

# Budgets and Beyond: Navigating NHS Management

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# Why does it matter?

Consultants step into services shaped by budgets, targets, and system pressures  
Many decisions are driven by National/Trust priorities, not personal preference  
Understanding management realities makes collaboration smoother and services stronger



# How the NHS is Structured (Practically Speaking)

From a manager's daily perspective: NHS England (policy/targets)

Integrated Care Boards (planning & funding)  
Trusts (delivery & performance)  
Divisions & Directorates (budgets & staffing)

**North East & North Cumbria ICB**



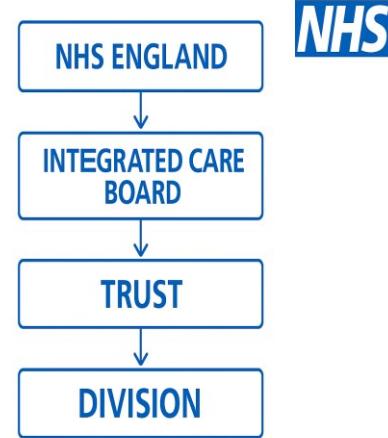
Specialty teams (OMFS)

NHS England  
↓  
Integrated Care Boards (ICBs)  
↓  
Hospital Trusts  
↓  
Divisions  
↓  
Specialties (OMFS)  
↓  
Clinical Teams

Population 3.2 million Budget £7billion

**NHS**  
**England**

# How Money Flows



National Funding → ICB → Trust → Division → Specialty → Pay  
Non-Pay  
Overheads

# Manager Responsibilities

- Financial balance
- Activity plans
- Workforce planning
- Safety & governance requirements
- Contracted performance targets
- Constitutional Standards

They must justify any deviation monthly



# Targets Managers Live By



Managers live by these metrics:

- RTT / long waits
- 62-day & 31-day cancer targets
- Theatre utilisation & late starts
  - Clinic utilisation
- Follow-up-to-new ratios
- Job planning compliance

These shape almost every operational decision.

# The Finance-Performance-Safety Tension

Daily questions managers face:

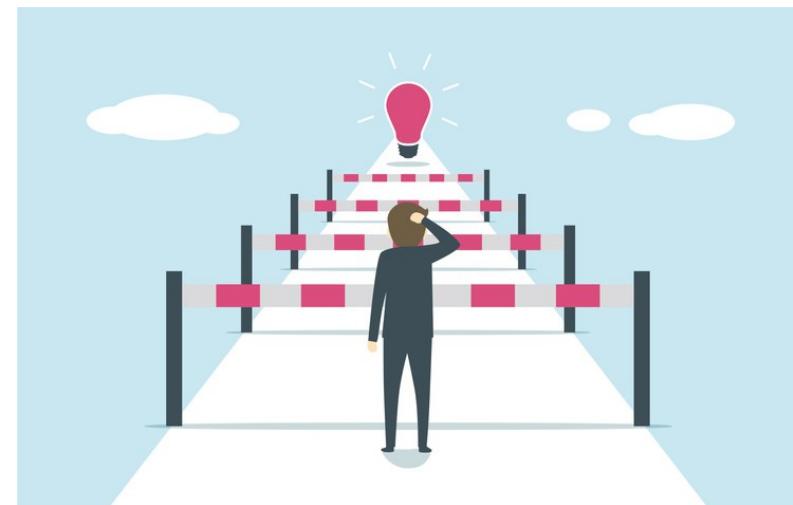
- Can we afford it?
- Does it improve or protect performance?
- Is it safe?
- What is the operational risk?

Managers must balance all three - often with limited resources.



# OMFS Challenges

- Emergency trauma disrupting elective plans
- Cost of implants & specialist equipment
- Workforce shortages (medical, dental & nursing)
- Limited theatre capacity Increasing demand with static resources
- Estates and clinic room limitations



# Why Managers Say “No”



Not due to lack of support - but because:

- Budget is fixed for the year
- Capacity is limited Priorities compete (e.g., theatre time across all specialties)
- Risks must be managed transparently
- Decisions must align with Trust & ICB priorities

Understanding this helps avoid unnecessary conflict.

# Clinical Coding & Income

## Why coding matters?

Every procedure, diagnosis, and complexity factor generates income through the national tariff. Coding accuracy depends entirely on what clinicians record.

Missing outcome forms = missed activity = direct loss of income

under coding is very common  
(e.g., facial trauma, infections,  
daycase v outpatient procedures  
& inpatient procedures).

## What we've found in audits?

Coding = accurate income = more resources for your service. It protects funding for high-cost activity.

Small improvements add up to real money This is one of the easiest “wins” for a department



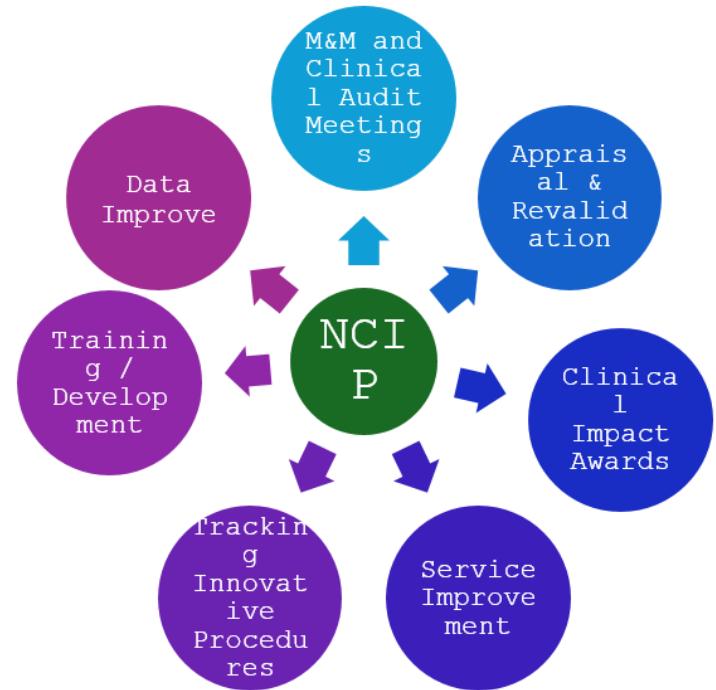
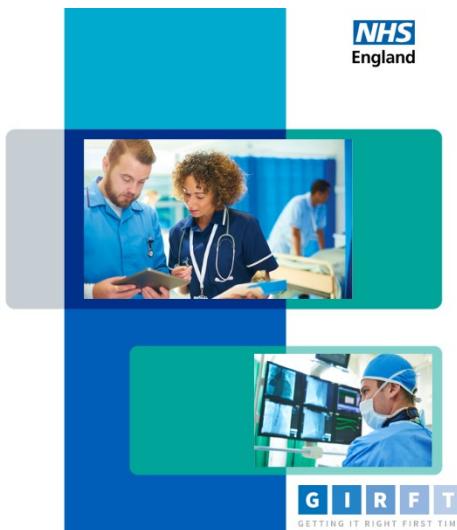
# New Model Health System

**NCIP** | Data insights for clinical improvement

**National Consultant Information Programme (NCIP)**

**OMFS/OS**

Maire Morton, NCIP & GIRFT Clinical Lead  
Emma Page, NCIP Deployment & Adoption Lead



<b>Episode 1</b>	Start date	End date	Diagnosis codes
Consultant	03/02/2025	03/02/2025	D165 K123 J459 Z864
<b>Pilkington, R (C6026848)</b>	Procedure date		Procedure codes
Enucleation of dental cyst of jaw   age 17+   elective inpatient and day case	03/02/2025		F181 F109 Z943 F421
			F241 Z943

# NHS Payment Scheme

Aligned Payment and Incentives (API) model – a hybrid system:

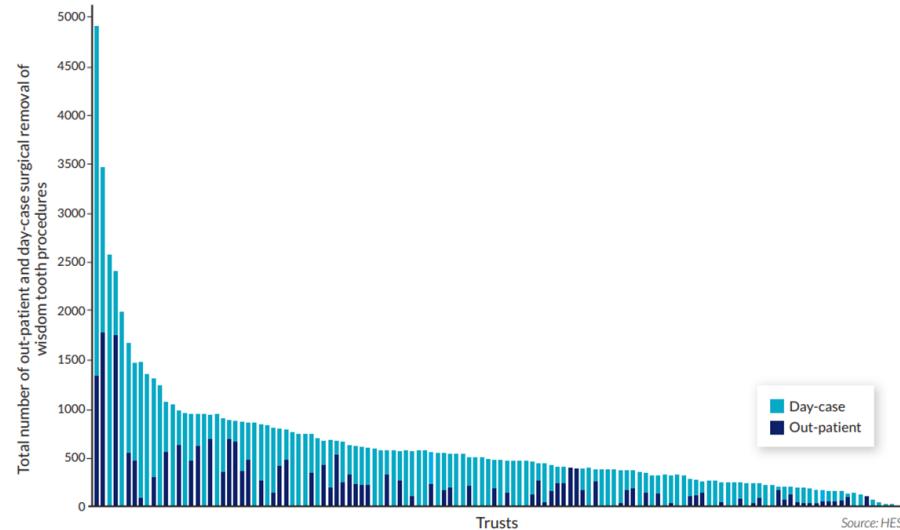
1. Blended payment
2. Fixed element
3. Variable element – activity based (Payment by results PBR)
  - Hospital Outpatient appointments (HOPAs) and Day case surgeries are paid on activity basis
  - Previous cycles showed incorrect coding resulting in potential loss of income

# Background

- COVID block contract
- Coding of day case vs outpatient procedures
- What is a day case procedure?
- Coding not recording day case

SR Tooth >19 yrs  
£578 daycare  
£123 HOPA  
  
(2018/2019 figures)

Figure 4: Out-patient and day-case surgical removal of wisdom tooth



## Aims of the Audit

1. Evaluate the claiming behaviour of the department
2. Raise awareness of outstanding issues with treatment codes and claims and ensure appropriate remuneration on return to a “payment by results (PBR) contract ? In the future.

## Standard

100% of appointments should have been correctly coded

## Standard

- 100% appointments should be correctly coded
- Getting it right first time 2018 – ‘The code recorded should reflect the documented clinical procedure’



# Sample

- 100-200 treatment appointments / month

## Audit 1

- Sept, Oct & Nov 2023
- February 2024

## Audit 2

- July/Aug 2024
- Oct/Nov 2024



# Intervention 1 – September 2023

- Definition of Day Case
  - Nurse led recovery protocol
  - IV sedation
  - Implant placement
  - Skin cancer treatment
- Correct booking fault



## Intervention 2 – October 2023

- Day case stamp
- Comorbidities to be listed during dictation



# Intervention 3 – November 2023

- Redesign RTT form
- Staff training day

## Oral Surgery

**RTT OUT-PATIENT PROCEDURE CODING SHEET**

<b>Appointment Date:</b> <b>Clinic:</b> <b>Consultant</b> <b>Time:</b> <b>Day case procedure? Yes <input type="checkbox"/> No <input type="checkbox"/></b> <b>MULTI-PROFESSIONAL?</b> YES <input type="checkbox"/> NO <input type="checkbox"/>	
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Integrated Care  
NHS Foundation Trust

Procedure	Code	Tick
<b>Assessment</b>		
<u>Orthopantomogram</u>		
Photography of mouth	F424	
FNA Parotid Gland	F488	
FNA Lymph node (Neck)	T881	
<u>Nasoendoscopy</u>	E253	
<u>Diagnostic dermatoscopy of skin</u>	S605	
<b>Dentoalveolar</b>		
Extraction of single tooth	F109	
Extraction of multiple teeth	F104	
Surgical removal of tooth	F094	
Surgical removal of retained root	F095	
Surgical removal of impacted tooth	F092	
Surgical removal of wisdom tooth	F093	
Surgical removal of impacted wisdom tooth	F091	
	F102	
	F103	
	F101	
	F096	
	F145	
f jaw	F181	
tal lesion of jaw	F189	
	F121	
	F051	
<b>Removal of sutures / dressings</b>		
Removal of suture from lip	F054	
Removal of suture from mouth	F405	
Removal of suture from the skin of head or neck	S433	
Attention to dressing of skin	S565	
<b>Miscellaneous</b>		
Creation of impression for intra oral appliance	F671	

# Results

Month	Number of missed day case appointments	Compliance %	Money lost
September 2023	9	92	£5,027
October 2023	11	85	£11,783
November 2023	14	91.3	£11,830
February 2024	3	98.5	£2,239

# Findings

Standard	Cycle	Month	HOPA coded instead of day case	Potential income loss	Compliance level required	Compliance level achieved
Oral and Maxillofacial Surgery 'Getting it right first time' report 2018	1	Jul -Aug 2024	9	£7117	100%	97.4%
	2	Oct-Nov 2024	6	£5597	100%	99.1%

Compliance Rating
95%-100% compliance
75% - 94% compliance
Less than 75% compliance

# Conclusions

- Correctly coding outpatient vs day case has a big impact for a few procedures
- Comorbidities can be difficult for coders to pick up
- Marked improvement after staff training day and redesign of the RTT form
- Short interval repeat auditing to prevent financial loss
- Departmental point of contact with clinical coders

## Recommendations

- Communication with clinical coders
- All staff should be educated on the process of coding
- Re-audit in 3 months to assess continued compliance
- Include training at induction
- Improve recording of comorbidities

# How Consultants Influence Decisions



Managers respond to:

- Clear evidence of patient impact
- Data linked to targets
- Realistic costed proposals
- Understanding of constraints
- Collaborative problem-solving
- Early conversations, not last-minute requests.

# What Managers Need from Consultants

- Advance notice of expected pressures
- Clear clinical justification for flexible solutions, not fixed demands
- Awareness of financial & operational realities
- Shared ownership of performance



# Summary & Questions

The system is complex, but predictable when you understand the pressures. Managers juggle safety, finance, performance & risk every day Consultants who understand the system can influence it more effectively.

Questions welcome!

