2022/23 operational planning guidance

On Friday 24 December, NHS England and NHS Improvement (NHSE/I) published the 2022/23 operational planning guidance. The priorities included in the document set out the task for the next financial year as the provider sector works to restore services, reduce the care backlog, and expand capacity. This briefing highlights the key takeaways from the guidance.

Key points

- NHSE/I have acknowledged that the immediate operational focus for trusts should be on delivering on the objectives set out in the recent letter, 'Preparing the NHS for the potential impact of the Omicron variant'. The planning timetable and submission deadlines will therefore be extended to the end of April 2022 and draft plans will be due in mid-March.
- The detailed annexes on revenue and capital allocations have not yet been published. However senior leaders in NHSE/I hope to share more of the detail likely to be included in those ahead of its publication, through their finance networks.
- Given the uncertain timeframe for the passage of the Health and Care Bill, the move to placing integrated care systems (ICSs) on a statutory footing will be pushed back to 1 July 2022.
- The priorities set out in the planning guidance are based on COVID-19 activity and disruption returning to early summer 2021 levels.
- Systems are being asked to deliver on the following ten priorities:
  - A Investing in the workforce and strengthening a compassionate and inclusive culture
  - B Delivering the NHS COVID-19 vaccination programme
  - C Tackling the elective backlog
  - D Improving the responsiveness of urgent and emergency care and community care
  - E Improving timely access to primary care
  - F Improving mental health services and services for people with a learning disability and/or autistic people
  - G Developing approach to population health management, prevent ill-health, and address health inequalities
  - H Exploiting the potential of digital technologies
  - I Moving back to and beyond pre-pandemic levels of productivity
  - J Establishing ICBs and enabling collaborative system working

- As governors, you may wish to ask non-executive directors what the trust's funding allocation is and how the trust is assured that the ICS(s) understands local population needs and the resources required by the trust to meet them. The planning guidance sets out a new efficiency ask of trusts, and it might be helpful to understand non-executive directors' confidence in delivering efficiencies at organisational level and across the system.

Summary of planning guidance

Workforce

The guidance is clear about the need to prioritise support for the NHS workforce, given their experience during the pandemic so far, and the efforts which are now being asked of them. Section A lists the priorities for workforce management in 2022/23:

- Look after our people by delivering the People Plan 2020/21, with particular focus on flexible working, career conversations, and supporting staff to understand pension options. Root causes of sickness absence should also be addressed, while supporting staff to access the ongoing vaccination programme, health and wellbeing support, and to rest.
- Improve belonging in the NHS by delivering the six high impact actions to overhaul recruitment and promotion practices and implementing plans to promote equality.
- Work differently by increasing new roles (e.g. anaesthetic associates), delivering care closer to home, e-job planning and e-rostering, and use of volunteers.
- Grow for the future with international recruitment of nurses and midwives, more collaborative staff banks (leading to less reliance on agency staff), protected time for supervisors to maintain doctors' education and training, and expanding clinical placement capacity for students.

Support for these actions will come from Health Education England (HEE) and NHSE/I, focussing on:

- International nurse recruitment programme - eligibility will be expanded to include allied health professionals, but there is no clarity in the guidance on whether social care nurses can access this funding.
- Health care support workers
- Mental health hubs, with enhanced health and wellbeing offers for staff
- GP recruitment and retention
- Creating multi-disciplinary teams, particularly through delivery of the Additional Roles Reimbursement Scheme (ARRS) in Primary Care Networks (PCNs). Notably, there is no mention of this scheme taking staffing pressures across the system into account (for example, to manage the risk of creating additional vacancies across the paramedic workforce within ambulance trusts).

Vaccines

The guidance details the ask of the NHS to offer every eligible adult over the age of 18 a booster vaccination by 31 December 2021, and the ongoing prioritisation of the vaccination programme for the year ahead. Systems are therefore asked to maintain infrastructure to enable the service to respond to need in the vaccination programme as it arises.

The guidance notes the rollout of new COVID-19 treatments, initially for highest-risk patients, and the launch of a new study into the efficacy of antivirals. Updates on antiviral access are expected in spring. For post-COVID services, the guidance asks systems to increase the number of patients seen within six weeks and reduce the number of those waiting longer than 15 weeks. This will be supported by £90 million in 2022/23, which is particularly welcome for community providers, which have been at the forefront of delivering long COVID care. There are, however, concerns in the sector about workforce capacity required to deliver these services within a fixed term funding structure.

Elective recovery, cancer waiting times and maternity services

Maximise elective activity and reduce long waits

Systems must establish delivery plans across elective inpatient, outpatient and diagnostic services for 2022/23, outlining how they will meet the ambitions for elective recovery, including for systems to deliver over 10% more elective activity than before the pandemic and to reduce long waits. These plans should set out how disruptions will be minimised, clarify the use of local independent sector capacity, and show how systems will utilise additional capital and revenue funding and maximise productivity opportunities.

Systems should eliminate waits of over 104 weeks as a priority and maintain this position through 2022/23 (except where patients choose to wait longer), reduce waits of over 78 weeks, and reduce outpatient follow-ups by a minimum of 25% against 2019/20 activity levels by March 2023 (and going further where possible). The guidance also outlines plans to reduce outpatient follow-ups and to promote more personalised approaches to care

As part of the additional revenue funding (over £8bn) for elective recovery announced in September, £2.3 billion will be allocated to systems and tied to the delivery of the elective activity target. Systems must also show how their capital proposals will deliver an increase in elective activity to access the £1.5 billion capital funding announced in the Spending Review for surgical hubs and increased bed capacity.

Complete recovery and improve performance against cancer waiting times standards

The guidance urges systems to complete any outstanding work on the post-pandemic cancer recovery objectives set out in the 2021/22 H2 planning guidance. Cancer Alliances are asked to work with systems to develop and implement a plan to improve performance against all cancer standards, and to make progress against the ambition in the NHS long term plan (LTP) to diagnose more people with cancer at an earlier stage. Cancer Alliances and ICBs are also expected to ensure trusts have fully operational patient stratified follow-up (PSFU) pathways for breast, prostate, colorectal and one other cancer by early 2022/23 (and for two other cancers by March 2023), and to increase the recruitment and retention of the wider cancer workforce.

Diagnostics

The ambition is for systems to increase diagnostic activity to a minimum of 120% of pre-pandemic levels across 2022/23, and develop investment plans for further capacity expansion via community diagnostic centres (CDCs) in 2023/24 and 2024/25.

Expanding supply of and training opportunities for the workforce will be facilitated by national investment through HEE. Systems will be able to access revenue to support set up and running of CDCs (following business case approvals). £21m of programme funding will also support pathology and imaging networks to deliver diagnostic digital roadmaps 2022/23.

Systems are asked to utilise targeted system capital allocations to increase the number of endoscopy rooms, invest in CT capacity to support expansion of Target Lung Health Checks, develop additional digitally connected imaging capacity, ensure all acute sites have a minimum of two CT scanners, and procure new breast screening units. Operational capital resources should continue to be used to reduce the replacement backlog of diagnostic equipment replacement over 10 years old.

Deliver improvements in maternity care

ICBs are asked to undertake formal oversight of their Local Maternity Systems (LMS), and providers should continue to embed and deliver the seven immediate and essential actions identified in the interim Ockenden Review. £93m of funding to support the implementation of Ockenden actions (via workforce investment) will go into baselines from 2022/23.

LMSs should also continue to work with providers to implement local plans to deliver better births, including delivering local plans for midwifery continuity of carer (MCoC), offering every woman a personalised care and support plan in line with the personalised care and support planning guidance. LMSs must also implement the Saving Babies' Lives care bundle.

UEC and community care

To relieve pressure on urgent and emergency care, systems are expected to limit ambulance handover delays and improve response times; meet growing demand for NHS 111 by enhancing call handling capacity; expand UTC to enable greater focus on higher acuity need within emergency departments; and increase focus on urgent care provision for children. Systems are asked to reduce 12-hour waits in EDs towards zero and no more than 2%; improve against all Ambulance Response Standards, with plans to achieve Category 1 and Category 2 mean and 90th percentile standards; and minimise handover delays between ambulance and hospital.

Systems are asked to develop detailed plans to maximise the rollout of virtual wards by enabling earlier supported discharge and providing alternatives to admission. There is an expectation that by December 2023, systems will have moved towards a national ambition of 40–50 virtual wards per 100,000 population. NHSE/I is making up to £200m available in 2022/23 and 2023/24 to support systems to implement virtual wards (including hospital at home services) to ease the pressure on acute bed capacity. Systems will need to develop two-year plans collaboratively across providers (and the independent sector) to maximise the rollout of virtual wards, which NHSE/I expects to have taken place by December 2023. These virtual wards will be used for patients who would otherwise be admitted to an NHS acute hospital bed or to facilitate early discharge. System partners are also asked to plan to reduce backlogs of care and waiting times for community services

Systems are asked to deliver the LTP goal of responsive, personalised community-based care. This includes enhanced health in care homes; improving quality and availability against national data requirements; and embedding urgent community response with services achieving at least 70% two-hour response times from the end of Q3 2022.

As central discharge to assess funding will end in March 2022, NHSE/I is asking systems to sustain improvements in delayed discharges in 2022/23 by working with local authorities supported by the Better Care Fund, and via investment in virtual wards.

Letters and supporting documents on safe and timely discharge

Related to the planning guidance, on 22 December NHSE/I issued two letters and several supporting documents to enable the safe and timely discharge of patients from acute care. NHSE/I wrote to acute and community trusts calling for a "forensic focus" on embedding systems, processes and practical arrangements that enable discharges.

NHSE/I also sent a second letter asking the NHS and local authorities to increase support for domiciliary care; maximise alternative pathways to acute admission (e.g. expanding virtual ward capacity as fast as practicable); increase bed capacity in care centres (including care homes, hospices and hotels); and support actions taken by NHS acute hospitals. ICSs should plan by the end of December to provide COVID virtual wards that are of equivalent size to a minimum of 15% of people who are COVID+ as inpatients. ICSs will need to report to NHSE/I with the total new capacity they plan to create by 24 December.

Primary care

The guidance outlines the LTP's commitment to a £4.5 billion increase in real terms investment into primary medical and community services by 2023/24. ICBs will be expected to maximise the impact of their investment in primary care and PCNs by driving integrated working at neighbourhood/place level, and including primary care as part of the solution to system-wide challenges. ICBs will be the delegated commissioners for primary medical services in 2022/23 and should develop plans to take dental, community pharmacy and optometry commissioning functions from 2023/24.

Expanding the primary care workforce is a key priority, and all systems are expected to support their PCNs to fill their share of the 20,500 FTE PCN roles by the end of 2022/23, and to increase the number of GPs towards the 6,000 FTE target (commensurate with the October 2021 plan).

To improve access to primary care, systems have also been asked to implement revised access arrangements via PCNs; secure universal participation in the community pharmacist consultation service to divert lower acuity care away from general practice and 111; and support practices and PCNs to ensure every patient can be offered digital-first primary care by 2023/24.

Mental health, learning disability and autism

Mental health services

The guidance acknowledges that the complexity of demand has increased because of the pandemic and this, in addition to a pre-existing treatment gap within mental health, is increasing pressures within services and pathways across all ages. To address these pressures systems are asked to:

- increase the provision of alternatives to A&E and improve the ambulance mental health response.
- ensure admissions are intervention-focused, therapeutic, and supported by multidisciplinary teams.
- maintain a focus on improving equalities across all programmes, noting the actions and resources identified in the advancing mental health equalities strategy.

- continue expansion and transformation of services. The guidance signposts to the 2022/23 mental health delivery plan to support systems in understanding their delivery requirements.

On funding, the guidance confirms the delivery of the MHIS remains a mandatory requirement, and that system development funding (SDF) will continue beyond 2023/24. Capital funding made available through system allocations is expected to support urgent patient safety projects for mental health trusts, and funding to eradicate mental health dormitories will continue in 2022/23 and 2023/24.

To support the expansion and transformation of the workforce, systems are asked to develop a mental health workforce plan to 2023/24 in collaboration with mental health providers, HEE and partners in the voluntary care and social enterprise (VCSE) and education sectors.

People with a learning disability and autistic people

The guidance recognises the pandemic has exacerbated the significant health inequalities experienced by people with a learning disability and autistic people. This means making reasonable adjustments and tailored responses, including considering the ongoing need for face-to-face appointments as digital healthcare develops.

Service development funding support of £75 million will be made available to systems in 2022/23 to support people with a learning disability and autistic people. This will help increase the rate of annual health checks for people aged 14 and over on a GP learning disability register towards the 75% ambition in 2023/24; improve the accuracy of GP learning disability registers, particularly for under-represented groups such as children and young people and people from ethnic minority groups; and implement actions from Learning Disability Mortality Reviews (LeDeRs).

Health inequalities

The guidance sets out the ambition to continue to develop approaches to population health management and prevention, with ICSs driving the shift towards targeting interventions and supporting prevention as well as treatment. Systems are asked to develop plans by June 2022 to put in place the systems, skills and data safeguards necessary for robust population health management, and to have the technical capability in place by April 2023. This includes the capacity to use data and analytics to redesign care pathways and measure outcomes with a focus on improving access and health equity for underserved communities. The guidance reiterates the importance of adopting culturally competent approaches to increasing vaccination uptake.

Systems are asked to develop robust plans for the rollout of tobacco dependence services, improve uptake of lifestyle services including the diabetes prevention programme, and restore diagnosis and monitoring of long term conditions including hypertension, atrial fibrillation and diabetes. There should be further progress across the LTP's high impact actions, across respiratory, stroke and cardiac care, with the target of restoring detection and management of hypertension, atrial fibrillation and high cholesterol to pre-pandemic levels. Systems are also asked to nominate a senior responsible officer covering prevention deliverables.

Digital

The guidance confirms systems will be allocated capital over three years from 2022/23 for digital investment. £250m of capital funding will initially be made available to systems in 2022/23 to support the digitisation of services and settings that are currently the least digitally mature. Providers must meet the LTP objective of reaching a core level of digitisation by March 2025. Costed three-year digital investment plans should be completed by June 2022 to meet expectations set out in the What Good Looks Like framework.

Systems are expected to exchange information across their collaboratives and ensure suppliers comply with interoperability standards. By March 2023, local authorities with care responsibilities within a system's footprint should be connected to their local shared care record. The long-term ambition is for the NHSE e-Referral Service (e-RS) to become an 'any-to-any health sector triage, referral and booking system' by 2025.

System allocations and financial regime

The detailed annexes on contracting and revenue and capital allocations have not yet been published. However senior leaders in NHSE/I hope to share more of the detail likely to be included in those ahead of its publication, through their finance networks. NHSE/I plans to shortly issue one-year revenue allocations to 2022/23 and three-year capital allocations to 2024/25, and intends to issue the remaining revenue allocations over the SR period in the first half of 2022/23.

The planning guidance does however broadly outline the role of the 2022/23 financial regime in enabling a system-wide approach to planning and delivery, including:

- Efficiency ask: the planning guidance assumes the provider sector will return (and go beyond) pre-pandemic productivity allows 'when the context allows'.

- Returning to fair shares allocations: NHSE/I will continue to enable a system-based approach to funding and planning by issuing ICB revenue allocations (based on current system funding envelopes). On top of the efficiency ask, NHSE/I will apply a convergence adjustment and map out a glidepath from current system revenue envelopes to 'fair shares' allocations.
- Clarity over capital allocations: multi-year operational capital allocations will be set at ICB level, and NHSE/I will provide further clarity about the allocation of national capital programmes.
- Financial balance at system level: ICBs and partner trusts are collectively tasked with delivering a breakeven financial position across their system and, although possibly delayed, the Health and Care Bill will hold ICBs and trusts responsible for their use of revenue and capital resources.
- Contracts and locally determined prices: providers are expected to return to signed contracts and local ownership for setting payment values (additional guidance will be provided by NHSE/I). Written contracts should be signed before the start of the financial year. The guidance also recommends systems and organisations sustain a 'partnership approach' payment and contracting. The final version of the NHS Standard Contract will be published in February 2022.
- Enabling elective recovery: as highlighted above, additional revenue and capital funding will support systems deliver the ambitions for elective recovery.

ICBs and collaborative system working

Given the uncertain timeframe for the passage of the Health and Care Bill, the move to placing integrated care systems (ICSs) on a statutory footing will be pushed back to 1 July 2022. Timelines for national and local plans will therefore be adjusted. An extended 'preparatory phase' will begin from 1 April 2022 whereby clinical commissioning groups (CCGs) remain in place as statutory organisations, and CCG leaders are expected to work closely with designate ICB leaders on issues likely to affect future ICBs (particularly commissioning and contracting). In Q4 2021/22 NHSE/I will consult with several CCGs about boundary changes to ensure they align with the ICS boundary changes announced in July 2021. NHSE/I does not plan any further CCG mergers before the establishment of ICBs.

CCGs and ICBs should reset their implementation plans and ensure people, property and liabilities are appropriately and safely transferred from CCGs to future ICBs. This also means designate ICB chairs and chief executives should continue with recruitment plans.

NHSE/I regional teams, designate ICB leaders, and CCG accountable officers should agree ways of working for 2022/23 by the end of March 2022. The deadline for ICB Readiness to Operate and System Development Plan submissions will be extended (with details about these plans to be set out

in January 2022). ICBs refreshed five-year plans are expected in March 2023, and ICBs are expected to undertake preparatory work throughout 2022/23 in collaboration with local authority partners.

Information for governors

As governors, you should note the planning guidance makes clear the need to adopt a joined-up approach to planning and delivery, enabling the provider sector to restore services, reduce care backlogs, and expand capacity. For example, your trust will be required to work with neighbouring trusts to develop joint plans to reduce the elective waiting list, and to maximise the rollout of virtual wards by enabling earlier supported discharge and providing alternatives to admission. The planning guidance also broadly outlines the role of the 2022/23 financial regime: providers will receive an allocation as part of a wider system envelope, and are expected return to pre-pandemic levels of productivity.

You may wish to ask non-executive directors what the trust's funding allocation is and how the trust is assured that the ICS(s) understands local population needs and the resources required by the trust to meet them. The planning guidance sets out a new efficiency ask of trusts, and it might be helpful to understand non-executive directors' confidence in delivering efficiencies at organisational level and across the system.

NHS Providers view

We welcome the pragmatic approach in the planning guidance, resetting priorities while signalling that these will need to be kept under review.

The scope and scale of these actions highlights the formidable array of challenges facing the NHS. These include the impact of Omicron and the booster vaccination programme against a background of unprecedented demand for urgent and emergency care and the need to address the treatment backlog in hospitals, community and mental health services, and the need for urgent capital investment.

All of the priorities in the guidance are important, and we particularly welcome the prominence given to growing, adapting and focusing on the wellbeing of the workforce. Eight of the nine priorities in this programme won't be fully possible without addressing the first – securing a properly costed and funded workforce plan is fundamental to the future success of the NHS.

Trusts tell us that workforce capacity is the constraining factor in the health and care system at the moment underpinned by a lack of national long term plan, challenges with recruitment and rising staff absences connected with COVID-19.

While recognising the fundamental importance of elective recovery, this cannot be accomplished without stabilising the situation in urgent and emergency care, primary care and social care and addressing growing demand and a backlog of care in community and mental health services.

Quality of care and patient safety need to remain the key cornerstones for the NHS. For example we have seen a worrying shift in patient safety risk towards ambulance services, particularly as a result of handover delays.

The NHS also needs to transform to meet future needs – taking much greater advantage of digital technology and the leap forward offered by 21st century genomic based medicine.

We also need to do much more to help citizens manage their own health and wellbeing more effectively, with greater focus on tackling health inequalities, prevention and whole population health management.

Key to delivery of these changes will be the development of system working and integrated care systems (ICSs) enshrined in forthcoming legislation. While some trusts will be disappointed to hear of the delay in placing ICSs on a statutory footing, many will also see it as a pragmatic response to potential delays.

Trusts need to be at the forefront of this transformational change, which offers huge opportunities to improve services for patients and communities, and it will be important to keep sight of these opportunities, alongside the massive challenge of dealing with immediate operational pressures.