

Leaders' Committee

Health and Care Transformation

Item 7

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Summary: This report provides an update to Leaders' Committee on health and care transformation planning in London, including NHS Planning Guidance requirements and emerging developments in health and care devolution.

Recommendations That Leaders recognise the importance of strong and credible London Sustainability and Transformation Plans to the success of health and care devolution in the capital and agree to support local and sub-regional working which ensures devolution pilot visions, plans and strategies feature prominently in STPs.

Health and Care Transformation

Background

1. This paper updates Leaders' Committee on developments in the health and care policy landscape, including the requirements of NHS Planning Guidance, implications for London boroughs and link with health and care devolution.

Health and Care Planning in London

2. In December, health and care bodies in England published 'Delivering the Forward View: NHS Shared Planning Guidance 2016/17 – 2020/21', setting out steps to help local organisations deliver a sustainable, transformed health service and improve the quality of care, wellbeing and NHS finances. The Guidance is backed up by a new Sustainability and Transformation Fund, which will support the delivery of the Five Year Forward View, and enable new investment in key priorities.
3. The additional funding associated with the Guidance will be front-loaded and in 2016/17 and 2017/18 through Sustainability and Transformation Plans (STPs) as the mechanism for accessing around £3.4 billion of sustainability and transformation funding. To access funding, health and care partners are being asked to come together across new, locally-driven, planning footprints, known as Sub-regional Planning Groups (SPGs). In England there are 44 SPGs, with 5 in London.

Sustainability and Transformation Plans (STPs)

4. The requirement to develop and agree STPs across a sub-regional partnership has signalled a fundamental change in the NHS approach to planning and emphasises that planning by institution should be supplemented by planning by place for local populations. Critically, the Guidance states STPs must demonstrate the local vision for better integration with local authority services, including prevention and social care, "reflecting local agreed health and wellbeing strategies"
5. Through STPs, every health and care system in England is being asked to come together and create a "local blueprint for accelerating its implementation of the Forward View". STPs will cover the period between 2016 and March 2021.

6. For the purposes of developing and agreeing a STP, health and local government in England are being asked to work together at the SPG level to plan at scale to meet the challenge set out in the Five Year Forward View. SPG plans will operate in the most part as umbrella plans, which capture in one place the collective planning for health and wellbeing at the local level and wrap around those strategies enabling strategic plans to unlocking systemic solutions for transformation, such as workforce planning or IT for example. In London, the 5 Sub-Regional Planning Groups (SPGs) are aligned across the following geographies:
- North West London – Brent, Ealing, Harrow, Hillingdon, Hounslow and Tri-borough
 - North Central London – Barnet, Camden, Enfield, Haringey and Islington
 - North East London – Barking and Dagenham, City of London, Hackney, Havering, Newham, Redbridge, Tower Hamlets and Waltham Forest
 - South East London – Bexley, Bromley, Greenwich, Lambeth, Lewisham and Southwark
 - South West London – Croydon, Kingston, Merton, Richmond, Sutton and Wandsworth
7. Each sub-region has been invited to nominate a lead Chief Executive to sit alongside a nominated lead for the CCGs and providers in the area who can act in convening capacity in the development of STPs. Collectively, the sub-regional partnership is referred to under emerging NHS guidance as the SPG “triumvirate”. The triumvirate, as well as acting in a convening capacity across the SPG, will also act as the point of contact for NHS England (London Region) and NHS England as part of the ongoing dialogue and support during the planning period. At the pan-London level, NHS England (London Region) has set up the London Planning Board, which brings together partners from health and local government, including London Councils. The London Planning Board is intended to be a vehicle for providing guidance and support to the system and an interface with national partners.
8. The deadline for submission of STPs is 30 June 2016, following which there will be a process of formal assessment. However, the pathway to the June deadlines will feature a number of interim milestones and steps which will allow for the iteration of STPs. Notably, these other milestones and steps include:
- 15 April – deadline for initial draft responses to national asks.
 - 22 – 25 April – regional support sessions with the triumvirate.
 - 3 May and 12 May – national 1:1s between the triumvirate and Simon Stevens.

- 18 – 20 May – follow up support sessions.
 - 8 June – second draft STP submission.
 - 16 June – regional support sessions with the triumvirate.
 - 30 June – final STP submission
9. Broadly, the June submissions should seek to address three high level questions. Those are, what is the agreed base financial case across the footprint, what are the strategic opportunities across the 5 year period and what support would be necessary in 2016/17.
10. The early indicators are that at the officer leadership level local government has responded positively to the challenge of organising and engaging through sub regional arrangements and is having real influence on those plans, as well as bringing fresh thinking to engagement with national NHS leadership. However, emerging themes from draft STPs appears to suggest the following are common obstacles in London planning:
- Pace of process is creating tensions in the system, particularly in areas where sub-regional working is newest.
 - The maturity of relationships remains variable across the system, but that relationships are a critical factor in the development of plans across a sub region.
 - While the base financial case in most areas is relatively well developed, there remain significant difficulties in galvanising agreement over the plan to meet the financial challenge.
 - Capacity and scale in some areas appears to be a challenge.
11. Clearly, given the nature of some of these themes, and the relatively imminent deadline, questions arise regarding the level of development which can be reasonably expected as of the 30th June deadline. Recent communication from NHS England appears to have softened the original expectation of the nature of the 30th June submission. There now appears to be acceptance that June will be regarded more as a staging post and not a cut off in the development of plans. The recognition that fully formed plans will not be achievable by the end of June is welcome.

Access to transformation funding

12. It is important to recognise that STPs will have significant central money attached and will be the single application and approval process for being accepted onto programmes with transformational funding from 2017/18 onwards.

13. Funding for transformational change announced in the Spending Review is protected for initiatives such as the spread of new care models through and beyond NHS vanguards, primary care access and infrastructure, technology roll-out, and to drive clinical priorities such as diabetes prevention, learning disabilities, cancer and mental health. On 19th May, NHS England published, on this basis, indicative allocations for what additional funding would be available to STPs in 2020/21. These are indicative and not firm and remain subject to the delivery of credible plans.
14. This year and in 2017-18, transformation funding is due to be allocated to particular organisations and areas on the basis of national judgements about where it will make most difference.

Policy implications of NHS Planning Guidance

15. STPs represent an important mechanism to enable delivery of the Five Year Forward View through closer integration of local health and care planning and a stronger emphasis on prevention. The guidance includes for the first time a clear and unambiguous expectation that partners in local government will be a part of the planning process. Notably, from a health and care perspective, the STP process is the key to unlocking substantial sustainability and transformation funding. There are, therefore, clear incentives for making strong efforts to deliver credible and convincing STPs propositions for the capital's residents. Crucially, there are also a clear overlaps with the goals of the devolution pilots. As a consequence it will be important to ensure that pilots and STPs support each other rather than one undermining the impact of the other. **Attached** as Appendix 1 is an attempt to map the interplay between devolution and STPs in London.
16. The interplay with devolution merits further exploration. Firstly, the devolution agreement was reached prior to the publication of NHS Planning Guidance, and yet a great deal of the aspiration for transformational change expressed in the Planning Guidance overlaps with the bold aspirations of the devolution agreement. It is therefore critical for devolution propositions to feature, where relevant, in STPs. To assist with this, officers in London Councils and the London Partners are working with pilot areas to develop materials which can assist with enhancing the profile of devolution in London STPs.

17. Secondly, all STPs will be required to have an estates component. A common feature of all the estates components as they are emerging is the importance of making quicker and more creative use of the collective NHS and wider public estate to generate the health and care infrastructure for the future, in the context of significant capital constraints on the public sector. From a London perspective, on a very practical level this will mean achieving reform which ensures Londoners benefit from the disposal and/or reuse of NHS estates.
18. The early progress of the London health and care estates pilot in North Central London, where borough and CCG leads are leading and facilitating sub-regional as well as local dialogue in relation to estates, suggests that there will be a need to create agreement on new approaches to estates business case approval. Today decisions can be so slow that they do not keep pace with clinical need resulting in out of date facilities. A second challenge is to reach agreement on incentives which support new and genuinely joined-up estates planning. Thirdly, working arrangements are needed that will enable key decision makers to identify and fix obstacles early in the estate renewal process. In parallel to the STP process, London Partners and pilot boroughs are working with national partners to develop propositions which will address these points, with a view to reaching agreement on asks which can enable STPs as well as deliver devolution in London. Progress on these issues will not only assist the SPG level, but will be significant enablers to the borough level pilots in Hackney and Lewisham which are exploring integrated primary and community care models, with clear linkages into a one public estate approach as an accelerant to transformation.
19. Thirdly and finally in relation to devolution, the delivery of credible and convincing STPs will attract financial support which could accelerate devolution planning. In contrast, in a position where STPs do not meet the expectation of the national system, questions remain over how any subsequent intervention would work for or against the transformation planning in pilot areas. For these reasons, a strong STP is in the interest of borough devolution pilots.
20. In addition to the points above, the pace of planning, links into funding and need to satisfy a set of national “must-dos” pose potential obstacles to

building local plans which reflect the breadth of different plans and strategies as well as relative maturity of local and sub-regional governance and the financial position of the local and sub-regional health economy. Furthermore, though likely intended to avoid the appearance of being prescriptive, the planning guidance falls short of setting out detailed expectations in terms of local government engagement in the STPs and processes for sign-off. While the intent of the guidance and the opportunity offered by STPs to access substantial new funding for local health and care provision are both to be welcomed, the pace and fluid nature of arrangements create the potential for pit falls over the coming months.

21. In terms of enhancing the voice and influence of local government, boroughs may wish to consider the options for ensuring that Health and Wellbeing Boards and Chief Executive and Director leads are supported to maximise their involvement local and sub-regional STP partnerships.

Financial Implications for London Councils

There are no financial implications for London Councils resulting from this report.

Legal Implications for London Councils

There are no legal implications for London Councils resulting from this report.

Equalities implications for London Councils

There are no equalities implications for London Councils resulting from this report.

Recommendations

That Leaders recognise the importance of strong and credible London Sustainability and Transformation Plans to the success of health and care devolution in the capital and agree to support local and sub-regional working which ensures devolution pilot visions, plans and strategies feature prominently in STPs.

Interplay between devolution pilots and STPs

Devolution pilot	STP footprint	Implications
North Central London estates	Co-terminous with NCL STP footprint	Pilot will contribute to estates 'chapter' of NCL STP.
Outer North East London sub-regional integration (3 boroughs)	Part of the North East London STP footprint (total 8 local authorities in footprint)	<p>Detailed transformation plans will be developed on the ONEL footprint, then aggregated up to the STP footprint.</p> <p>Crucial to ensure transformation vision preserved given significant provider challenge within the STP footprint.</p>
Hackney local integration	Part of the North East London STP footprint	<p>Detailed transformation plans will be developed locally, then aggregated up.</p> <p>Crucial to ensure transformation vision preserved given significant provider challenge within the STP footprint.</p>
Haringey local prevention	Within NCL STP footprint (total 5 local authorities in footprint)	Opportunities for greater alignment of prevention activity between adjacent boroughs (e.g. Haringey & Islington).
Lewisham local integration	Within SEL STP footprint (total 6 local authorities in footprint)	Detailed transformation plans will be developed locally, then aggregated up.