



Department  
of Health &  
Social Care

# Update on policy priorities



# DHSC's long term priorities are centring patients and integrating care

The key priority for the next 25 years is to make the NHS more “patient-centred”, more integrated across organisations, and more integrated with social care.

- Being ‘patient centred’ means stronger patient and public involvement – especially around prevention, public health and patient empowerment. **For example, we are currently considering the role of personal health budgets in supporting personalisation.**
- ‘Patient centred’ and ‘more integrated’ services also focusing on delivering care to patients “at the right time, in the right place”, developing whole systems that incentivise all the providers in a health and social care economy to wrap around the patient, rather than operating in the narrow interests of their organisation. **That is why we’re exploring new models such as Accountable Care Organisations and Integrated Care Systems.**
- SofS is clear that it is a priority to support cultural change to make transparency easier when things go wrong, and using transparency in an “intelligent way” to drive quality improvement. Ultimately, he wants the NHS to become “the world’s largest learning organisation”.

# This work takes place in a challenging strategic context

Providers and commissioners both face financial pressures

There is an extra £10bn for the NHS over this Parliament, and an additional £1.6bn for 2018/19 announced in the Autumn Budget, but we know there are major financial pressures on both commissioners and providers. Balancing the books will be a key challenge for the system.

Demographics and rising costs of drugs and technologies are putting growing pressure on the system

For example, the specialised commissioning budget is expected to rise by 7% next year to meet rising demand.

We need to make current structures work most effectively

There is no appetite to legislate, so we expect the current CCG and NHS England structure to continue for the foreseeable future. The challenge is to make these structures work as effectively as possible.

But there are structural changes underway

The development of STPs, ICSs and new models of care sit alongside the existing statutory commissioning arrangements, bringing together commissioners and providers to make joint decisions. Equally, Devolution deal areas (e.g. Manchester) are taking on more responsibility for health and care, while collaborative and co-commissioning are strengthening CCG involvement in areas traditionally commissioned by NHS England.

Expectations remain high

Ministers and the public expect that the NHS will continue to deliver high quality, comprehensive services.

# Our aims in setting the 2018/19 Mandate for NHSE reflected these priorities

- Maintain stability to allow the system to focus on improving performance
- Meet core patient access standards, with a focus on RTT and A&E
- Continue to endorse the *Five Year Forward View* and *Next Steps on the Five Year Forward View*;
- Make progress in supporting integration through STPs and ICSs, new models of care, and the BCF;
- Set smart and measurable objectives, based on both long term goals and clear deliverables
- Co-develop the mandate with NHS England and Healthwatch England (statutory consultees) and engage with NHS Improvement (NHSI) to gain alignment with the NHSI remit letter.

# We're working with NHSE to ensure the commissioning system works as effectively as it can.

- **BCF:** Work is ongoing on the Better Care Fund, bringing together CCGs and Local Authorities to enable more integrated care.
- **Pooled budgets:** We will be looking to make further announcements soon on potential changes to Section 75 partnership regulations, which allow for pooled budgets.
- **CCG efficiency:** Over the coming months, we are considering ways to make CCGs more effective and efficient.
- **Performance transparency:** The department has made significant progress, such as publishing and currently refreshing an STP dashboard. NHSE reformed the CCG Improvement and Assessment Framework (CCGIAF) in 2017, and we expect to see further progress this year.

Update

# **STPS, PERSONALISATION, & LOCAL DEVOLUTION**

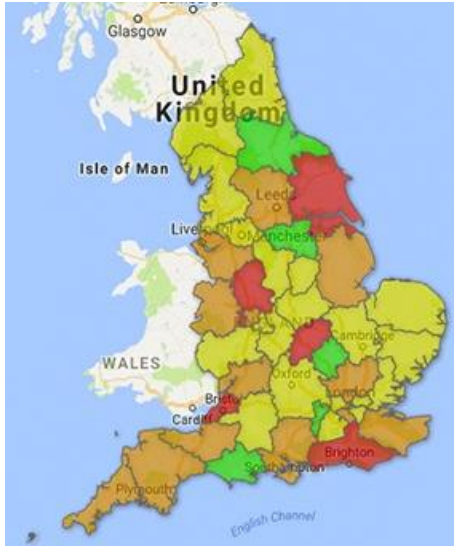
# Sustainability and Transformation Partnerships

- STPs are the NHS's chosen vehicle to deliver the Five Year Forward View. STPs are about redesigning services **to make it easier for individuals to access health and social care at the right time, in the right place.**
- They bring **NHS providers, commissioners, local authorities, and other health and care services together** to propose how they, at local level, can improve the way that health and care is planned and delivered in a **more person-centred and coordinated way.**
  - This may include simpler access to GPs, faster cancer diagnosis and offer better help to people with mental health problems.
- STPs **identify solutions for local issues**, and apply those solutions to improve the local NHS.



Graphic source: The Kings Fund

# Sustainability and Transformation Partnerships



NHS



- In late 2015, local areas were asked to come together to develop plans to set out how their system will, over the next five years:
  - **Control demand** by creating incentives for the system to treat patients earlier;
  - **Shift care and resources** into more cost effective settings (e.g. from acute to community)
  - **Increase integration and joint working** between the organisations within a health economy.
- This resulted in the formation of **44 STPs** across England, each with a nominated leader and robust governance and decision-making structures. NHS bodies in those areas were asked to come together to plan for October 2016 to March 2021.
- NHS England and NHS Improvement set out a number of national challenges for the STPs to address, as well as recognizing that local areas would have their challenges.



# STPs: Current position and next steps

## Metrics

- STP dashboard published in July 2017
- SofS wants to include a range of new metrics, including CQC ratings, and trajectories for improvement
- Discussion around how to use the metrics to drive accountability

## Capital

- £325m allocated in Spring Budget – now allocated to successful bidders
- Autumn Budget included an additional £2.6bn – now looking to allocate to STPs over the next three years.

## STP leadership and governance

- All STPs and ICSs now have leaders appointed and agreed, and NHSE is offering some limited financial support.
- All STPs should have collectively agreed governance and decision making processes.
- NHSE is doing further work to strengthen this.
- We have put advice to SofS on how to better involve local authorities in STPs and ACSs

## Operational plans

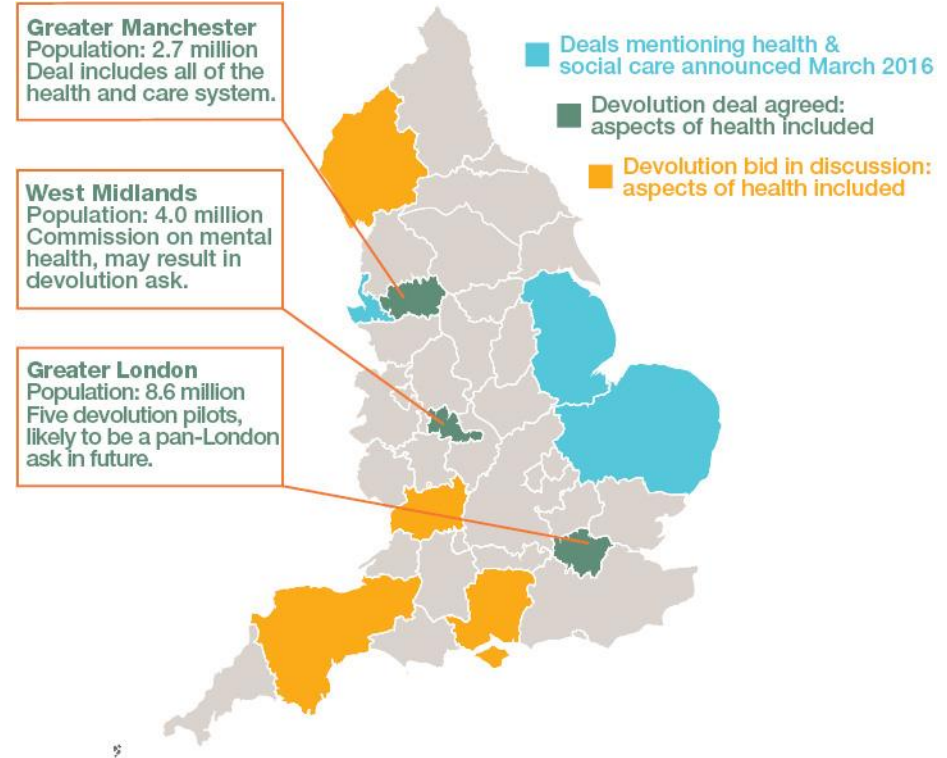
- All CCGs and providers have now submitted their operational plans – these should align with the STP/ACS and form the basis for activity over the next two years.
- STPs are a key plank of the revised Planning Guidance

## ICSs

- Further thinking underway on the relationship between STPs & ACSs;
- Work underway on freedoms and flexibilities (including distinguishing between local devo deals and ICSs)

# Local Devolution

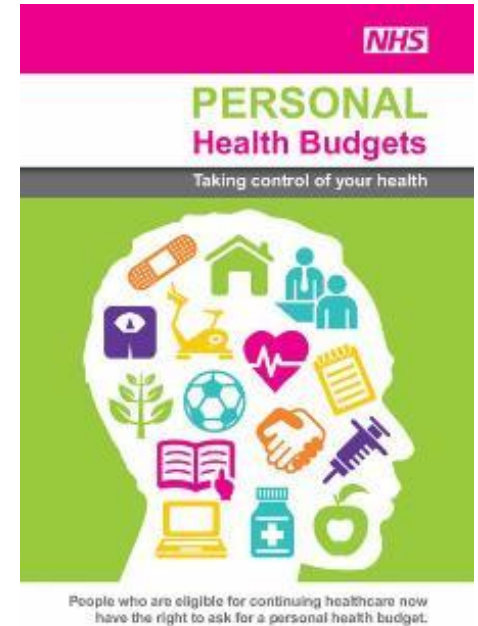
- The department and government remain committed to local devolution.
- There are now devolution deals covering health and care in Greater Manchester, Greater London, Surrey Heartlands, West Midlands, and one in progress in Cornwall.
- The experiences of Greater Manchester and Surrey Heartlands are not only influencing progress in devolution areas, but also in Integrated Care Systems and across the NHS.



Graphic source: IPPR

# Personalisation

- The Department is committed to driving and expanding personalisation and the use of personal health budgets.
- Personal health budgets are one way to give people with long term health conditions and disabilities more choice and control over the money spent on meeting their health and wellbeing needs.
- Currently NHSE's programme has 22,875 active Personal Health Budgets, with a target of 50,000 to 100,00 by 2020-21, as is set in the Mandate
- Adults eligible for NHS Continuing Healthcare and children in receipt of continuing care have had a right to have a personal health budget since October 2014. We are considering whether to expand this, and we expect to be saying more soon.



Graphic source: IPPR

- How can we best support commissioners at NHSE, STP and CCG level to be most effective and efficient?
- How can DH most effectively support and hold the system accountable, without micromanaging it?
- How much variation are we content to see in commissioning arrangements across England?
- What is the direction we want to see commissioning going in in future?

## **STRATEGIC QUESTIONS**



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# Any questions?

[Jonathan.Walden@dh.gsi.gov.uk](mailto:Jonathan.Walden@dh.gsi.gov.uk)

[Taina.Miettenen@dh.gsi.gov.uk](mailto:Taina.Miettenen@dh.gsi.gov.uk)

[Holly.Gray@dh.gsi.gov.uk](mailto:Holly.Gray@dh.gsi.gov.uk)