

To: Dame Meg Hillier
Chair, Public Accounts Committee
House of Commons
London
SW1A 0AA

NHS England
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By email: pubaccom@parliament.uk

26 March 2024

Dear Dame Meg,

Public Accounts Committee: DHSC Annual Report and Accounts 2022-23

I am writing further to the oral evidence session of the Public Accounts Committee (PAC) on DHSC Annual Report and Accounts 2022-23, where NHS England committed to writing to the panel to provide further information regarding the following:

- Guidance to Trusts on bereavement leave for pregnancy loss,
- Continuity of Carer in Maternity Services,
- Incurred but Nore Reported Provision - Government Actuaries Department.

Costing Approach and Estimate – Guidance to Trusts on Bereavement Leave:

NHS England considered the costs of implementing this policy, based on several assumptions. This included an expectation that some employers are already implementing a similar policy and using available data. This suggested the estimated costs to be up to £10 million, against a total pay bill of £80 billion (~0.01%). It is likely that there would be variability in both take-up and length of time taken as leave. Therefore, the costs may in fact be less than this.

Taking a more supportive approach to offering leave in these circumstances could be expected to bring staff back into work earlier than otherwise and save costs in terms of overall recruitment and retention. This impact has not been quantified.

We would expect NHS organisations to be able to manage this cost within their allocated budgets.

Continuity of Carer - Maternity Services

Due to continued workforce challenges, there is no longer a target date for maternity services to deliver Midwifery Continuity of Carer (MCoC), with trusts asked to develop local plans that work for them. Depending on the outcomes of a local safe staffing review, trusts have been asked to either: continue with rollout of MCoC, cease further rollout and continue with teams currently in place, or, immediately suspend existing provision. Where trusts have limited capacity for MCoC, they are being encouraged to prioritise these to areas of deprivation or with high proportions of black, Asian and mixed ethnicity women. This policy is in place until the workforce situation improves, and in this time NHS England is not collecting local data on the rollout of MCoC teams generally.

However in the meantime, NHS England is providing funding to trusts to establish Enhanced Midwifery Continuity of Carer teams in the most deprived 10% of neighbourhoods nationally. Funding is provided for a support worker or other role alongside Midwives to provide more holistic support and free up midwives time for core care. As of January 2024, 29 Enhanced Midwifery Continuity of Carer teams have fully launched and are in operation. The maternity and neonatal programme intends to continue funding for Enhanced Midwifery Continuity of Carer teams until at least March 2027. An independent evaluation of the Enhanced Midwifery Continuity of Carer pilot is due to report in the Autumn.

Incurred But Not Reported Provision – Government Actuaries Department

The IBNR (Incurred But Not Reported) provision is a provision that is held for claims that have not yet been received but where an adverse incident has occurred (prior to the accounting date). The preparation of an IBNR provision is standard practice across the insurance industry and in line with relevant accounting standards.

NHS Resolution engages actuarial advisers, the Government Actuary's Department (GAD), to provide analysis and advice on the valuation of the provision for liabilities arising claims. NHS Resolution is an arms-length body of the Department of Health and Social Care and the actuary estimates do not form part of the NHS England group accounts.

The IBNR provision is estimated based on consideration of past claims experience, making adjustments for emerging risks and changes where relevant. The total provision (including the IBNR) is reviewed on a yearly basis and further detail on this work is published in NHS Resolution's Annual Report and Accounts. As with any actuarial projection, the IBNR

provisions are subject to uncertainty, particularly given the long-term nature of the liabilities. As is stated in the certificate and report of the Comptroller and Auditor General to the Houses of Parliament referring to NHS Resolution's Annual Report and Accounts.

I hope that the members of the committee will find this additional information helpful.

Yours sincerely,

A handwritten signature in dark ink, appearing to read 'J Kelly', is displayed within a light gray rectangular box.

Julian Kelly
Chief Financial Officer