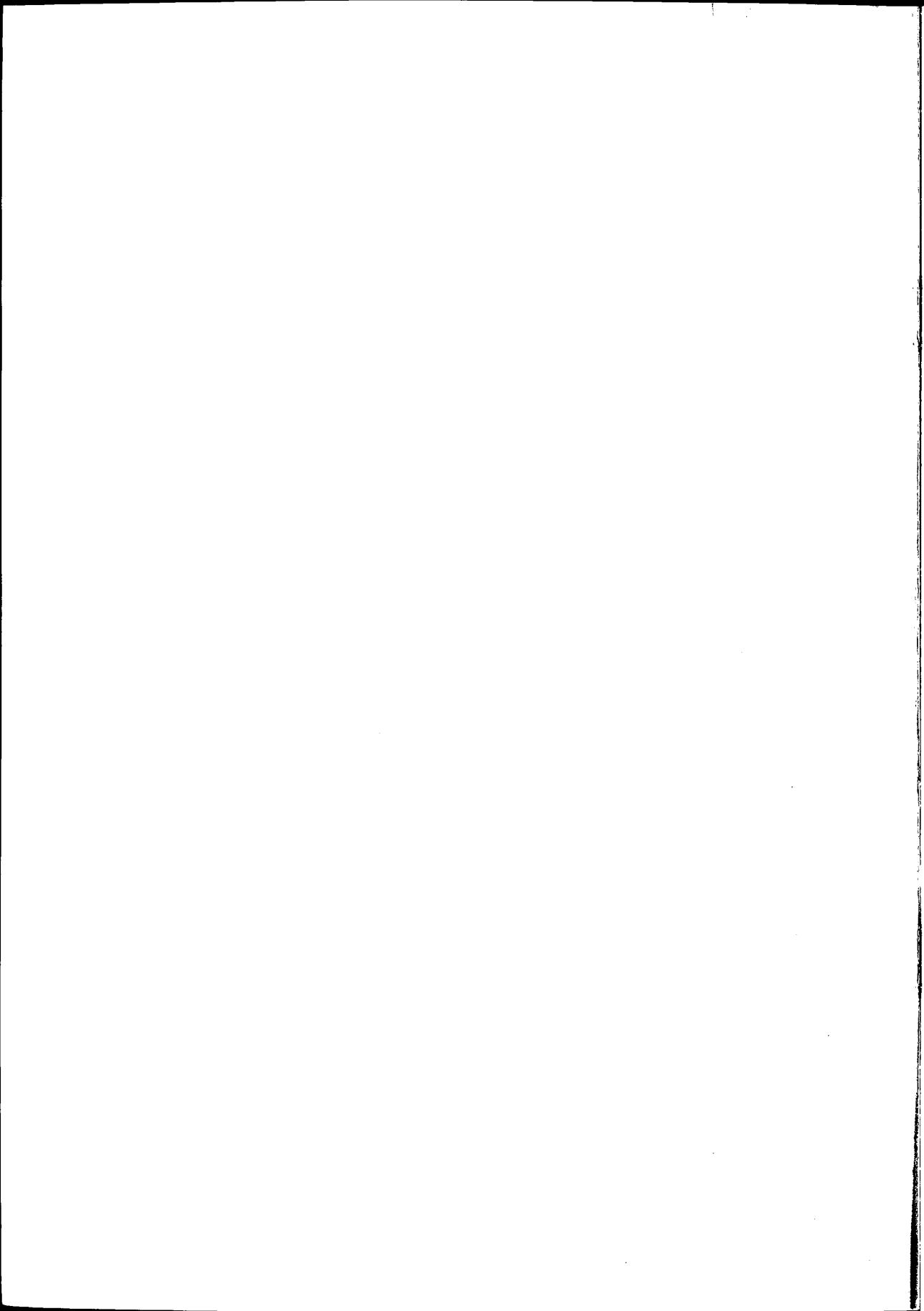


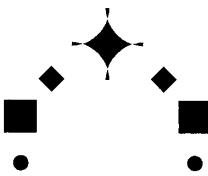


The King's Fund

Strategy and objectives

1995

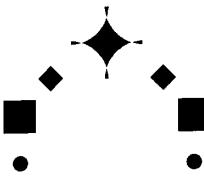




Introduction

In 1995, the Fund enters one of the most profound periods of change in its 98-year history. The move to a single location at Cavendish Square, W1, will be a major milestone. The associated changes will enable the Fund to become more effective in pursuing its main purposes which are:

- To secure for Londoners (including the most vulnerable and deprived) the best possible health and health care, taking account of their views and of expert opinion.
- To stimulate and disseminate good practice and innovation in health and related services.
- To make an independent and influential contribution to the development of health policy nationally and internationally.



Developing strategy

In approaching 1995 and beyond, it is intended to build on the considerable success of the Fund's work in recent years and take the opportunity of the move to Cavendish Square to use the combined weight of our resources to even greater effect.

A number of elements to this approach are now emerging:

- The development of Fund-wide objectives, themes and priorities.
- The promotion of joint working across directorates where that would improve the quality of outcome or reduce unnecessary duplication.
- The commitment to ensure that the work and projects undertaken are evidence-based and appropriately evaluated.
- The encouragement and promotion of work that helps bring together the professional and public interest.

A range of initiatives will take this strategy forward in 1995. The move to Cavendish Square is undoubtedly the single most important catalyst for change. In addition, three Fund-wide themes have been identified which are intended to influence the work of each part of the Fund and thereby encourage greater unity of purpose.

These themes are:

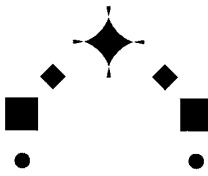
- Acknowledging and increasing the influence of users and the public more generally in the provision and development of health services.
- Evaluating the health reforms and using that knowledge as a basis for promoting change and improvement.
- Developing health care commissioning so that services are more responsive to the needs of the population and take account of known clinical effectiveness criteria.

It is expected that each part of the Fund will continue to pursue a wide range of issues beyond these themes. In 1995, the themes should be in the region of 20 per cent of the total of Fund-wide work.

There are also specific service projects that involve all parts of the Fund:

- The London Health Partnership.
- The mental health review.
- Reconvening the London Commission.

Finally, there is the work concerned with providing more integrated management and support services across the Fund as a consequence of the move to Cavendish Square.



Management arrangements

As a part of the planning for Cavendish Square, the Fund's internal management arrangements have been reviewed taking account of the following:

- The need to keep change to a minimum at a time of considerable upheaval in the NHS.
- The need to secure changes in support functions and staffing to realise the more immediate benefits of working on one site.
- The continuing development of the top management team working together for the greater benefit of the Fund as a whole as well as its constituent parts.
- The recognition that the future organisation of the Fund will continue to evolve as experience of working together in Cavendish Square is gained.

Overall, the short-term imperative is to 'keep the show on the road' while successfully completing the move to Cavendish Square.

Inevitably, 1995 will be a year where to some degree the present and future management arrangements overlap. However, as far as financial and budgetary responsibilities are concerned, the present configuration of responsibilities will continue to be in place until the move. The changes in responsibility for Fund-wide activities will be implemented after the move.

In summary, these changes mean the establishment of Fund-wide portfolios for the following subjects:

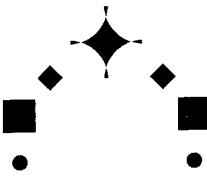
- Communications.
- Information.
- Facilities.
- Resources (finance and personnel).

The present core functions of grant-making, service development, management development, organisational audit and policy analysis will continue and will be strengthened by the more integrated supporting services.

The committee arrangements for the Fund will be modified to achieve greater clarity in the responsibilities of the Fund's Management Committee and the various advisory committees and groups.

In addition to these modifications to the management arrangements, a new corporate house style is being developed. This will include the renaming of some core parts of the Fund. The intention is to seek names that describe what the different parts of the Fund do as well as increasing the emphasis on the Fund as a whole, rather than the separateness of its various parts.

These changes to the management arrangements, taken with the developing strategy and the move to one site, provide for an exciting next phase of the Fund's development.



Financial framework

The Fund's asset base of some £133m at 31 December 1994 (see Appendix 1) means that the Fund has a forecast investment income in 1995 of £5.5m.

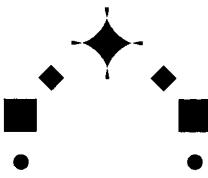
In addition to this sum, the Fund is forecast to receive during 1995 a further £10.5m from external grants and fee-earning activities.

The Fund will therefore have a total income in 1995 of £16.0m.

Expenditure in the Fund in 1995 is forecast to be £16.9m (see Appendix 2) and there is therefore a projected deficit in the year of £0.9m. The Chief Officers of the Fund are committed to restoring a balanced income and expenditure position no later than 1997.

The 1995 allocations to the constituent parts of the Fund are shown in Appendix 2 and the following additional points should be noted:

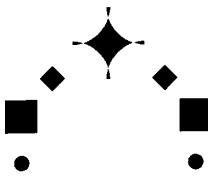
- The allocation of £932,000 net subsidy to the King's Fund College includes £500,000 which specifically is designated for the creation of a development fund.
- In addition to the deficit for the year of £0.9m, which will need to be funded from the Fund's capital, the Finance Committee has agreed that £0.25m will be made available for capital investment in the Information Technology area.
- The budget for 1995 includes a sum of £0.31m as a reserve to deal with unforeseen and transitional costs associated with the move during the year to Cavendish Square.



Corporate and directorate objectives for 1995

Overall

- To continue to discharge the Fund's main purposes and increase the impact that we are making collectively.
- To implement the 1995 strategy and objectives.
- To maintain the quality and impact of the Fund's activities before, during and after the move to Cavendish Square.
- To complete the move successfully and begin to obtain benefits, such as improved working and lower costs.
- To improve external and internal communications.



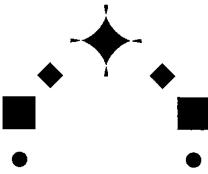
Secretariat

Aims

The Secretariat is the head office of the Fund and the focus of corporate decision making. As well as offering internal leadership, the Chief Executive will lead the external representation of the Fund. This is a crucial part of Fund activities: its effectiveness is enhanced considerably by forming alliances with appropriate external organisations. The Secretariat also supports much of the committee structure of the Fund.

Specific objectives

1. To rationalise Fund committees to be more appropriate for the new management structure and single site.
2. To continue to develop the Management Committee and the partnership between executive and non-executive members.
3. To ensure that overall effectiveness and quality of Fund activities are maintained during the move to Cavendish Square.
4. To lead the development of greater coherence and synergy in Fund work.
5. To continue to lead the external influence by the Fund of the health care environment.
6. To develop the Fund's influence and leadership in the European context.



Grantmaking

Aims

The Fund's Grantmaking function commissions and supports external programmes. In 1995, it will use £2m of Fund money to support projects which give external expression to the priorities pursued by the Fund across its work.

The current Grantmaking priorities are:

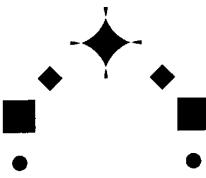
- projects which encourage equal access to health care (including disadvantaged minority ethnic groups);
- primary and community care;
- acute services in London;
- projects which strengthen the voice of the user;
- arts and health.

There is a general condition that projects must relate to London.

For Grantmaking to be effective it requires the same degree of rigour as internal projects in policy development and selection, and in the monitoring and assessment of projects.

Specific objectives

1. To develop and implement an evaluation strategy for grantmaking.
2. To develop dissemination of grantmaking.
3. To manage and commission policy reviews on behalf of the Grants Committee.
4. To continue to improve the level of support to grant seekers and recipients.
5. To continue to improve the monitoring, reporting and analysis of grantmaking.
6. To lead the preparation for a Major Grant programme in 1996.



King's Fund College

Aims

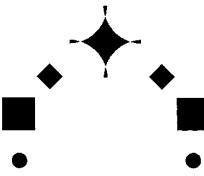
The College is concerned with improving the quality of management in the NHS. It gives particular attention to the development of clinical, professional and organisational leadership, and its two main methods of working are field-work consultancy and in-house educational programmes and workshops. Some 70 per cent of the income of the College arises from consultancy work, and at present this dominates the way in which the College works and how it is perceived in the health service.

Using the newly-created development fund, it is intended, in 1995, to shift the balance from consultancy towards developmental and innovative work that cannot necessarily be funded through fee income.

A series of workshops has been run since September 1994 with NHS participants and leading management thinkers to help the College define more clearly what the major issues facing the health service are and to hear from people in the NHS how they think the College can help to address these issues. The results of these workshops will be used as one means of deciding how the newly established development fund should be targeted.

Specific objectives

1. To define the major themes and areas of interest that the College should pursue over the next two to three years.
2. To use 50 per cent of the Fund's subsidy in order to establish a College development fund.
3. To replace 'billable days' by income targets as one of the main measures of Faculty productivity.
4. To reduce the overhead costs of the College by 30 per cent and to restructure Faculty support services.
5. To increase the quantity of larger project work undertaken by at least 20 per cent.
6. To organise the Faculty into teams that will be concerned with improving the quality of work undertaken and how it is reviewed, in addition to helping each other deliver the required income levels.
7. In broad terms, to contribute up to 20 per cent of the College's activity in support of the three Fund-wide themes.



King's Fund Centre

SERVICE DEVELOPMENT

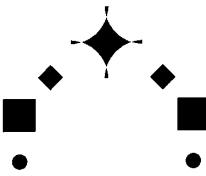
Aims

The King's Fund Centre supports innovations in the NHS and related organisations and encourages the spread of good ideas and practices through its service development programme. Priority themes include public information and user empowerment, health and race and promoting effective health care.

In order to make the support for service developments more efficient and effective, greater emphasis will be placed on teamwork so that better use can be made of the very wide range of skills that are necessary. The King's Fund subsidy will be used to fund core staff and a research and development fund, while programme teams will be funded on a project-specific basis from external sources. The current major programmes are Primary Care, Community Care, Clinical Change and Nursing Developments. In 1995, it is planned to establish a new programme which will encourage the implementation of evidence-based practice in clinical care.

Specific objectives

1. Primary Care – To implement an investment programme for the London Health Partnership focusing on the needs of elderly Londoners; to disseminate learning to other urban areas.
2. Community Care – To rationalise the current set of projects into targeted activity to strengthen London's mental health services, user involvement in evaluation, the development of new forms of domiciliary and day services, and joint commissioning across health and social care boundaries.
3. Clinical Change – To expand the work in interactive videos and other mechanisms for encouraging patients' involvement in clinical decision making; to promote quality of care in specialist services; to develop a new project in postgraduate education.
4. Nursing Developments – To continue to support the 30 Nursing Development Units; to promote wider dissemination of good practice in nursing care.
5. Medical Developments – To establish a new programme to encourage the implementation of research findings and to promote evidence-based clinical practice.



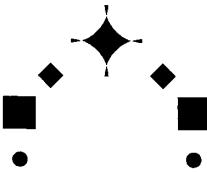
COMMUNICATIONS

Aims

The newly established Communications Unit creates the possibility of coherent communications policies across the Fund. The goals of the unit are to increase the profile and influence of the Fund and at the same time help to improve its internal communications. There will also be a significant effort placed on developing the Fund's publishing activities.

Specific objectives

1. To establish a fully operational corporate communications unit with resources, policies and procedures that are understood and accepted throughout the Fund.
2. To implement a communications plan to keep the Fund's key audiences informed of the work of the Fund during 1995, and in particular of the changes taking place during the year.
3. To introduce a corporate style to support the breadth and coherence of the Fund, including design specifications and templates for printed material.
4. To develop the King's Fund publishing activity by streamlining production, improving marketing (including sales to overseas markets) and setting up joint ventures.
5. To establish effective internal communications by developing team-briefing mechanisms, developing the staff newsletter and setting up a database of projects, activities and location of work.
6. To develop public relations and marketing activities by improving distribution mechanisms, by targeting sales and increasing market awareness and by launching external publicity initiatives.
7. To establish the Fund as a significant and readily accessible source of independent comment in the media; and to improve media relations, particularly with regional and specialist media.
8. To develop communication skills within the Fund, through training and support; and to encourage staff to make full and effective use of the Communications Unit to enhance their work and the overall work of the Fund.



King's Fund Institute

POLICY ANALYSIS

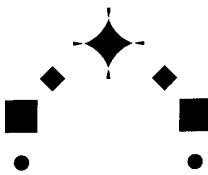
Aims

The Institute is the policy analysis and research part of the Fund. Its mission is to improve the quality of health-policy making in the United Kingdom through independent analysis, monitoring and evaluation of health and health services. The Institute seeks to contribute to the improvement of the health policy-making process by ensuring that it is rooted in available evidence. It also supports the Fund's goals to influence policy through high-quality publications. The Institute has an agreed work programme which in 1995 will focus on London, inequalities in health and monitoring the health reforms. It is also involved in the cross-Fund initiative in mental health. Because the policy debate within the NHS is subject to rapid change, a degree of flexibility needs to be built into the programme objectives.

Specific objectives

1. To develop a major stream of work assessing the impact of the reforms, with particular attention to accountable purchasing and priority setting, equitable resource allocation and the effects of the quasi-market on the pattern of service provision and provider organisations.

2. To use new empirical evidence to demonstrate the link between poverty and health; and to investigate the health status of lone parents and their children.
3. To contribute to the Fund grants initiative directed at the assessment of fair levels of health care resources for London by organising a conference and a publication.
4. To monitor health and health care developments in London; and to produce the *London Monitor* as a regular review of the capital's health policy issues.
5. To engage in the general policy debate over the NHS by participating in conferences and seminars and contributing to appropriate written media as well as producing *Health Care UK* and *Society and Health*.



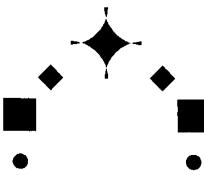
INFORMATION MANAGEMENT

Aims

The provision of effective information management is crucial to the achievement of the business objectives of the Fund. The Information Management function seeks to develop good practice in the management of information within the Fund as well as developing appropriate strategies and networks. The Information Management group is responsible for developing and maintaining the Fund's own information and computer services, and for providing the library services which are used internally and are also part of a national network of information providers in health care.

Specific objectives

1. To develop and implement a strategy for providing a creative and supportive IT environment capable of responding to both the short- and long-term needs of all parts of the Fund.
2. To provide a library and enquiry service for both internal and external users which makes an effective contribution to the knowledge base of health care.
3. To establish a flexible and robust network infrastructure for information management at the Cavendish Square site.
4. To create, promote and monitor standards for the development and management of information services.
5. To support the assessment and implementation of new systems for the corporate functions at Cavendish Square.
6. To facilitate the phased integration of personal computer applications with networked core resources.
7. To plan and implement the merger of the College and Centre libraries.
8. To revise the access policy for external users to the Cavendish Square library.
9. To develop appropriate mechanisms for internal user liaison and support.



King's Fund Organisational Audit

ORGANISATIONAL AUDIT

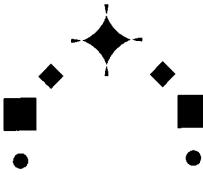
Aims

King's Fund Organisational Audit (KFOA) makes a significant contribution to the overall goals of the King's Fund by providing a system for the assessment and development of the organisational quality of health care facilities. Using a comprehensive range of standards and peer review, the approach is concerned with the achievement of continual improvement in organisational performance.

From April 1995, KFOA will be launching an accreditation programme for acute hospitals. It will also expand the range of activities beyond the current acute hospitals and primary health care programmes, to include the development of programmes for purchasers, nursing homes and community services.

Specific objectives

1. To increase awareness and promote the benefits of organisational audit by establishing and improving networks among client groups, professional bodies and other health-related groups.
2. To maintain and develop KFOA leadership role in organisational audit and accreditation by setting up an appropriate network among other providers of these services.
3. To expand the number of surveys undertaken during the year in acute hospitals to 105 and in primary care practices to 72.
4. To introduce accreditation for acute hospitals.
5. To develop and complete new projects in the areas of purchasing and nursing home care. Each project will involve 10 pilot sites.
6. To initiate a project for the organisational audit of community health services. This project will run for a two-year period.
7. To develop information systems so that all clients can be offered a standards-monitoring package on disk.
8. To develop the audit process in respect of the selection, training and assessment of surveyors.
9. To implement a revised organisational structure and a project management approach to support the increasing workload of the Directorate.



Resources

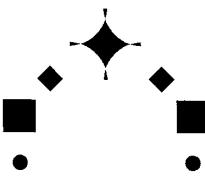
RESOURCES AND PERSONNEL

Aims

Much of the most difficult change management tasks falls into the Resources and Personnel function. The projection of the future financial performance of the Fund will have to take account of not just the physical move, but also the simultaneous changes in the use of their subsidy by some of the major functions in the Fund. The financial strategy will have to achieve greater organisational coherence without losing individual freedom. The equally important personnel objectives will include handling the complex personnel issues involved in the move onto one site. There will also be the task of facilitating the team building necessary if the overall strategy of the Fund is to succeed.

Specific objectives

1. To manage the financial implications of the move to Cavendish Square, including those relating to the changed management structure.
2. To establish appropriate financial systems so that emerging Fund-wide activity is properly monitored and accounted for.
3. To establish and maintain service level agreements between support services and internal users.
4. To maintain sound financial control of and support for the constituent parts of the Fund.
5. To maintain staff morale and existing personnel policy during the physical and organisational upheaval of the move to Cavendish Square.
6. To begin to harmonise conditions of service among all staff in time for the move to Cavendish Square and establish priorities for future action.
7. To develop consistent personnel policies across the Fund and improve the Fund's consultative machinery by relaunching the Staff Consultative Committee.



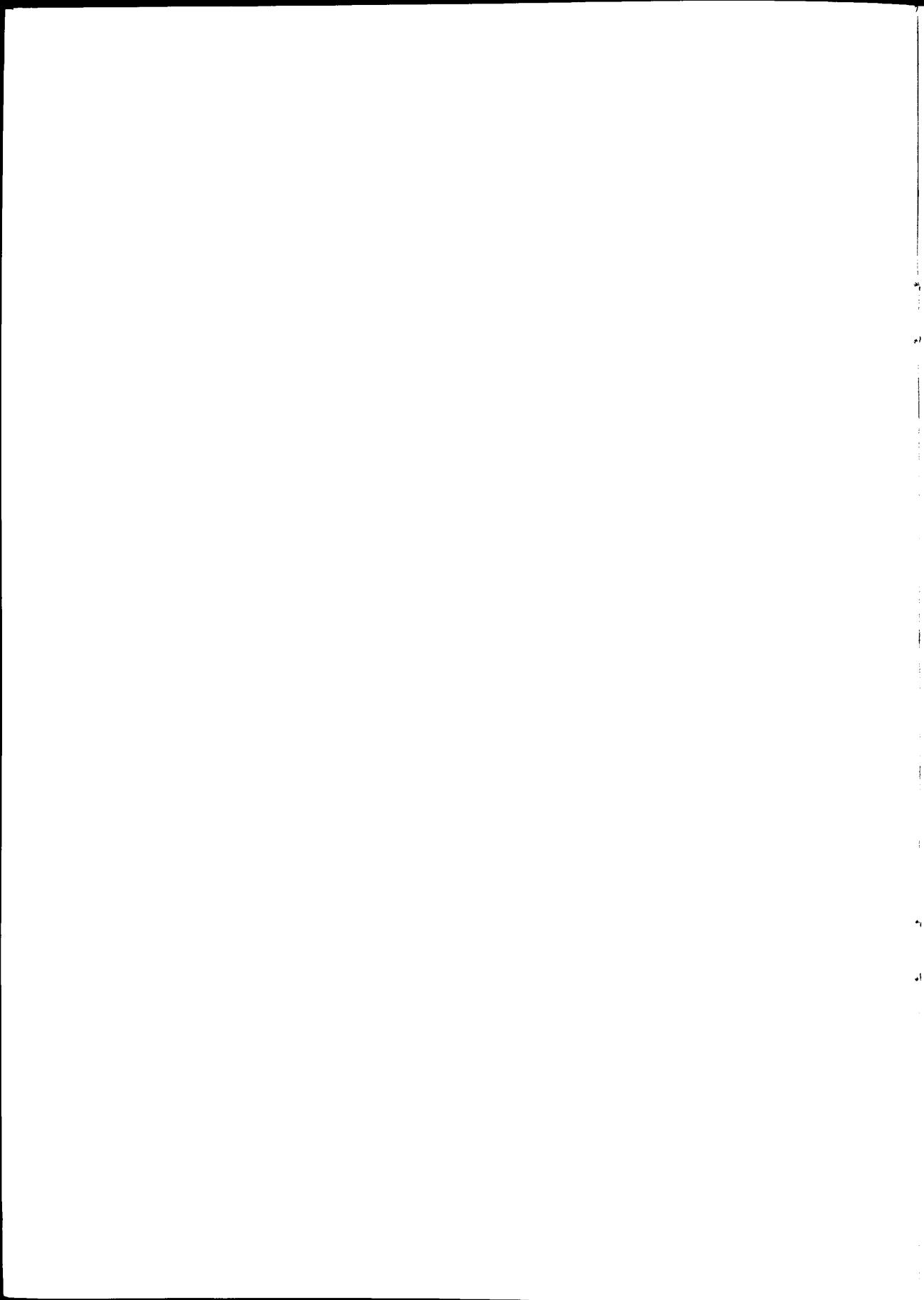
FACILITIES MANAGEMENT

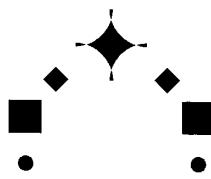
Aims

The enormous task of handling the move to Cavendish Square will fall within the Facilities Management function. This will include the commissioning of the new building and disposal of the old sites. In addition, there are the ongoing objectives to provide support services to both internal and external customers who use or hire its facilities.

Specific objectives

1. To manage successfully the move to Cavendish Square on schedule, with minimum disruption to the Fund's core activities.
2. To dispose of existing sites.
3. To develop and maintain a demand-driven facilities service based on the needs of internal and external users.
4. To develop and sustain a working environment which provides high-quality and cost-effective support for staff.
5. To negotiate and deliver service level agreements with service users.
6. To establish new initiatives for Cavendish Square, such as energy management policies and staff helpline.





Appendix 1

STATEMENT OF ASSETS AND LIABILITIES AT 31 DECEMBER 1994

MARKET VALUATION

Actual	Forecast
--------	----------

1993	1994
------	------

£000	£000
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CAPITAL FUND	43,801	43,000
GENERAL FUND	87,201	90,000
SPECIAL FUNDS	24	24
	<hr/>	<hr/>
	131,026	133,024

Represented by:

CAPITAL FUND

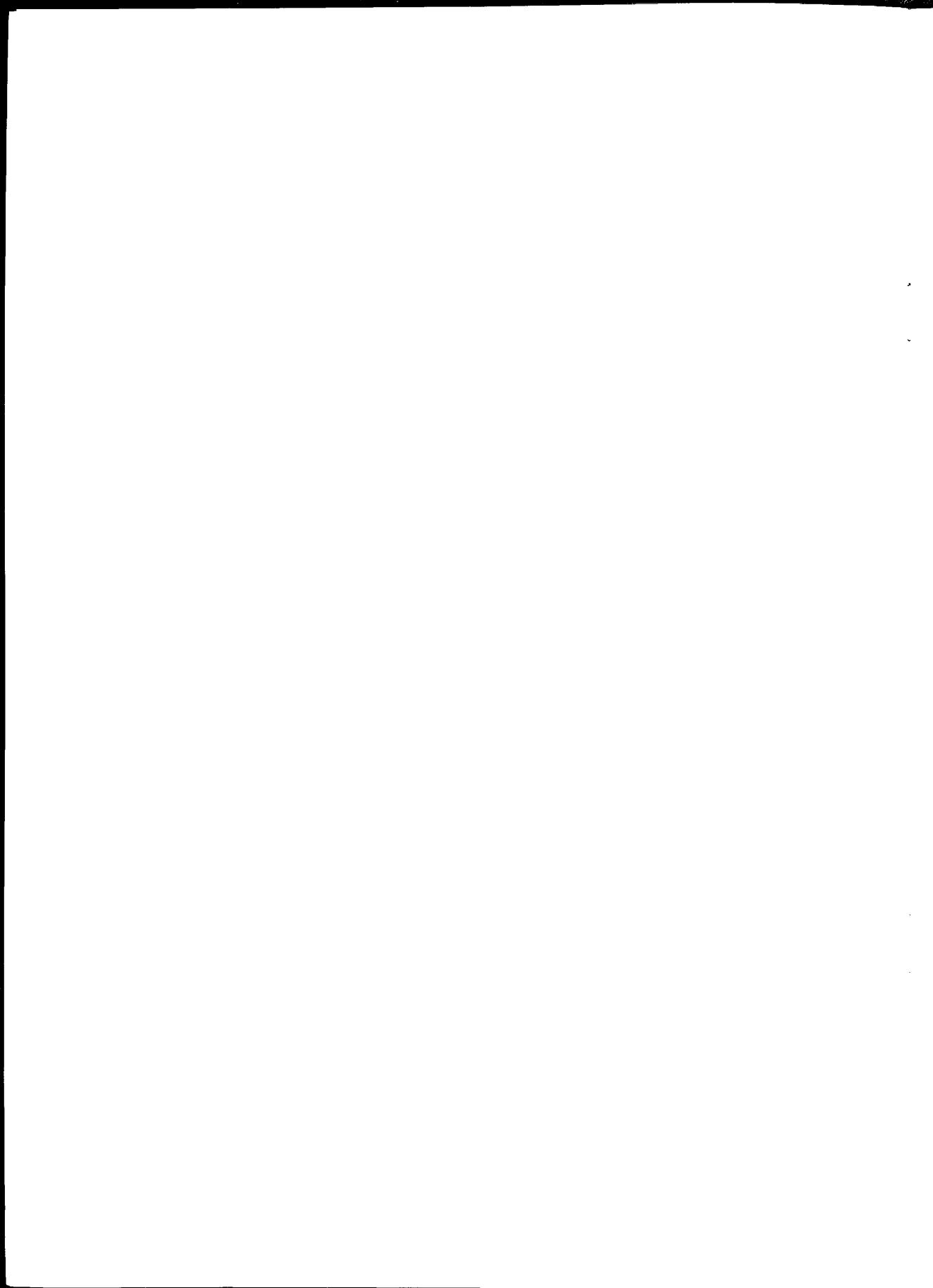
Portfolio investments	43,121	41,000
Net current assets/(liabilities)	680	2,000
	<hr/>	<hr/>
	43,801	43,000

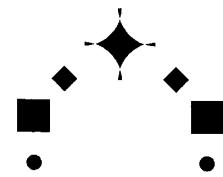
GENERAL FUND

King's Fund premises	13,621	18,000
Computer equipment	472	-
Portfolio investments	72,349	69,000
(Incl. Investment property)		
Net current assets	759	3,000
	<hr/>	<hr/>
	87,201	90,000

SPECIAL FUNDS

Current assets	24	24
Net assets	<hr/>	<hr/>
	131,026	133,024





Appendix 2

INCOME AND EXPENDITURE ACCOUNT BUDGET 1995

	INCOME	EXPENDITURE	1995 NET
	£000	£000	£000
INVESTMENT AND OTHER			
INCOME AND RECEIPTS			
Securities and cash assets	4,200	-	
Properties	480	-	
Donation	40	-	
	<hr/>	<hr/>	<hr/>
Available to service the operations of the Fund	4,720	-	4,720
OPERATIONS OF THE FUND	£000		
King's Fund Centre	6,176	6,994	(818)
<i>Contribution from DoH</i>	674		
<i>Conference fees, etc.</i>	522		
<i>Grants from other bodies</i>	4,980		
King's Fund College	2,960	3,892	(932)
<i>Fees and service charges</i>	2,960		
King's Fund Institute	105	661	(556)
<i>Fees and publications</i>	105		
King's Fund Organisational Audit	2,012	2,081	(69)
<i>Fees for service</i>	1,787		
<i>Grants from other bodies</i>	225		
King's Fund Special Projects	47	(47)	
Grants allocated	2,000	(2,000)	
	<hr/>	<hr/>	<hr/>
NET COST OF OPERATIONS	11,253	15,675	(4,422)
ADMINISTRATIVE COSTS			
Head Office	664	(664)	
Other expenses	199	(199)	
	<hr/>	<hr/>	<hr/>
Total administrative costs	863	(863)	
Transition Fund – Cavendish Square	310	(310)	
Total net expenditure			(5,595)
	<hr/>	<hr/>	<hr/>
TOTALS OF INCOME AND EXPENDITURE	15,973	16,848	
EXCESS OF EXPENDITURE OVER INCOME			(875)

