury.gov.uk>

[See recipients listed above]

Subject: CST Advice - DHSC Supplementary Estimates, and Enhanced Discharge Programme

Hi **NR**

With huge thanks to everyone who's contributed, please see attached two pieces of advice:

1. Part 3 (sorry) of our advice on DHSC's Supplementary Estimates bid. As well as covering the remaining approvals needed, this also covers overall approaches we could take to the significant challenge of dealing with the huge amounts of irregular spending DHSC have asked us to cover. We're happy to talk CST through that if you think helpful.
2. Advice from Hannah Butcher on the NHS enhanced discharge programme (also cross-referred to in the Supps advice).

Also copying CXO, Comms, and SpAds given potential handling risks around DHSC supps.

Many thanks, and all best,

NR

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