NHS 2021/22 priorities and operational planning guidance: October 2021 to March 2022

NHS England and NHS Improvement (NHSE/I) published priorities and operational planning guidance for October 2021 to March 2022 on 30 September 2021. This briefing summaries the six priorities it sets out for the second half of the financial year, financial arrangements and planning deadlines. For any questions, please contact amelia.chong@nhsproviders.org.

Key points

- The six areas set out in NHSE/I's priorities and operational planning guidance for 2021/22, published in March 2021, remain the priorities for the second half of the financial year (H2):
  - supporting the health and wellbeing of staff and taking action on recruitment and retention
  - delivering the NHS COVID vaccination programme and continuing to meet the needs of patients with COVID-19
  - building on what we have learned during the pandemic to transform the delivery of services, accelerate the restoration of elective and cancer care and manage the increasing demand on mental health services
  - expanding primary care capacity to improve access, local health outcomes and address health inequalities
  - transforming community and urgent and emergency care to prevent inappropriate attendance at emergency departments (EDs), improve timely admission to hospital for ED patients and reduce length of stay
  - working collaboratively across systems to deliver on these priorities.
- In addition, there will continue to be a focus on the five priority areas for tackling health inequalities and delivering sustained progress against the ambitions of the NHS long term plan.
- The NHS will receive an extra £5.4bn to cover COVID-19 costs in the second half of the financial year. This includes £1.5bn for elective recovery, of which £500m is capital. There is an increased efficiency requirement in H2 compared to the first half of the financial year (H1).
- Systems and providers are asked to submit by 14 October: (1) elective recovery and capacity plans and (2) a proposed shortlist of investments for the Targeted Investment Fund (TIF). The deadline for submitting final plans is 16 November.

Summary of priorities

Supporting the health and wellbeing of staff and taking action on recruitment and retention

The guidance does not add further detail on staff wellbeing priorities beyond the guidance published in March 2021. Our analysis of that guidance can be found here. Whilst the March 2021 guidance made explicit mention of the need for staff recovery following COVID-19, the same is lacking in this new iteration. This is particularly concerning given the call in the new guidance for providers to recover elective activity and ensure winter resilience by 'increasing workforce availability'. This remains a significant challenge given levels of vacancies and burnout across the workforce.

It is also worth noting that the focus on addressing inequalities, as per the March 2021 guidance, remains welcome and necessary. However, it felt underdeveloped at the time, with no clear actions or next steps listed, and there have been no updates to that end in this iteration.

The H2 guidance also calls for systems to harness 'new and more productive ways of working and transformation opportunities' to aid elective recovery. There are no further specifics given, but much focus has already been placed on embedding beneficial changes and harnessing innovative ways of working at both local and national levels. It remains imperative that data regarding the effects of these changes is shared with and between providers, so that any risks can be identified and managed.

System-wide workforce planning and local people plans are re-emphasised as a priority. These will be key in supporting the transition to statutory integrated care boards (ICBs) in April 2022. However, as we highlighted in our response to the planning guidance in March 2021, local workforce supply plans will not be effective without national funding for recruitment and retention initiatives, underpinned by a fully costed and funded national workforce plan. We continue to make the case for this.

Delivering the NHS COVID vaccination programme and continuing to meet the needs of patients with COVID-19

The Joint Committee on Vaccination and Immunisation (JCVI) recently published their advice on booster vaccinations. Those who are eligible for a booster jab should be vaccinated no sooner than six months after their second dose. The booster programme will continue to be delivered by vaccination centres, hospital hubs, general practice and community pharmacies. The delivery model will depend on local population needs. For example, primary care network (PCN) led vaccination

services are being asked to prioritise older adult care home residents and care home staff. This cohort should be offered a vaccination by 1 November 2021.

Co-administration of COVID-19 and flu vaccines can happen where it is 'operationally expedient'. The JCVI guidance explains that systems should try to co-administer the two jabs in circumstances where it improves patient experience, improves vaccine take up, reduces administrative burden or reduces health inequalities. The guidance highlights that an 'evergreen offer' of a first and second dose to those who have not been vaccinated is key to reducing the spread of COVID-19 and reducing possible pressures on the NHS.

The booster campaign is being delivered alongside existing requirements to administer an 'evergreen offer', vaccination for those aged 12 to 15 who are considered at risk, and third doses for immunosuppressed individuals.

The UK Chief Medical Officers' have recently recommended offering a first dose of the Pfizer vaccine to all 12- to 15-year-olds. Systems have been asked to engage with their school aged immunisation providers (SAIS) to roll this out in school settings and to make provision available for those not in mainstream education. The guidance underlines that SAIS should be supported to work with local providers to boost capacity using existing staff sharing arrangements through lead employers or sub-contracting with partners, if required.

The NHS aims to vaccinate children as quickly as is safe and practical, with the majority of school visits completed and vaccinations administered before the October half-term. The guidance also highlights that the NHS has established 90 specialist post COVID clinics and 14 paediatric hubs over the last year, with £94m invested in specialist assessment and treatment services and £30m in an enhanced service to help primary care support those suffering with long COVID.

Building on what we have learned during the pandemic to transform the delivery of services, accelerate the restoration of elective and cancer care and manage the increasing demand on mental health services

Maximise elective activity and eliminate waits of over 104 weeks, taking full advantage of opportunities to transform the delivery of services

The guidance aims to return – or exceed – elective activity to pre-pandemic levels. The ambition is for systems to:

- eliminate waits of over 104 weeks by March 2022 except where patients choose to wait longer ('P5' and 'P6' patients)
- hold or where possible reduce the number of patients waiting over 52 weeks. NHS England will work with systems and providers to agree individual trajectories
- stabilise waiting lists around the level seen at the end of September 2021.

Systems are asked to take full advantage of the elective high-impact changes and transformation opportunities set out in the priorities and operational planning guidance for 2021/22, published in March 2021. In particular, systems are asked to:

- establish and maintain ring-fenced elective capacity at system level for high volume, low complexity (HVLC) procedures, adopting 'hub' models where appropriate
- engage in the national clinical validation and prioritisation programme
- work closely with independent sector (IS) providers to maximise the capacity and services available via the IS, including for cancer and over winter
- ensure that approved early adopter community diagnostic hubs (CDHs) deliver against agreed activity trajectories and continue to submit activity returns to the national CDH programme team
- deliver planned capital investments by March 2022 where business cases for Year 1 CDH sites have been approved
- continue to work collaboratively to optimise referrals and avoid asking patients to attend outpatient services unnecessarily. A minimum of 12 advice and guidance requests should be delivered per 100 outpatient first attendances, or equivalent via other triage approaches, by March 2022. All systems are asked to demonstrate monthly increases in referral optimisation, evidenced via returns to the Elective Recovery Outpatient Collection (EROC) dataset
- ensure that patient-initiated follow-up (PIFU) is in place for at least five major outpatient specialties, moving or discharging 1.5% of all outpatient attendances to PIFU pathways by December 2021, and 2% by March 2022. All providers are asked to increase the proportion of outpatient attendances they move to PIFU month-on-month, evidenced through the EROC dataset
- continue to grow remote outpatient attendances where clinically appropriate with an overall share of at least 25%
- consider options for digital-first elective care pathways that reduce demand and manage activity differently. NHSX is supporting systems to do this, with digital playbooks and targeted funding
- continue to ensure healthcare inequalities are considered within elective recovery plans.

For the second half of 2021/22, £1bn revenue and £500m capital funding, above that funded within core envelopes, has been made available to support the continued recovery of elective activity and cancer services. There will be a £700m targeted investment fund (TIF, which includes the additional

£500m capital funding) available to support elective recovery. By 12 October 2021, systems need to propose to their regional teams a shortlist of targeted investments for elective recovery reforms that can deliver in year and have a material impact on activity in their region in 2021/22 or in future years.

In addition, systems that achieve completed referral to treatment (RTT) pathway activity above a 2019/20 threshold of 89% will be able to draw down from the elective recovery fund (ERF). This is different to the measure used in H1, which was total cost weighted activity. Part of the ERF will also be used to centrally fund IS activity above 2019/20 levels. Further details on the operation of the TIF and ERF are set out in in the accompanying finance and contracting guidance.

Restore full operation of all cancer services

The priorities for cancer recovery remain the same as in the first half of the financial year, with a particular focus on:

- continuing to maximise all available capacity, including by extending hub models and ensuring all system plans reflect the IS capacity needed
- ensuring sufficient diagnostic and treatment capacity to meet the increased level of referrals and treatment required to address the shortfall in number of first treatments, by March 2022
- accelerating the development of rapid diagnostic centre (RDC) pathways. Cancer Alliances should accelerate current RDC implementation to achieve 50% population coverage for non site-specific RDCs and work with colleagues to ensure CDHs support and meet the needs of the RDC programme and patients with suspected cancer.

The objectives for cancer are:

- return the number of people waiting for longer than 62 days to the level seen in February 2020 (based on the overall national average) by March 2022
- meet the Faster Diagnosis Standard (FDS) from Q3, ensuring at least 75% of patients will have cancer ruled out or diagnosed within 28 days of referral for diagnostic testing. Where the lower GI pathway is a barrier to achieving FDS, full implementation of faecal immunochemical tests and, where appropriate, colon capsule endoscopy is expected (to reduce colonoscopy demand and shorten the pathway).

Expand and improve mental health services and services for people with a learning disability and/or autism

The guidance confirms that the NHS mental health implementation plan 2019/20 – 2023/24 remains the foundation for the mental health response to COVID-19. Systems should continue to make use of

the additional £500m funding made available for mental health at the beginning of 2021/22. Systems must also continue to meet the mental health investment standard (MHIS).

The guidance sets out the following areas for systems to focus on in the second half of this financial year, as they work to continue to deliver their 2021/22 mental health plans:

- delivery against in-year integrated care system (ICS) workforce plans, making full use of new roles, and development of a multi-year mental health workforce plan
- accelerating the recovery of face-to-face care in community mental health services and submitting the re-categorisation of community mental health spend over autumn
- reducing out of area placements, long lengths of stay and long waits in emergency departments for mental health patients
- continuing to increase access to NHS-funded children and young people´s community mental health services, talking therapies, individual placement support and specialist perinatal services
- advancing equalities, including delivering the target for physical health checks for people with severe mental illness and recovering the dementia diagnosis rate
- delivering actions to enable whole pathway commissioning for provider collaborative 'front runners' from April 2022
- ensuring digital capabilities are in place across services to drive interoperability and improvements in patient safety, supporting digitally enabled pathway redesign, and using digital services to improve access and personalisation of care is also encouraged.

Systems are asked to continue to make progress on the NHS long term plan commitments for individuals with a learning disability, autism or both.

Deliver improvements in maternity care, including responding to the recommendations of the Ockenden review

The guidance asks systems to prioritise the work of the Maternity Transformation Programme, and implementation of the Ockenden review's emerging findings. The £52m additional funding for maternity information systems, which was announced in June, is highlighted as the key enabler for better patient access to maternity records via data sharing and system interoperability. The guidance asks for this work to be given named digital leads, which should be provided to the NHSX Digital Child Health and Maternity Programme by the end of January 2022.

Expanding primary care capacity to improve access, local health outcomes and address health inequalities

The guidance recognises that primary care is under intense pressure, and asks system partners to continue to prioritise investment and support for general practice and PCNs. This support should prioritise recruitment and retention, including via the Additional Roles Reimbursement Scheme.

The guidance says £120m will be made available for systems to support practices with access challenges. How this money will be allocated will be set out separately. The intention is that this will enable all practices to deliver 'appropriate pre-pandemic appointment levels, including face-to-face care as part of a blended model'. This 'blended model' should include optimising the use of remote consultation systems, including advanced telephony.

Systems are also told to increase minor illness referrals from 111 and general practice to community pharmacy. Hospitals are asked to refer patients being discharged with changed medication to the Discharge Medicines Service, available in pharmacies.

Transforming community and urgent and emergency care to prevent inappropriate attendance at EDs, improve timely admission to hospital for ED patients and reduce length of stay

Transforming community services and improving discharge

Central funding for the discharge to assess model will end on 31 March 2022. NHSE/I asks health and social care systems to continue implementing the discharge to assess model and ensure funding arrangements are sustainable and affordable from core NHS and local authority expenditure (e.g. Better Care Fund) from April 2022.

NHSE/I expects two-hour community crisis response teams to be in place 8am-8pm seven days a week in every ICS by April 2022. Activity must be fully reported into the Community Services Data Set from 1 October 2021.

Managing the increasing pressure within urgent and emergency care and supporting winter resilience

In response to sustained pressure on UEC services, system leaders should embed the actions in the UEC Action Plan (22 September), including reducing the number and duration of ambulance to hospital handover delays, eliminating 12-hour waits in EDs, and ensuring safe and timely discharge of

patients. Systems will develop integrated operational delivery plans and ensure they are submitting Emergency Care Data Set seven days per week on all services.

National modelling indicates the 2021/22 flu season in the UK could be up to 50% larger than typically seen and it may start earlier than usual. The flu vaccine uptake ambitions set out in the national flu letter should be regarded as a minimum level to achieve.

NHSE/I also asks systems to continue to oversee paediatric acute care plans to prepare for an anticipated rise in respiratory illnesses in children. NHSE/I will support systems to improve the management of such illnesses, including resources for staff and support for families from the voluntary sector.

NHSE/I will work with the government to agree next steps following the consultation on the UEC clinically-led review of standards (26 May).

Working collaboratively across systems to deliver on these priorities

Develop ICSs as organisations to meet the expectations set out in 'Integrating care'

ICSs are asked to continue progressing their development and preparation for the statutory establishment of integrated care boards (ICBs). Designate ICB chief executives and regional directors will be asked to sign a readiness to operate statement in March 2022.

Financial arrangements

H2 financial arrangements are broadly consistent with those for H1. Full details are set out in the accompanying finance and contracting guidance. Systems and providers should note that:

- H2 system funding envelopes are based on H1 2021/22 envelopes, but have been adjusted for additional known pressures, such as the impact of the pay award
- H2 envelopes include an increased efficiency requirement from H1 – this consists of a general efficiency requirement of 0.82% for the six-month H2 period, targeted reductions in system top-up funding for some systems based on their distance from their 2021/22 financial improvement trajectory funding envelope, and a reduction to the COVID-19 fixed allocation
- Signed contracts between NHS commissioners and NHS providers are not required for the 2021/22 financial year

Plan submission

Date	Milestone
w/b 27 September 2021	**Templates issued** • Non-functional activity and performance • Non-functional workforce (acute, community, mental health and ambulance) • Narrative (elective and overall) • Functional finance templates (system and provider) and related technical guidance • Activity, Performance and Workforce frequently asked questions (FAQs) issued
w/b 4 October 2021	• Finance FAQs issued • Activity and performance functional templates issued and collection portal (SDCS) opened for October elective/winter capacity submission
14 October 2021	**Submission deadline** • Activity and performance (elective recovery/winter capacity submission) • TIF - regional shortlist of investments, and short form business cases for each proposal
21 October 2021	**Submission deadline** • Narrative (elective recovery)
w/b 18 October 2021	• Activity and performance, and workforce (acute, community, mental health and ambulance) functional templates issued and collection portal (SDCS) opened for final November submission
29 October 2021	**Submission deadline** • TIF – additional business case information for proposals with capital value >£5m
16 November 2021 (noon)	**Submission deadline (final numeric and narrative)** • activity and performance • workforce (acute, community, mental health and ambulance) • narrative • system finance plan • finance - specialised commissioning and direct commissioning refresh
25 November 2021 (noon)	• Provider organisation finance plan submission

Further details are set out in the accompanying submission guidance. Systems and providers may also find it helpful to review activity, performance and workforce technical definitions.

NHS Providers view

The planning guidance offers the NHS much needed clarity and stability going into the second half of the financial year, and we welcome the additional £5.4bn provided for the sector in this six-month period to cover the continuing costs of COVID-19 in 2021/22. NHSE/I recognises the scale of the challenge facing the NHS, including managing COVID-19, dealing with the growing care backlog and tackling significant UEC pressures. In this context, it is right that the six priorities for the NHS set out earlier this year have been rolled over for October 2021 to March 2022.

Once again, we welcome the emphasis on supporting the health and wellbeing of staff, with systems asked to continue delivering on the commitments of the people plan and local people plans. However, the guidance also requires systems to support elective recovery and winter resilience 'through increasing workforce availability, and putting in place or scaling up new and more productive ways of working and transformation opportunities.' The challenge of doing this while protecting staff wellbeing and avoiding burnout should not be underestimated and could be more openly acknowledged.

Dealing with the growing care backlog is another key focus of the guidance. Systems are expected to maximise elective activity (eliminating waits of over 104 weeks), restore full operation of all cancer services, and expand and improve mental health services and services for people with a learning disability and/or autism. Trust leaders share these ambitions, but remain concerned about capacity constraints given the ongoing impact of COVID-19, social distancing requirements, the need to deliver an expanded vaccination programme, workforce pressures, and the expected surge in RSV, norovirus and flu over winter. There are questions over the availability of long term funding for mental health services – the government committed an extra £500m in 2021/22, but no additional investment has been announced for 2022/23 onwards, even though demand for mental health services is expected to continue growing. While ambulance trusts have been given an extra £55m in 2021/22 to boost staff numbers ahead of winter, the guidance could have provided more detail on the specific support available to ambulance services to help them deliver on the UEC action plan. The guidance recognises the vital link between primary and secondary care services, and we await further details on the investment that will be made available in H2 to support general practice capacity.

After the welcome announcement of an additional £478m for H2 to pay for enhanced hospital discharge, community leaders will be deeply disappointed by the news that the discharge to assess scheme will end on 31 March 2022. This is despite a clear consensus across stakeholders in the health and care sector that ceasing central investment would risk reversing the very clear improvements

seen during the COVID-19 pandemic by creating a damaging funding 'cliff edge'. As detailed in this Community Network briefing, improvements include reduced length of stay in hospital, improved outcomes for patients, and support for wider NHS ambitions around collaboration, system working and delivering more care in the community. The scheme is vital to dealing with the growing care backlog and the decision to end it needs to be urgently reconsidered.

In addition, ICSs are asked to continue progressing their development and preparation for the statutory establishment of ICBs. This short section of the guidance represents a significant amount of work with the potential to take up considerable leadership time, particularly for systems still in their infancy. As attention starts to turn to the development of priorities and operational planning guidance for 2022/23, it is essential that systems are properly consulted and given as much time as possible to refine their plans.

The government and NHSE/I must continue supporting trusts to meet the demands they face and, more importantly, deliver for patients. This includes publishing much clearer actions and next steps for tackling health inequalities, urgently setting out a fully funded long term workforce plan, committing to appropriate capital, training and public health budgets, and confirming the specific funding and support that will be available to mental health, community, ambulance and primary care services from 2022/23 onwards.

NHS providers press release

Planning guidance offers NHS much needed clarity but we must be realistic about the challenges ahead

Responding to the publication of the planning guidance, the deputy chief executive of NHS Providers, Saffron Cordery said:

"This planning guidance provides the NHS with much needed clarity for the next six months, setting tight deadlines for actions the NHS needs to take against a backdrop of high operational pressure. It rightly acknowledges the NHS' incredible efforts in bearing down on the backlog of care, dealing with unprecedented demand across urgent and emergency care and mental health, and taking forward the vaccination programme, all while facing the continuing threat from COVID-19.

"It is good to see an ongoing focus on supporting the health and wellbeing of staff and taking action

on recruitment and retention. But we need more than warm words, particularly as we head into what many expect to be the most difficult winter the NHS has ever faced.

“We need to see rapid and tangible action on workforce shortages to address high levels of staff vacancies and burnout, in order to meet the ambitious targets to step up elective and cancer care, and manage the increasing demand on mental health services.

“Recent funding announcements have provided a much-needed boost. But we must be realistic about the scale of the challenges ahead and the risk that ambitions to meet pre-pandemic levels of activity could be thrown off course if pressures on the service become unsustainable over winter. And looking further ahead, the clear signal that discharge to assess funding will end is extremely worrying and will impede recovery efforts.

“Trust leaders will welcome the focus on improving access to services and addressing address health inequalities. As we outlined in our new briefing today, *Health inequalities: a core concern*, the COVID-19 pandemic has had a devastating and unequal impact across our society, and it is right that there is an impetus across all healthcare providers to address this.”

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