

**BOARD PAPER - NHS ENGLAND****Title:**

Sustainability and Transformation Plans – Progress and Next Steps

**Lead Director:**

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**Purpose of Paper:**

To inform the board on the progress that has been made with Sustainability and Transformation Plans, and the proposed next steps.

**The Board is invited to:**

Note the progress made to date and the proposed next steps and offers a view on how we maintain and build system-wide support for this vital process during the next period, not as end in itself, but as a means to deliver the vision set out in the Five Year Forward View.

# **Sustainability and Transformation Plans – progress and next steps**

NHS England Board Meeting – Thursday 26 May 2016

## **PURPOSE**

To inform the board on the progress that has been made with Sustainability and Transformation Plans, and the proposed next steps.

## **BACKGROUND**

1. Following the publication of the NHS Planning Guidance, local areas came together to propose their footprints for producing a Sustainability and Transformation Plan (STP), to support multi-year place based planning to deliver the Five Year Forward View. Each footprint was required to submit an initial return on 15 April 2016, and this, together with an assessment by the regional teams of the six ALBs formed the basis for a series of conversations between the footprints and the ALB CEOs and Regional Directors.

## **STP REVIEW MEETINGS**

2. In total, 24 footprints were seen directly by a national panel, and the remainder will be meeting with the Regional Directors over the next couple of weeks.
3. The purpose of these conversations was to:
  - Develop a shared understanding about the challenges on each patch
  - Focus on the big issues/decisions that will move things forward and what we can do to help
  - Agree what we'd like to see in their June submissions, and what if any support they might need between now and then
4. Each panel typically consisted of at least two Arms' Length Body Chief Executives, the Chief Executive of the Local Government Association, and the Regional Directors from NHS Improvement and NHS England. Simon Stevens attended each of these meetings. Each footprint leader was invited to bring along the key people on their patch, who were critical to resolving the problem at hand (i.e. the CEOs of the major acute trusts and the AOs of the CCGs and CEOs of Local Authorities).

## **REFLECTIONS**

5. Each footprint was different, but some common themes emerged from the conversation:
  - Without exception, everyone welcomed the STP programme, as in areas where work was already in train, it offered an opportunity to create real momentum, focus and pace, and in those areas that had less history of partnership working within the footprint, they welcomed the incentive to seek system-based solutions to deep seated problems.
  - Everyone is at different starting points. Some have strong relationships and a shared understanding of the problem and the solution; others have yet to agree what their

base-line position is as a system, what is driving cost and who needs to take what action when to drive cost out.

- It became important to stress the 'both/and' message – that each footprint needs to identify tangible actions to improve 2016/17 as part of their flight path to 2020/21, making clear that any plans for 2020/21 have to reverse engineer back to today.
- There are lots of good initiatives, but few yet at the degree of scale and pace required
- Workforce was a key issue in almost every footprint
- The calibre and collaborative nature of partnerships with Local Authorities in many areas was impressive, and in many instances they were the positive force for change that we need to harness.

6. There are some big choices which we will need to confront if we are to make the necessary changes to close the health, quality and finance gaps. We have made clear it is the responsibility of each footprint to set out the big decisions that will really shift the dial, we will need to be ready to scrutinise then back them, and support the process of implementation.

## **JUNE SUBMISSION**

7. The next checkpoint will be on 30 June 2016, when each footprint will submit their plans. These will form the basis of a face to face conversation with each of the 44 footprints throughout July. We have asked footprints to:
  - Ensure they have a shared understanding of where they are now in relation to the three gaps (health, quality, finance) and where they need to be by 2020/21, taking into account the indicative allocations and the requirement to achieve financial balance
  - Identify the critical decisions required to realise their vision and really shift the dial in their geographies/populations to close the three gaps.
  - Set out the anticipated benefits in terms of health, quality and financial impact, making clear the timescale for anticipated benefits working back from 2020/21 to the 16/17, and where possible, set out how this will enable them to deliver the ten key priorities set out in the March guidance
  - Identify which actions lie within individual organisations and which require system wide change/action across their footprint and/or are dependent upon the actions of other partners/neighbouring footprints
  - Assess the degree of consensus/support for any proposed changes, and their plans for meaningful engagement with clinicians, the public and key partners
8. We appreciate that each footprint will be starting from a different point on this journey, so the level of detail expected in June submissions will differ accordingly. For footprints that already have mature plans, we will expect fuller, more comprehensive submissions which reflect progress made to date.

## **SUPPORT FOR FOOTPRINTS**

9. To support footprints in their planning, we have made indicative 2020 allocations available. Final allocations will be subject to allocations decisions that are for the NHS England Board to make in due course. Overall the funding available for the healthcare system will be greater in 2020/21 than it is today, although the levels of future growth are more modest than the NHS has received historically. Local place-based funding will grow from £92.4bn in 2016/17 to £107.7bn in 2020/21. We need to be clear that this is not about 'cutting' budgets, but about

identifying the best possible use of resources so that we can meet the forecast rise in demand and, wherever possible, moderate that demand by improving population health and care redesign.

10. We will keep providing practical hands-on support on request, and other support in train includes:

- *Workshops* for Programme directors, clinical leads and project teams, to tap into the expertise from national clinical leads and policy experts on specific policy areas (e.g. efficiency, mental health, primary care, new care models), and to share learning and challenges with other footprints.
- *Example plans* from footprints will be shared, as well as sharing of the learnings footprints experienced during their process of developing their plan
- *Support* by regional and central teams with specific requests
- *System leadership support* via the Leadership Board.
- *Peer support* from each other through virtual and face-to-face events

11. The Sustainability and Transformation Plans have galvanised the NHS and provided a rallying point for local leaders to work together for the benefit of their communities. We now need to work with the footprint system leaders to build a sustainable programme of transformation so that the NHS can deliver the vision set out in the Five Year Forward View.

## **RECOMMENDATION**

That the board notes the progress to date, the proposed next steps, and offers a view on how we maintain and build system-wide support for this vital process during the next period, not as end in itself, but as a means to deliver the vision set out in the Five Year Forward View.