

Briefing

September 2016 Issue 291

Understanding sustainability and transformation plans

Key points

- Sustainability and transformation plans (STPs) provide a key opportunity to bring together local partners to resolve deep-seated issues, but local solutions must be whole system and realistic to succeed.
- The funding pressures on each part of the system cannot be solved in isolation, so each STP must identify the totality of the health and adult social care finance and quality gap it faces.
- Ensuring ownership of local plans will require meaningful engagement with all stakeholders.
- Appropriate community engagement and consultation will be essential.
- A commitment to integration must sit at the heart of the STP process.
- A focus on prevention remains important.
- Robust governance and clear lines of accountability will be central to the successful implementation of STPs.

Introduction

This briefing has been prepared by the Local Government Association (LGA), NHS Clinical Commissioners (NHSCC), NHS Confederation and NHS Providers to provide a succinct explanation of sustainability and transformation plans (STPs).

STPs are place-based, multi-year plans that are built around the needs of local areas and their populations, rather than the activities of individual organisations. In the NHS shared planning guidance 2015, NHS England asked every local health and care system in England to come together to create their own ambitious local STP to accelerate the aims of the Five Year Forward View, including addressing the funding gap, improving service quality and enhancing population health and wellbeing.

NHS England has stated that it wants STPs to drive a genuine sustainable transformation in health and care outcomes between 2016 and 2021. STPs are also intended to help build and strengthen local relationships by requiring providers of NHS services, clinical commissioning groups (CCGs), local authorities, and other health and care services to come together within the 44 STP 'footprints' and develop robust plans to transform the way that health and care is planned and delivered for their local populations.

This briefing discusses the policy context, development to date, the timetable for further development and implementation, as well as the key messages from local political, commissioning and provider leaders on how the STP process could most helpfully develop in the coming months.

As politicians and local party members, you will have an important role in explaining the purpose of STPs to local communities and ensure that their concerns and aspirations for the future of health and care services are fully considered in the development of STPs.

What are STPs?

STPs are the new strategic planning framework for local health and care economies in England and, as such, are a key way to address the major health and wellbeing, quality and financial challenges facing local health and care systems.

STPs were announced in the NHS planning guidance in December 2015 and provide a new strategic planning framework for health and care services. By requiring local health and care organisations to work together, STPs are intended to encourage forward planning based around the needs of local areas and their populations. By encouraging whole systems to collaborate to find solutions to the issues that organisations cannot individually solve, STPs are seeking to upgrade local health and care systems and deliver better more integrated care for patients and service users.

They are:

- based on a geographical footprint, covering the whole population: there are 44 STP footprints covering the whole of England
- longer-term plans running to March 2021
- intended to be strategic plans, encompassing a range of delivery plans for different geographies and types of services
- required to cover the full range of partners in the footprint, from primary care to specialised services, with an expectation that they also include adult social care, public health and prevention services commissioned and delivered by local government
- required to address how local partners will meet key national commitments, including returning NHS services to financial balance, seven-day services, targets for cancer treatment and outcomes, investment in primary care and focusing more on prevention.

All NHS organisations will also be expected to submit two-year organisational plans by 24 November, which are aligned to STPs. Although STP leads and the partnerships working on the plans have no statutory basis and are not legal entities, they derive their authority to act from the consent and participation of their participant organisations, namely CCGs, providers of NHS services and local authorities. Crucially, STPs are intended to be the vehicles by which local areas will access NHS funding for transformation from March 2017. In 2016/17, the transformation fund is £2.3 billion, rising to £3.4 billion by 2021.

STP footprints

According to the NHS England guidance, the 44 STP footprints are based on “natural communities, existing working relationships and patient flows” and aim to take account of the increased scale needed to plan and deliver services based on population size, taking into account existing footprints, such as local digital roadmaps and transforming care units of planning. The footprints have now been agreed, although it is expected that they may well adapt over time.

There has been concern about the boundaries of the STP footprints in some localities, particularly where they are not coterminous with some patient flows, or council, health and wellbeing board, or combined authority boundaries. In addition, many commissioners and providers will find themselves involved in more than one footprint, or marrying planning processes for some NHS services (like specialised care or urgent and emergency care planning which may have a slightly different footprint) with the broader STP process.

Policy context

The Five Year Forward View (5YFV), published by the arm's-length bodies for the NHS in October 2014, set out the key challenges for the NHS. They are:

- the health and wellbeing gap – the urgent need to reduce demand on the NHS by shifting focus and investing in prevention services and addressing health inequalities
- the care and quality gap – reduce variations in the quality, safety and outcomes in care by greater use of technologies and innovations
- the funding and efficiency gap – to ensure the long-term financial sustainability of the NHS and that additional funding is used to improve efficiencies and transform services.

The 5YFV provides a vision for the NHS to deliver new models of care with a greater focus on prevention and integration, in order to address this triple challenge and improve outcomes for patients and communities. Our member organisations support this objective. The move away from individual NHS organisations just being asked to submit annual plans, towards longer-term, place-based strategies has been widely welcomed by local leaders across our respective memberships. Also welcome is the explicit recognition of the importance of adult social care and the NHS working together, and the contribution of wider services in effective prevention.

The November 2015 Spending Review outlined the government's ambitions for the NHS and adult social care from 2016-2021, the same window covered by the 5YFV. The Spending Review also set out a clear expectation that by 2020, health and care will be integrated across England.

STPs will be a major vehicle by which to achieve the integration of health and social care. The Spending Review requires every area to agree an integration plan by March 2017, and it is expected that this will need to be closely aligned to STPs. Further Department of Health guidance on integration is due this autumn. The NHS Mandate and STP guidance is also expected to require local areas to state how better integration between health and social care.

In June this year, the LGA, NHSCC, the NHS Confederation and the Association of Directors of Adult Social Services published our shared vision for a fully integrated health and care system.

Stepping up to the place: the key to successful integration sets out the essential characteristics of an integrated system to achieve improved health and wellbeing for local populations. Our vision is supported by an integration self-assessment tool, which supports local health and care leaders to assess their capacity, capability and commitment to move at scale and pace towards integration of health and social care. It is currently being piloted in several areas and, subject to funding, will be available in the autumn to all local areas as part of the Care and Health Improvement Programme. The tool is designed to support transformation across place, and so could be used by STP leaders to assess their capacity for transformation and integration across their footprint.

It is important to ensure alignment of these inter-related programmes and policy frameworks, so that their objectives do not undermine overarching goals to improve the health and wellbeing of citizens, their experience of care and the sustainability of the health and care system.

“The move away from individual NHS organisations just being asked to submit annual plans, towards longer-term, place-based strategies has been widely welcomed by local leaders across our respective memberships.”

Progress so far and future timelines

Each of the 44 footprints submitted draft STPs by 30 June, outlining proposals to transform local health and care services and how they intended to address the main issues that are critical to addressing transformation in health and wellbeing outcomes, improvements to care and quality and the finance challenges across the STP footprint. NHS guidance strongly recommended involving local government leaders, including health and wellbeing boards, clinical leaders and workforce in developing the plans but for various reasons the level of involvement and engagement to date has been variable.

The NHS leadership and representatives of the LGA met the leaders of each footprint in July to discuss these early proposals and agree the next steps for developing and refining STPs for each area.

By 21 October each area will be expected to submit revised plans addressing the feedback from the July conversation with NHS leaders and the LGA, including clearly describing the expected benefits for communities. The revised plans should also include:

- a plan on a page, setting out overall objectives and the benefits to patients and communities, highlighting the key changes between the June and October submissions
- more depth and specificity around implementation plans, particularly where these will involve shifts in activity from the acute sector and therefore require building up the appropriate alternative care in primary and community-based services

- a completed finance template, showing the impact on activity, benefits, capacity, workforce and investment requirements
- the performance measures to be used to track progress on the key issues identified as priorities for action
- a statement on how integration of health and social care commissioning and services will support the overall objectives of the STP
- the degree of local consensus among organisations, and plans for further engagement with patients, clinicians, communities, stakeholders and staff, including evidence that there has been “meaningful strategic engagement” with both NHS boards and local government leaders
- further development of the local estates strategy.

All individual NHS organisations within each STP footprint are also required to submit two-year operational plans, which are aligned to their STP objectives, in November this year.

Following these submissions, most areas are likely to start preparing more formal engagement and consultation by the end of the year.

“By 21 October each area will be expected to submit revised plans addressing the feedback from the July conversation with NHS leaders and the LGA, including clearly describing the expected benefits for communities.”

Key messages from local government and local NHS leaders

As national membership organisations representing the NHS and local government, the LGA, NHSCC, NHS Confederation and NHS Providers provide a vital bridge between the arm's-length bodies for the NHS, frontline NHS organisations and local government. We have sought and received the views of our members – the boards of local CCGs and providers, clinical, professional and political leaders – on how the STP process has been working, and what the priorities should be for the future to support the success of STPs. Although we have made some real progress we know there is much more to do. The following clear messages emerge and are shared by our memberships:

1 STPs provide a key opportunity to bring together local partners to resolve deep-seated issues. However, local solutions must be whole system and realistic to succeed. We support the founding principles of STPs: to bring together local partners to work collaboratively to improve the efficiency and effectiveness of health and care services for local communities.

However, it is important for government and the national bodies to allow local areas the time they need to invest in the governance, local relationship building and local engagement which will underpin successful plans. The timeframes to which STP areas are working are short and the overall level of expectation placed on them is high. While STPs show real potential to offer a vehicle for difficult conversations about how health and care services are delivered locally, it seems unlikely they can deliver a solution to the financial challenges facing health and care, or close the quality gap in the short term. We therefore welcome the support the national bodies are offering to STPs, and their commitment that the evolution of STPs will be an iterative process.

We also encourage national policymakers to recognise the day-to-day challenges faced by extremely hard-working frontline professionals who are under increasing pressure. Local partners are mindful that a failure to recognise these issues could have potentially destabilising effects on a fragile provider and labour market in some parts of the system.

2 The funding pressures on each part of the system cannot be solved in isolation, so each STP must identify the totality of the health and adult social care finance and quality gap it faces. In reality many STPs find themselves focusing on the financial challenges facing health and social care services locally. We welcome the fact that most STPs already acknowledge the funding pressures on social care and the interdependence of NHS and adult social care services. STP leads will all need to work closely with local authorities and colleagues in commissioning and primary care to ensure they plan on the basis of full understanding of the funding and workforce pressures on different services across their footprint. The STP process offers opportunity to solve some of the intrinsic financial challenges at local health and care economy levels, however, it will be important to remain realistic about the timeframe STPs may need to deliver. The STP process may also raise difficult choices in some localities about how and where particular services are provided. In this context, political and community engagement (and where appropriate, backing) of local plans will be important.

3 Ensuring ownership of local plans will require meaningful engagement with all stakeholders. Each footprint will need to show that they have held meaningful conversations with local stakeholders, including clinical leaders, primary care and other NHS staff, and senior political and professional leaders in local government. The nature and timing of this dialogue should be agreed with partners and, as far as possible, include formal channels. In the case of local government, health and wellbeing boards, council leaders as well as the cabinet lead for health and social care. For providers and commissioners of NHS services this should include local medical committees, boards (including the non-executive members of CCG and provider boards) and relevant sections of the NHS and social care workforce.

4 Appropriate community engagement and consultation will be essential. Consultation with patients, service users and the public on the locally agreed vision and what needs to change and the benefits they will bring in terms of better health and wellbeing, better services and better financial sustainability will be key priority in the development and sign off of the revised plans. STPs provide an important opportunity to empower communities to work with clinicians and other professionals to develop new services aimed at keeping them well and independent and better able to manage their own health and wellbeing. NHS organisations will also wish to keep their non-executive members informed and engaged in any plans to improve or change services. Foundation trusts are required to gain the governors' approval for 'significant transactions' affecting the trust.

5 A commitment to integration sits at the heart of the STP process. We would expect all areas to demonstrate how integration of health and social care commissioning and provision will support the overall objectives, not least of which are better outcomes for individuals, better coordinated care and the best possible use of health and social care resources. Integration is not an end in itself and, without this relentless focus, the risks inherent in it are less well mitigated. We have welcomed the fact that many STPs already build on local integration initiatives. It is expected that the revised plans give careful consideration to alignment with integration plans.

6 A focus on prevention remains important. It is welcome that all of the draft plans recognise the importance of investing in prevention, and we encourage the revised versions to give greater clarity on what this would look like, and how it will be led and delivered. Public health has a strong role to play in shaping the prevention element of plans but wider council services, such as housing, leisure and recreation, planning and children's services, as well as NHS provision, can also make an important contribution to achieving prevention objectives.

7 Robust governance and clear lines of accountability will be central to the successful implementation of STPs. Since STPs have no basis in statute and are not legal entities, it is crucial that there are robust governance arrangements to ensure the transparency and accountability of decisions made, including how STPs will be directed and controlled on behalf of, and often by, the participant organisations. This also requires a shared understanding of how the participant organisations in the STP footprint will work together to implement and deliver the plans.

The engagement of local political leaders and non-executive directors from CCG and provider boards is essential because they bring strategic vision and constructive challenge which add value to the STP process and will assist the STP partners in identifying and managing risk. In addition, council leaders have a breadth and depth of reach into their communities to help design and deliver communication and engagement strategies about the future of health and care services.

Furthermore, STPs should not remove the need to make decisions as close as possible to the people who receive services. Some decisions will still need to be made at a regional or local level. This means working closely with local commissioners in health and social care, with local political leadership in council cabinets, and on health and wellbeing boards to determine the right level at which to take decisions.

STPs should have clear accountability outwards to their communities – especially in areas where significant service change is proposed. For commissioners this means developing synergies with patient and public involvement strategies and the involvement of CCG lay members, and for foundation trusts it will mean consulting and securing the agreement of their council of governors. Similarly, local political leaders have a breadth and depth of reach into their communities and can help design and deliver communication and engagement strategies on the future of health and care services.

Who we are

The Local Government Association

We are a politically-led, cross-party organisation that works on behalf of councils to ensure local government has a strong, credible voice with national government. We aim to influence and set the political agenda on the issues that matter to councils so they are able to deliver local solutions to national problems.

We are a membership organisation. All but three English councils are members of the LGA (414 authorities in total). These members include 349 English councils, the 22 Welsh councils via the Welsh LGA, 31 fire authorities, ten national parks and one town council.

For more information, visit www.local.gov.uk

NHS Clinical Commissioners

NHS Clinical Commissioners is the only independent membership organisation exclusively for clinical commissioning groups.

Our job is to help CCGs to get the best healthcare and health outcomes for their communities and patients. We're giving them a strong influencing voice from the front line to the wider NHS, national bodies, government, parliament and the media. We're building new networks where they can share experience and expertise; and providing information, support, tools and resources to help CCGs do their job better.

For more information, visit www.nhscc.org

NHS Confederation

The NHS Confederation is an independent membership body for all organisations that commission and provide NHS services; the only body that brings together and speaks on behalf of the whole of the NHS.

For more information, visit www.nhsconfed.org

NHS Providers

NHS Providers is the membership organisation and trade association for the NHS acute, ambulance, community and mental health services that treat patients and service users in the NHS. We help those NHS foundation trusts and trusts to deliver high quality, patient focused care by enabling them to learn from each other, acting as their public voice and helping shape the system in which they operate. NHS Providers has 96 per cent of all NHS foundation trusts and aspirant trusts in membership, collectively accounting for £65 billion of annual expenditure and employing more than 928,000 staff.

For more information, visit www.nhsproviders.org

If you require this publication in an alternative format, please contact publications@nhsconfed.org. We consider requests on an individual basis.

Further copies can be requested from:

Tel 0870 444 5841

Email publications@nhsconfed.org

or visit www.nhsconfed.org/publications

© The NHS Confederation 2016. You may copy or distribute this work, but you must give the author credit, you may not use it for commercial purposes, and you may not alter, transform or build upon this work.

Registered Charity no: 1090329

Stock code: BRI029101



NHS Confederation

50 Broadway London SW1H 0DB

Tel 020 7799 6666

Email enquiries@nhsconfed.org

www.nhsconfed.org

Follow the NHS Confederation
on Twitter [@nhsconfed](https://twitter.com/nhsconfed)