

## NEXT STEPS ON THE FIVE YEAR FORWARD VIEW: NHS PROVIDERS ON THE DAY BRIEFING

This briefing is a NHS Providers summary of the Next Steps on the NHS Five Year Forward View document (FYFVNS for the purposes of this briefing), published on 31 March 2017.

FYFVNS has been drafted by both NHS Improvement (NHSI) and NHS England (NHSE). It outlines progress on the ambitions set out in the *Five year forward view* since its original publication in October 2014, defines what still needs to be achieved over the next two years, and how this will be achieved. It also outlines priorities for the service specifically in 2017/18 as follows:

- Deliver financial balance across the NHS
- Improve A&E performance
- Strengthen access to GP & primary care services
- Improve cancer and mental health services

The document breaks down into 11 chapters covering a range of areas - however this briefing focuses on the most relevant points for NHS trusts and foundation trusts in particular the “what still needs to be achieved” parts of the document and new announcements. To see the full FYFVNS document please follow this link: <https://www.england.nhs.uk/publication/next-steps-on-the-nhs-five-year-forward-view/>. At the end of this briefing we have attached the NHS Providers press statement. If you have any questions about this briefing, please contact [Edward.Cornick@nhsproviders.org](mailto:Edward.Cornick@nhsproviders.org).

### KEY AREAS OF INTEREST

#### Urgent and emergency care and RTT waiting times

##### Urgent and emergency care

The document notes the progress made in urgent and emergency care over the past three years, then outlines the key deliverables for urgent and emergency care in both 2017/18 and 2018/19. These deliverables are a mix of actions for both for local organisations and national bodies to deliver.

The key item to note here is the adjustment to the 95% A&E standard trusts will be required to meet. This is in line with what was announced in the Government’s 2017/18 mandate to the NHS. These changes are:

- before September 2017 over 90% of emergency patients are treated, admitted or transferred within 4 hours (up from 85% currently being delivered)
- the *majority* of trusts will have to meet the 95% standard in March 2018
- the NHS overall returns to the 95% standard within the course of 2018
- Also to note, the document confirms the previous standard contract fines for A&E have been dropped for those providers who have agreed control totals. From April 2017 the rules governing the performance element of the £1.8 billion sustainability and transformation fund (STF) for acute trusts that relates to A&E will be amended. The non-appealable rules expected for access to the STF are set out at the end of the FYFVNS document at reference 24.

The document also prescribes how the trusts should achieve these changes and improve their current A&E performance:

*By October 2017:*

- Every hospital must have “comprehensive front-door clinical streaming”.
- Every hospital and its local health and social care partners must have “adopted good practice to enable appropriate patient flow”. This includes better hand-offs between A&E and acute physicians, ‘discharge to assess’, ‘trusted assessor’ arrangements, streamlined continuing healthcare processes, and seven day service (7DS) discharge capabilities.

*By March 2018:*

- Trusts should work with local councils to ensure that the extra £1 billion provided in the March 2017 budget for adult social care is used in part to reduce delayed transfers of care (DTC), thereby helping to free up 2000-3000 acute hospital beds. Progress against this figure “will be regularly published” - the document does not say by whom or how frequently.
- ensure that 85% of all assessments for continuing health care funding take place out of hospital in the community setting,
- Implement the “High Impact Change Model” for reducing DTCs.

*It also notes a range of actions that the national bodies will undertake:*

- Roll-out by spring 2018 of 150 standardised new ‘Urgent Treatment Centres’ which will open 12 hours a day, seven days a week, integrated with local urgent care services.
- Implement the recommendations of the Ambulance Response Programme by October 2017, putting an end to long waits not covered by response targets.

*It also notes a range of actions that the national bodies will undertake regarding with NHS 111 and primary care:*

- Enhance NHS 111 by increasing from the proportion of 111 calls receiving clinical assessment by March 2018,
- By 2019, NHS 111 will be able to book people into urgent face to face appointments
- Roll out evening and weekend GP appointments, to 50% of the public by March 2018 and 100% by March 2019.

*To support these changes, the FVFNS outlines the following support measures:*

- £100m in capital funding, as announced in the budget, to support modifications to A&Es to enable clinical streaming by October 2017.
- Aligned national programme management. NHSI/NHSE will appoint a single national leader accountable for all of the above actions. Also from 1 April 2017 a single Regional Director drawn from either NHSI or NHSE will hold to account both CCGs and trusts in each STP area for the delivery of the local urgent care plan.

## RTT waiting times

The document makes reference to the referral to treatment time 18 week 92% target. It says:

“Looking out over the next two years we expect to continue to *increase* the number of NHS-funded elective operations. However given multiple calls on the constrained NHS funding growth over the next couple of years, elective volumes are likely to expand at a slower rate than implied by a 92% RTT incomplete pathway target. While the median wait for routine care may move marginally, this still represents strong performance compared both to the NHS’ history and comparable other countries.”

This has been taken as recognition by NHSI and NHSE that performance against the 92% constitutional standard is not likely to be achieved in 2017/8.

## Integrating care - STPs, ACOs and ACSs

The FYFVNS document has a chapter dedicated to integrating care. This provides two main functions:

1. Outlining key areas of clarification for STPs (now referred to in the document as Sustainability and Transformation Partnerships), accountable care system and accountable care organisation integration models
2. Outlining new policy changes associated with these models

These areas are summarised in the two tables following below:

Area of clarification	Explanation
<p><b>Statutory role of STPs</b></p>	<ul style="list-style-type: none"> <li>• The document says: “STPs are not new statutory bodies. They supplement rather than replace the accountabilities of individual organisations. It’s a case of ‘both the organisation and our partners’, as against ‘either/or”</li> </ul>
<p><b>Uniformity and running of STPs</b></p>	<ul style="list-style-type: none"> <li>• The document says: “The way STPs work will vary according to the needs of different parts of the country. Place-based health and care systems should be defined and assessed primarily by how they practically tackle their shared local health, quality and efficiency challenges. We do not want to be overly prescriptive about organisational form... [but] all STPs need a basic governance and implementation ‘support chassis’ to enable effective working ”</li> </ul>
<p><b>What Accountable Care Systems (ACSs) are</b></p>	<ul style="list-style-type: none"> <li>• Essentially what the most advanced STPs will aspire to be. The document says: “ACSs will be an ‘evolved’ version of an STP that is working as a locally integrated health system. They are systems in which NHS organisations (both commissioners and providers)...choose to take on clear collective responsibility for resources and population health ...specifically, ACSs are STPs - or groups of organisations within an STP sub-area... that get far more control and freedom over the total operations of the health system in their area”</li> </ul>

### What ACS's can or should do

- Agree an “accountable performance contract” with NHSE and NHI to commit to make faster improvements in the key deliverables set out in the FYFVNS
- Manage funding for their defined population, committing to shared performance goals and a financial system ‘control total’ across CCGs and providers.
- Effectively abolish the annual transactional contractual purchaser/provider negotiations within their area.
- Create an effective collective decision making and governance structure
- Demonstrate how their provider organisations will operate on a horizontally integrated basis
- Demonstrate how they will simultaneously also operate as a vertically integrated care system, partnering with local GP practices.
- Deploy rigorous population health management capabilities that improve prevention
- Establish clear mechanisms by which residents within the ACS’ defined local population will still be able to exercise patient choice.

### What Accountable Care Organisations (ACOs) are

- The document says: “In time some ACSs may lead to the establishment of an accountable care organisation. This is where the commissioners in that area have a contract with a single organisation for the great majority of health and care services and for population health in the area. A few areas in England are on the road to establishing an ACO, but this takes several years”

Area of policy change	Explanation
<b>Assessment of STPs</b>	<ul style="list-style-type: none"> <li>• NHI and NHSE will publish metrics at STP level in July that will “align” with the Single Oversight Framework for NHS provider trusts and NHSE’s annual CCG Improvement and Assessment Framework.</li> </ul>
<b>Governance of STPs</b>	<p>STPs must:</p> <ul style="list-style-type: none"> <li>• form an STP board drawn from constituent organisations and including appropriate non-executive participation, partners from general practice, and in local government wherever appropriate.</li> <li>• establish formal CCG Committees in Common or other appropriate decision making mechanisms where needed for “strategic decisions between NHS organisations.”</li> <li>• ensure the STP has the necessary programme management support by pooling expertise and people from across local trusts, CCGs, CSUs and other partners.</li> </ul>

### Communication of STPs

- From 1 April 2017, NHS organisations will have to show that proposals for significant hospital bed closures, requiring formal public consultation, can meet one of three “common sense conditions”:
- That sufficient alternative provision is being put in place alongside or ahead of bed closures, and that a new workforce can deliver it; and/or
- That specific new treatments or therapies will reduce specific categories of admissions; and/or
- Where a hospital has been using beds less efficiently than the national average, has a credible plan to improve performance without affecting patient care

### How to become an ACS

- The document says: “We expect that candidates for ACS status to include successful vanguards, ‘devolution’ areas, and STPs that have been working towards the ACS goal. In Q1 2017/18, NHSE and NHSI will jointly run a light-touch process to encourage other STPs (or coherent parts of STPs) to come forward as potential ACSs. This is a complex transition which requires careful management, including of the financial framework so as to create opportunity while also reducing instability and managing risk.”

### Freedoms given to ACSs by the national bodies

- The ability for the local commissioners in the ACS to have delegated decision rights in respect of commissioning of primary care and specialised services.
- A devolved transformation funding package from 2018, potentially bundling together national funding for GPFV, mental health and cancer.
- A single ‘one stop shop’ regulatory relationship with NHSE and NHSI with streamlined oversight arrangements, with an integrated CCG IAF and trust single oversight framework.
- The ability to redeploy attributable contracting staff and related funding from NHSE and NHSI to support the work of the ACS.

## OTHER AREAS OF INTEREST

### Funding and efficiency

The document outlines a 10 point plan for the next two years to increase efficiency for the NHS in England. This briefing picks out the key points of this plan below and the keys areas where they impact on providers.

#### 1. Free up 2000 to 3000 hospital beds

- Using the extra £1bn awarded to adult social care in the last budget hospital trusts “must now work with their local authorities, primary and community services to reduce delayed transfers of care.”

#### 2. Further clamp down on temporary staffing costs and improve productivity

- Trusts are set a target of cutting £150m in medical locum expenditure in 2017/18. NHSI will require public reporting of any locum costing over £150,000 per annum.

### 3. Use the NHS' procurement clout

- All trusts will be required to participate in the Carter Nationally Contracted Products programme, by submitting and sticking to their required volumes and using the procurement price comparison tool.

### 4. Get best value out of medicines and pharmacy

- NHSI support trusts to save £250m from medicines spend in 2017/18 by publishing the uptake of a list of the top ten medicines savings opportunities, and work with providers to consolidate pharmacy infrastructure

### 5. Reduce avoidable demand and meet demand more appropriately

- NHS provider trusts will have to screen, deliver brief advice and refer patients who smoke and/or have high alcohol consumption in order to qualify for applicable CQUIN payments in 2017/18 and 2018/19.

### 6. Reduce unwarranted variation in clinical quality and efficiency

- Trusts to improve theatre productivity in line with Get it right first time (GIRFT) benchmarks and implement STP proposals to split 'hot' emergency and urgent care from 'cold' planned surgery clinical facilities for efficient use of beds.

### 7. Estates, infrastructure, capital, and clinical support services

- The NHS and Department of Health are aiming to dispose of £2bn of surplus assets this parliament, following recommendations from the forthcoming Naylor review.

### 8. Cut the costs of corporate services and administration

- NHSI is targeting savings of over £100m in 2017/18, from trusts consolidating these services, where appropriate across STP areas. NHSI is also establishing a set of national benchmarks.

### 9. Collect income the NHS is owed

- The Government has set the NHS the target of recovering up to £500m a year from overseas patients, Twenty trusts will now pilot new processes to improve the identification of chargeable patients

### 10. Financial accountability and discipline for all trusts and CCGs

- Outlines the operation of control totals - 70% of the STF will again be tied to delivery against control totals. Provider trusts not agreeing control totals will lose their exemption from contract fines. From August 2017 CQC will begin incorporating trust efficiency in their inspection regime based on a Use of Resources rating. Trusts missing their control totals may be placed in the Special Measures regime.

## Mental Health

### What still needs to be achieved

- An extra 35,000 children and young people being treated through NHS-commissioned community services next year compared to 2014/15
- NHSE to fund 150-180 new CAMHS Tier 4 specialist inpatient beds, rebalancing beds from parts of the country where more local CAMHS services can reduce inpatient use.
- 74 24-hour mental health teams at the Core 24 standard, covering five times more A&Es by March 2019
- An extra 140,000 physical health checks for people with severe mental illness in 2017/18.

### How it will be achieved

- Expand the mental health workforce – 800 mental health therapists embedded in primary care by March 2018, rising to over 1500 by March 2019.
- Reform of mental health commissioning so that local mental health providers control specialist referrals and redirect around £350m of funding.
- Clear performance goals for CCGs and mental health providers, matched by unprecedented transparency using the new mental health dashboard.

## Cancer

### What still needs to be achieved

- Introduction of a new bowel cancer screening test for over 4m people from April 2018.
- Introduce primary HPV testing for cervical screening from April 2019 to benefit 3m women per year.
- Expand diagnostic capacity so that England is meeting all 8 of the cancer waiting standards.
- Performance incentives to trusts for achievement of the cancer 62-day waiting standard will be applied to extra funding available to our cancer alliances.
- 23 hospitals have received new or upgraded radiotherapy equipment in early 2017, and over 50 new radiotherapy machines in at least 34 hospitals will be rolled out over the next 18 months.

### How it will be achieved

- Targeted national investment, including £130m for a national radiotherapy modernisation fund. £36m has been spent so far, with a further £94m planned to be spent over the next 18 months.
- Expand the cancer workforce: HEE to have trained 160 non-medical endoscopists by 2018, alongside 35 more places for ST1 clinical radiology training.
- Performance goals for CCGs and cancer providers, and transparency using the new cancer dashboard.
- Three cancer vanguards creating population cancer budgets so as to integrate commissioning of cancer surgery, radiotherapy and cancer drugs for 9.6m people., and

## Other areas of relevant interest the document says will be delivered in the next two years

### Workforce

- A new nurse retention collaborative run by NHSI and NHS Employers will support 30 trusts with the highest turnover.
- A consultation will be launched on creating a Nurse First route to nursing, similar to the Teach First programme.
- NHSI will publish guidance on effective electronic rostering.
- Undergraduate medical school places will grow by 25% adding an extra 1500 places, starting with 500 extra places in 2018 and a further 1000 from 2019.

### Technology

- By summer of 2017 GPs will be able electronically to seek advice and guidance from a hospital specialist without the patient needing an outpatient appointment.
- In the summer 2017 an updated online patient appointment system will be launched, providing patients with the ability to book their first outpatient appointment with access to waiting time information on a smartphone, tablet or computer.
- The NHS e-Referral Service is currently used by patients to arrange just over half of all referrals into consultant-led first outpatient appointments. By October 2018 all referrals will be made via this route, improving patients' experience and offering real financial and efficiency benefit
- By December 2018 there will be a clear system in place across all STPs for booking appointments at particular GP practices and accessing records from NHS 111, A&Es and UTCs

## NHS PROVIDERS PRESS STATEMENT

### NHS PROVIDERS COMMENTS ON THE NHS FIVE YEAR FORWARD VIEW DELIVERY PLAN

Embargoed until 00.01 hours, Friday 31 March 2017

Commenting on the NHS Five Year Forward View Delivery Plan published today, Chris Hopson, NHS Providers Chief Executive said:

"We welcome the plan's recognition of the scale of challenge the NHS faces - rapidly rising demand, the longest and deepest financial squeeze in NHS history and growing staff shortages."

#### On the task facing NHS trusts in 2017/18 and 2018/19

"Two weeks ago, in our *Mission Impossible?* report, we set out how impossible the task was for NHS trusts in 2017/18 and we called for greater realism. We therefore welcome the new performance trajectories for the key four hour A&E and 18 week elective surgery targets next year. But we do need to remember the impact on patients. More will have to wait longer in A&E and for routine surgery than they should. That's why, in our report, we said that NHS trusts would much prefer to be properly funded to meet the NHS constitutional standards.

"Trusts look forward to working with NHSE and NHSI to finalise two key details not covered in the plan.

"First, we need to finalise the 2017/18 financial targets. Our recent survey of trust finance directors estimated a £1 billion gap in the 2017/18 budget if trusts are to achieve the required financial balance. Given the new financial year starts tomorrow we need to rapidly work out how to fill this gap and what the overall provider sector financial target should be. We believe trusts will be doing well to reproduce this year's likely performance of an £800-900m deficit.

"Second, we need to work out what can actually be delivered in 2018/19 given that NHS frontline funding increases drop even further from +3.6% in 2016/17 to +1.3% in 2017/18 and then to +0.4% in 2018/19. This means that NHS real terms spending per person (adjusting for age) will actually decrease in 2018/19 - a very rare occurrence.

"We also welcome the explicit acknowledgement in the plan of the scale of risk facing NHS trusts in delivering all they are required to in 2017/18. We must not forget how difficult this winter was for staff and patients with unacceptable levels of patient safety risk. We need to ensure this risk is much better managed next winter. For example, the NHS needs between 2,000 and 3,000 beds freed up as a result of the extra £1 billion social care funding allocated in the Budget. Without this, or other extra capacity, the plan's A&E performance trajectories in the second half of 2017/18 already look very difficult indeed – even though these are already below the NHS constitutional standard.

"Trust leaders also recognise the importance of their role in delivering the new cancer and mental health improvements for patients and service users. It is important that we continue to make progress in these two areas."

#### On the development of Sustainability and Transformation Partnerships (STPs)

"We welcome the pragmatic and flexible approach to developing STPs. The plan recognises that the 2012 Health and Social Care Act prevents the creation of a formal 'mid level STP tier' with statutory powers.

“The plan also recognises the importance of existing governance and accountability structures focussed on trusts, but also the opportunity for shared decision making at the STP level.

“Finally, it allows different STPs to move at different speeds: enabling the fastest to progress without delay but not forcing others to adopt a single uniform approach they neither want nor are ready for.

“We look forward to working with NHSI and NHSE on the details of how STPs will develop in future over the next few weeks.”

### **On workforce**

“Trust leaders tell us that concerns over workforce are now at the top of their worry list. This includes concerns about growing staff shortages, the unsustainable pressure on staff and the viability of maintaining a 1% pay cap. We note the workforce proposals in the plan and will want to test with NHS trusts whether these really do represent a viable and sustainable solution.”

### **On the future strategic direction of the NHS**

“We welcome the restatement of the Five Year Forward View vision of closing the health, care and financial gaps and the move to new care models, which we strongly support.

“We also welcome recognition that transformation at the required speed can only occur with capital investment and by growing capacity closer to people’s homes in the community. The Chancellor’s commitment to address these needs in the Autumn Statement is welcome but the detail of how that commitment is met will be important. Trust leaders tell us they are very worried by the current approach to capital – it is short sighted and unsustainable to carry on robbing capital budgets to prop up daily running costs

“Transformation also requires the right leadership capacity that is in desperately short supply given the increasing fragility of services and the leadership time required to keep them stable.”

### **Summary**

“The plan reinforces a simple, stark, truth: that you get what you pay for. Trusts will do all they can to transform and realise efficiencies as quickly as possible. But if NHS funding increases fall way behind demand and cost increases NHS services inevitably deteriorate. That is clearly now happening.”

**ENDS**