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NHS ENGLAND – BOARD PAPER

Title: Update on the 17/18-18/19 operational planning and contracting round

Lead Director:

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Purpose of Paper:

To update the Board of progress to date on the national planning and contracting round for 2017/18 to 2018/19. This written paper will be supplemented by a verbal update at the Board meeting, reflecting real time progress on finalising contracts.

The Board are invited to:

Note the date of 23 December 2016 for the national deadline for signature of contracts and submission of final 2017/18 to 2018/19 operational plans, and the work that is being done throughout December towards that deadline.

Update on the 17/18-18/19 operational planning and contracting round

Purpose

1. The NHS Operational Planning and Contracting Guidance for 2017-2019 was published earlier than usual this year to help NHS organisations submit final plans and agree contracts by 23 December 2016.
2. The aim is that this will help NHS organisations to spend less time locked in adversarial relationships about transactions and contracts and settle the numbers more quickly, so that they can address the task of care redesign.

Background

3. For the 2017/18–2018/19 planning round, the main objectives of the planning process are to ensure the following:
 - Operational plans are affordable as demonstrated by the delivery, as a minimum, of control totals which are set at a level to restore/maintain financial balance on an aggregate basis.
 - Operational plans deliver the core access and quality standards.

Next steps

4. Plans are being developed throughout December, with the final contracting and planning submission due on 23 December 2016.
5. Throughout December our aim is to:
 - Run an open book process working jointly with NHS Improvement and Strategic Transformation Programme leaders to ensure organisations are supported in developing credible and deliverable plans for the NHS and the patients it serves.
 - Ensure that plans are affordable and agreed within available resources.
 - Ensure contracts contain realistic levels of activity and contracts are signed by the national contract deadline of 23 December 2016.
 - By the final submission date local commissioner and provider operational plans are aligned, have key risks quantified and agreed system-wide risk mitigation in place, and deliver the key operational standards.
6. To monitor progress to signature the contract tracker is a key part of the contracting process, it allows NHS Improvement and NHS England to be clear on the status and progress of contract negotiations; the value of differences as negotiations develop and the likelihood of mediation and arbitration being required to help settle contract disputes.
7. It also enables NHS Improvement and NHS England to understand misalignment and contract risk early on, and more comprehensively, thereby allowing us (in line with a joint assurance process) to provide meaningful support to commissioners and providers and help ensure that contracts are agreed and signed by the national contract deadline.

Recommendations

8. The Board are invited to note the date of 23 December 2016 for the national deadline for signature of contracts and submission of final 2017/18 to 2018/19 operational plans, and the work that is being done throughout December toward that deadline.