The Healthcare Landscape

February 2016

PSNC Briefing 006/16: Delivering the Forward View: NHS planning guidance 2016/17 to 2020/21

In late December 2015 the national health and care leadership bodies in England published *Delivering the Forward View: NHS planning guidance 2016/17 – 2020/21*, setting out the steps to help local NHS organisations deliver a sustainable, transformed health service and improve the quality of care, wellbeing and NHS finances.

The planning guidance is backed up by £560 billion of NHS funding, including a new Sustainability and Transformation Fund which will support financial balance, the delivery of the Five Year Forward View (5YFV), and enable new investment in key priorities.

This PSNC Briefing summarises the elements of the plan which are of most relevance to community pharmacy.

Introduction

The planning guidance states that the Spending Review provided the NHS in England with a credible basis on which to accomplish three interdependent and essential tasks:

1. to implement the 5YFV;
2. to restore and maintain financial balance; and
3. to deliver core access and quality standards for patients.

It included an £8.4 billion real terms funding increase by 2020/21, front-loaded. With these resources, the stated aim is to close the health and wellbeing gap, the care and quality gap, and the finance and efficiency gap.

The planning guidance sets out a clear list of national priorities for 2016/17 and longer-term challenges for local systems, together with financial assumptions and business rules. It also reflects the settlement reached with the Government through its new mandate to NHS England (see PSNC Briefing 005/16 NHS mandate 2016/17).

Local health system Sustainability and Transformation Plans (STPs)

All areas will have to produce an STP which will cover the period between October 2016 and March 2021, and will be subject to formal assessment in July 2016 following submission in June 2016. The NHS has been asked to spend the next six months delivering core access, quality and financial standards while planning properly for the next five years.

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Place-based planning

Planning by individual institutions will increasingly be supplemented with planning by place for local populations. Producing a STP involves five things:

1. local leaders coming together as a team;
2. developing a shared vision with the local community, which also involves local government as appropriate;
3. programming a coherent set of activities to make it happen;
4. execution against plan; and
5. learning and adapting.

The STPs must cover all areas of clinical commissioning groups (CCGs) and NHS England commissioned activity including: specialised services and primary medical care. The STP must also cover better integration with local authority services, including, but not limited to, prevention and social care, reflecting local agreed health and wellbeing strategies.

Access to future transformation funding

For the first time, the local NHS planning process will have significant central money attached. The STPs will become the single application and approval process for being accepted onto programmes with transformational funding for 2017/18 onwards. This step is intended to reduce bureaucracy and help with the local joining up of multiple national initiatives.

This protected funding is for initiatives such as the spread of new care models through and beyond the vanguards, primary care access and infrastructure, technology roll-out, and to drive clinical priorities such as diabetes prevention, learning disability, cancer and mental health. For 2016/17 only, to enable timely allocation, the limited available additional transformation funding will continue to be run through separate processes. The most compelling and credible STPs will secure the earliest additional funding from April 2017 onwards.

Content of STPs

The strategic planning process is intended to be developmental and supportive as well as hard-edged. STPs are about the holistic pursuit of the triple aim – better health, transformed quality of care delivery and sustainable finances. They also need to set out how local systems will play their part in delivering NHS England's mandate from the Department of Health (DH). Annex 1 of this Briefing lists the three aims and the types of questions that need to be addressed for local systems to gain sign-off and attract additional national investment.

Local health systems now need to develop their own system-wide local financial sustainability plan as part of their STP. Spanning providers and commissioners, these plans will set out the mixture of demand moderation, allocative efficiency, provider productivity and income generation required for the NHS locally to balance its books.

Agreeing 'transformation footprints'

The STP will be the umbrella plan, holding underneath it a number of different specific delivery plans, some of which will necessarily be on different geographical footprints. For example, planning for urgent and emergency care will range across multiple levels: a locality focus for enhanced primary care right through to major trauma centres.

The first critical task is for local health and care systems to consider their transformation footprint – the geographic scope of their STP. They had to make proposals by Friday 29th January 2016, for national agreement. Taken together, all the transformation footprints must form a complete national map.

Transformation footprints should be locally defined, based on natural communities, existing working relationships, patient flows and take account of the scale needed to deliver the services, transformation and public health programmes required, and how it best fits with other footprints such as local digital roadmaps and learning disability units of planning.

Further brief guidance on the STP process will be issued which will set out the timetable and early phasing of national products and engagement events that are intended to make it much easier to answer the challenges posed, and include how local areas can best involve their local communities in creating their STPs, building on the 'six principles' created to support the delivery of the 5YFV. By spring 2016, the intention is to develop and make available roadmaps for national transformation initiatives.

National 'must dos' for 2016/17

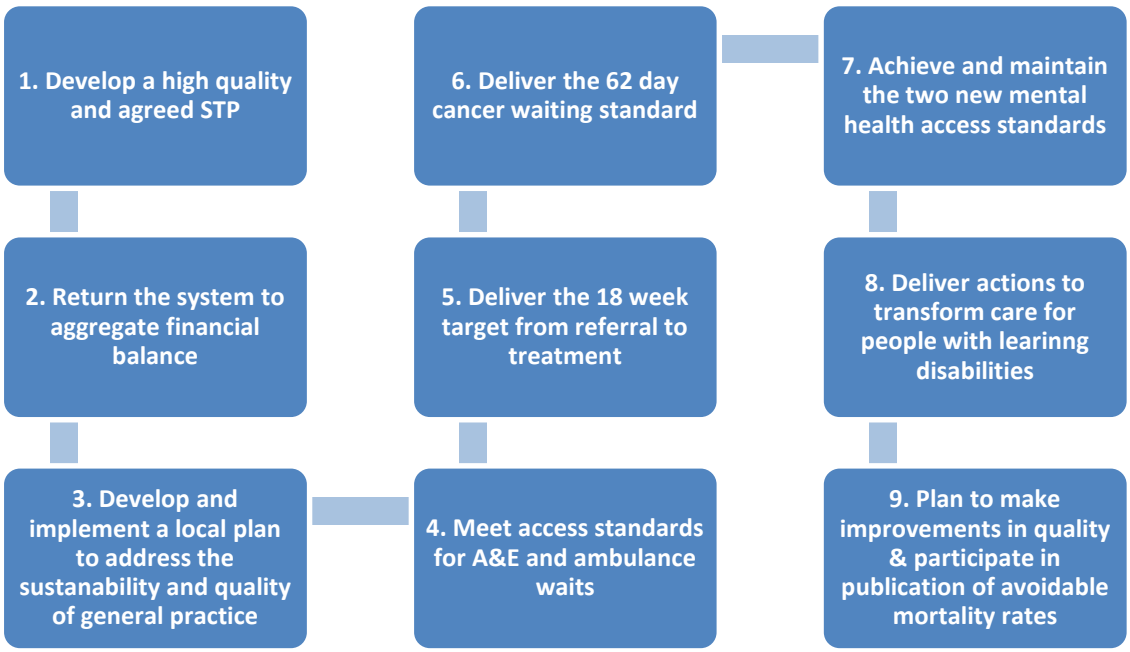
Whilst developing long-term plans for 2020/21, the NHS has a clear set of plans and priorities for 2016/17 that reflect the mandate to the NHS and the next steps on Forward View implementation.

Some of the most important jobs for 2016/17 involve partial roll-out rather than full national coverage. The ambition is that by March 2017, 25% of the population will have access to acute hospital services that comply with four priority clinical standards (Time to Consultant Review, Access to Diagnostics, Access to Consultant-directed Interventions and On-going Review) on every day of the week, and 20% of the population will have enhanced access to primary care.

There are three distinct challenges under the banner of seven day services:

1. reducing excess deaths by increasing the level of consultant cover and diagnostic services available in hospitals at weekends. During 16/17, a quarter of the country must be offering 4 of the 10 standards, rising to half of the country by 2018 and complete coverage by 2020;
2. improving access to out of hours care by achieving better integration and redesign of 111, minor injuries units, urgent care centres and GP out of hours services to enhance the patient offer and flows into hospital; and
3. improving access to primary care at weekends and evenings where patients need it by increasing the capacity and resilience of primary care over the next few years.

The nine 'must dos' for 2016/17 for every local system



Operational plans for 2016/17

An early task for local system leaders is to run a shared and open-book operational planning process for 2016/17. This will cover activity, capacity, finance and 2016/17 deliverables from the emerging STP. By April 2016, commissioner and provider plans for 2016/17 will need to be agreed by NHS England and NHS Improvement (the name for the combined Monitor and NHS Trust Development Authority), based on local contracts that must be signed by March 2016.

Allocations

NHS England's allocations to commissioners are intended to achieve:

- greater equity of access through pace of change, both for CCG allocations and on a place-based basis;
- closer alignment with population need through improved allocation formulae including a new inequalities adjustment for specialised care, more sensitive adjustments for CCGs and primary care, and a new sparsity adjustment for remote areas; and
- faster progress with the NHS strategic goals through higher funding growth for GP services and mental health, and the introduction of the Sustainability and Transformation Fund (STF).

To support long-term planning, NHS England has set firm three year allocations for CCGs, followed by two indicative years. For 2016/17, CCG allocations will rise by an average of 3.4%, and we will make good on our commitment that no CCG will be more than 5% below its target funding level.

Returning the NHS provider sector to balance

- During 2016/17 the NHS trust and foundation trust sector will, in aggregate, be required to return to financial balance. £1.8 billion of income from the 2016/17 STF will replace direct DH funding;
- Quarterly release of these Sustainability Funds to trusts and foundation trusts will depend on achieving recovery milestones for deficit reduction, access standards, and progress on transformation;

- Workforce productivity will therefore be a particular priority as just a 1% improvement represents £400 million of savings.

Efficiency assumptions and business rules

- Commissioners (excluding public health and specialised commissioning) will be required to deliver a cumulative reserve (surplus) of 1%. At the very least, commissioners who are unable to meet the cumulative reserve (surplus) requirement must deliver an in-year break-even position;
- CCGs and councils will need to agree a joint plan to deliver the requirements of the Better Care Fund in 2016/17;
- Commissioners must continue to increase investment in mental health services each year at a level which at least matches their overall expenditure increase;
- Commissioners are required to plan to spend 1% of their allocations non-recurrently and required to hold an additional contingency of 0.5%.

Measuring progress

Progress will be measured through a new CCG Assessment Framework. NHS England consulted on this in January 2016. The framework is referred in the Mandate as a CCG scorecard.

Timetable

The planning guidance contains a timetable detailing the next steps of the plan and deadlines for 2016.

info@psnc.org.uk psnc.org.uk 0203 1220 810

Annex 1: Indicative 'national' challenges for STPs

The following provides a brief overview of the types of questions which need to be addressed to gain sign-off and attract additional national investment:

A. How will you close the health and wellbeing gap?

- **This section should include plans for a 'radical' upgrade in prevention, patient activation, choice and control and community engagement.**
- How the most important and highest cost preventable causes of ill health, healthcare demand and health inequalities will be assessed and addressed. Namely how rapidly the Diabetes Prevention Programme can be rolled out and what action will be taken to address obesity, particularly childhood obesity.
- How the aspiration to design person-centred coordinated care, including plans for patients to have access to accountable consultants, will be made a reality.
- How major expansion of integrated personal health budgets and implementation of choice is to be an integral part of the programme to hand power to patients.

B. How will you drive transformation to close the care and quality gap?

- **This section should include plans for new care model development, improving against clinical priorities and rollout of digital healthcare.**
- What is the plan for sustainable general practice and wider primary care?
- How rapidly can enhanced access to primary care in evenings and weekends and use of technology be implemented?
- How will you collaboratate with organisations from others sectors and industry?
- What is your plan for transforming urgent and emergency care in your area?
- What steps will be taken to transform services in cancer, mental health, dementia and learning disabilities?
- What is being done to embed an open learning and safety culture?
- What are the plans in place to reduce antimicrobial resistance?
- How will you ensure every patient has access to digital health records to be shared with other clinical teams and increased online services beyond repeat prescriptions and GP appointments?
- What is the plan to improve commissioning and how rapidly will the CCGs move to place-based commissioning?

C. How will you close the finance and efficiency gap?

- **This section should describe how financial balance across local health systems will be achieved and how NHS services efficiency will be improved.**
- What is the comprehensive and credible plan to moderate demand growth?
- How will costs be reduced and how will you maximise the existing workforce?
- How will capital investments be afforded and financed?

Further guidance is to be published in early 2016 to help areas construct the strongest possible process and plan.

If you have queries on this PSNC Briefing or you require more information please contact Zainab Al-Kharsan, Service Development Pharmacist.

info@psnc.org.uk psnc.org.uk 0203 1220 810