

Update on NHS Policy Announcements and Supporting Joint Working

Purpose

For discussion and direction.

Summary

This paper outlines recent announcements in the NHS, including the annual NHS planning guidance, which introduces multi-year, place-based planning partnerships, and considers the implications for local government. The report also summarises existing LGA policy on integration, national developments to increase the integration of health and care, and the key opportunities and challenges of increased joint working between local government and the NHS.

Recommendations

That the LGA Executive is requested to:

1. note the action taken so far by the LGA in representing the views of councils in relation to health and care integration and transformation work; and
2. comment on the key policy messages that underpin joint working with the NHS, Department of Health and other key policy makers on the future of integration.

Action

LGA Officers to proceed as directed.

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Background

LGA activity

1. The LGA has clear and consistent messages on integration and a place-based approach to addressing demographic, financial, health and wellbeing challenges. They have been a core component on all of our recent campaigning documents, including our submission to the 2015 Spending Review. There is a clear consensus that our current fragmented system of health has failed to achieve better health outcomes, better services or the most efficient use of public resources. Members have expressed strong support for the LGA having a clear thought-leadership role on the future of health and care services, and to propose transformative and ambitious change.
2. This policy work is informed by and informs our sector-led improvement work, which includes working with Government and NHS partners to support sector-led improvement across the Five Year Forward View implementation, New Care Models, Integrated Personal Commissioning and Better Care Fund (BCF) programmes, providing local government expertise and perspective as well as supporting councils to influence and implement these policies.
3. The LGA also works closely with partners across the sector including NHS Confederation, NHS Providers, NHS Clinical Commissioners and ADASS to develop shared policy positions, initiatives and programmes to support local health and care leaders. These have included recently joint publications on the role of health and wellbeing board as system leaders, best practice in engaging NHS providers in health and wellbeing boards, roundtables exploring health devolution, a single place-based outcomes framework, and a suite of resources to spread learning from the new care model vanguard programme.
4. Current work includes developing a sector-wide vision for a fully integrated health and care system. This will identify the essential components based on existing good practice on effective integration, and set out the key questions that need to be addressed nationally and locally. It is intended that this work will be launched at the LGA Annual conference.
5. The essential components of an integrated system can be characterised as follows:
 - 5.1. Clear shared and cascaded leadership across the health and care system, which is rooted in place and promotes a shared culture and coproduction.
 - 5.2. Clear governance arrangements encompassing community, political, clinical and professional leadership, which are collaborative, inclusive and rooted in local accountability and the principle of subsidiarity.
 - 5.3. Long-term payment and commissioning models, including joint identification and sharing of risk and focused on achieving independence and wellbeing for people and sustainability for the sector.
 - 5.4. Investment in and promotion of preventative and person-centred approaches to care, which empowers individuals to take control of their own health and wellbeing.

- 5.5. Shared information and technology – at individual and population level, shared between all relevant agencies and individuals.
- 5.6. Integrated workforce planning – across the whole system to ensure supply, and adequate training and development of a multidisciplinary approach .

Five Year Forward View

6. The Five Year Forward View, published jointly by all the NHS organisations in October 2014, set out a vision to transform the NHS by 2020 by addressing three ‘gaps’:
 - 6.1. The health and wellbeing gap – the pressing need to reduce demand on the NHS by shifting the focus towards prevention and addressing health inequalities.
 - 6.2. The care and quality gap – to harness technology and innovation to reduce variations in the quality, safety and outcomes in care.
 - 6.3. The funding and efficiency gap – to ensure that additional funding for the NHS is used to improve efficiencies, transform services and achieve financial sustainability.
7. The document marked a step change in the system’s collective understanding of the links between and across the NHS and social care. It also recognised the crucial role of wider services in effective prevention. The LGA continues to support local authorities to ensure that they are playing the most positive role they can within that wider vision – so that health and care systems across the country make the most of all the assets in local communities, social care, public health, housing and more widely, to promote the health and wellbeing of local communities.
8. NHS England leadership recognises that a sustainable NHS requires a sustainable social care system, and of the importance of local government’s role in prevention, public health and addressing the wider determinants of health. Its priority, however, remains the stabilisation and then transformation of the health service, particularly through developing new delivery models and focusing on priorities such as mental health and cancer. These goals are not necessarily fully aligned with the integration of health and care provision.
9. The NHS bodies have used the annual planning process to direct NHS organisations to deliver elements of the Five Year Forward View vision. The 2016/17 guidance relentlessly focuses on financial sustainability, in the context of a year-end budget deficit for 2015/16 estimated to reach £2.6bn. As a result, the 2016/17 guidance makes provision for a sustainability and transformation fund, valued at £2.1bn in 2016/17, rising to £3.4bn by 2021. In 2016/17, £1.8bn of this will be used to address provider deficits.

Sustainability and transformation plans

10. The 2016/17 guidance requires local bodies to agree a ‘sustainability and transformation plan’ (STP). These are place-based plans should spanning several years, from October 2016 to March 2021. Partners can define their own ‘transformation footprint’, although the expectation has been that these will be fairly large, sub-regional arrangements. The guidance requires each plan to cover a range of ‘must dos’ from meeting financial targets, implementing priority actions such as around cancer diagnosis and treatment, and investing in prevention. Local NHS leaders were required to propose their ‘transformation footprint’ by 29 January, and, at the time of writing this report, we are awaiting their publication following approval.

11. The planning guidance, and a subsequent letter to all local leaders, set out the following process and timeline. Further guidance is expected at the beginning of March:
 - 11.1. Submit an outline plan by 11 April, including a description of the priority issues the plan will address, against the three Forward View gaps, and the governance arrangements to support the STP footprint.
 - 11.2. Presentation of this early thinking at regional events in the week beginning 22 April.
 - 11.3. Final plan submission by 30 June.
 - 11.4. Series of regional conversations between national teams and STP footprints in July.
12. It is anticipated by NHS national teams that the process will be iterative. The guidance also stresses that plans must be for the whole system, with the full involvement of local government, building on existing arrangements through health and wellbeing boards.
13. The 2016/17 planning guidance and further supporting letter are available via these links:
 - 13.1. <https://www.england.nhs.uk/wp-content/uploads/2015/12/planning-guid-16-17-20-21.pdf>
 - 13.2. <https://www.england.nhs.uk/wp-content/uploads/2016/02/sustainability-transformation-plan-letter-160216.pdf>

Integration by 2020

14. The Spending Review, published on 25 November, committed the Government to integrate health and social care by 2020. This would be achieved by requiring every part of the country to have a plan for this in 2017, to be implemented by 2020. The Spending Review contained few details beyond stating that the Government would not mandate the operating model, citing the examples of devolution, integrated provider models such as accountable care organisations or joint commissioning models as all suitable options.
15. The Department of Health has directed the NHS England through the NHS Mandate “to support the NHS to achieve the government’s aim that health and social care are integrated across the country by 2020, including through the Better Care Fund”. There are no details yet on how NHS England will be expected to fulfil this requirement.
16. Further, the Spending Review noted that local systems “would be able to graduate from the existing Better Care Fund programme management once they can demonstrate that they have moved beyond its requirements, meeting the government’s key criteria for devolution”. Further details are not yet available, including what the 2017 integration plans should encompass.

Better Care Fund

17. The government has confirmed the BCF will continue for 2016/17, publishing guidance that develops the requirements and process used in 2015/16. The LGA has negotiated hard to ensure there is continued support for adult social care, at least the same minimum protection as 2015/16, the removal of the pay for performance condition, and an appropriate response to the issue of delayed transfers of care.

Issues

Implications for local government

18. The development of STPs poses challenges and opportunities for local government, nationally and locally. The emphasis on place-based planning is a welcome shift which aligns closely with the LGA's, and partners', vision for a fully integrated system. The emphasis too on collective endeavour to improve services and outcomes supports our calls for collaborative, inclusive system leadership around place.
19. The STP guidance emphasises the crucial role of local government in working with NHS partners to develop a shared vision and STP. A number of tensions, however, are emerging, particularly in how the nascent STPs align with existing governance and programme activity.
20. The STP guidance requires the development of governance arrangements across the STP footprint, and the nomination of a lead to oversee its development locally. This person, says the guidance, should be trusted and respected, such as a CEO of a provider, CCG or council. The development of these arrangements draws accountability away from local communities, including health and wellbeing boards. In addition, the guidance does not specify the role of health and wellbeing boards, beyond stating that STPs should build on existing arrangements.
21. We continue to press for strong local accountability, to ensure that health and wellbeing boards, with their democratic mandate and deep understanding of their communities' needs, are central to the development of transformational plans. This must include ensuring that the vision and priorities agreed by local partners, such as through health and wellbeing strategies and BCF plans, are a core building block of STPs.
22. Our activity draws heavily on our sector-wide partnership working to develop a shared vision for a fully integrated system. We continue to emphasise, for example, that health and wellbeing boards – though in some areas still underdeveloped – provide a critical platform for successful change and we will continue to support and drive continuous improvement through and with health and wellbeing boards.
23. We continue to advocate for local government's perspective and role at national, regional and local levels, including working with NHS partners nationally and locally to develop appropriate governance arrangements and identify and address issues as they emerge. We are also working with national and regional teams to shape the national support offer to STPs, including sharing our expertise in community engagement, partnership-based planning and sector-led improvement methodologies. This also includes strongly advocating for the alignment of support offers across local systems, drawing together support for BCF, new care models and other transformational programmes.
24. The speed of implementation of the STP process is creating challenges in terms of misalignment with these existing programmes. The STPs are intended as umbrellas encompassing a range of delivery plans across the defined place, yet the differing planning requirements, timescales and footprints is creating duplication, confusion and additional bureaucracy. We continue to highlight the concerns of local leaders across the NHS and local government alike at the additional demands at a time of constrained resources.

25. The emphasis of the STPs on financial sustainability within the NHS has the potential also to overshadow shared local priorities, as articulated through BCF and other transformational plans, such as local integration programmes. This also includes varying definitions of what quality, sustainability and transformation mean, with some local systems focusing more narrowly on NHS provision, as well as emerging tensions between central control via mandated guidance, and peer-led approaches to improvement.
26. The LGA and local government continue to advocate strongly for the alignment of future policy developments, including what 2017 integration plans should cover, around a sense of place, building preventative, person-centred approaches to improving health and wellbeing. This includes continuing to work closely with the Department of Health to shape how the spending review commitments are implemented, including how to support local systems to progress beyond the BCF, drawing on the characteristics of a fully integrated system, as set out above in paragraph 5.

Recommendations

27. Members are asked to:
- 27.1. Note the action taken so far by the LGA in representing the views of councils in relation to health and care integration and transformation work; and
 - 27.2. Comment on the key policy messages that underpin joint working with the NHS, Department of Health and other key policy makers on the future of integration.

Financial Implications

28. None.