<table>
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<th>Title</th>
<th>Planning Guidance for 2014/15</th>
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<tr>
<td>Status</td>
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<td>History</td>
<td>N/A</td>
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<td>Board Lead(s)</td>
<td>Mr Andrew Stevens, Director of Planning &amp; Information</td>
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<td>Key purpose</td>
<td>Strategy</td>
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### Executive Summary

1. This paper outlines the key elements of national planning guidance that has been issued for 2014/15.

2. This planning guidance will shape the development of the Trust’s annual business plan for 2014/15 and also the update of its integrated business plan and long term financial model, which will be submitted to the Board for consideration and approval at a future meeting.

3. **Recommendation**

   The Trust Board is asked to note the contents of this paper.
Planning Guidance for 2014/15

1. Introduction

1.1. The purpose of this paper is to summarise the key components of the planning guidance that has been issued to the NHS for 2014/15.

1.2. The paper summarises the key issues arising from:

- The NHS outcomes framework 2014/15
- The planning guidance issued by NHS England – Everyone Counts, planning for patients 2014/15 to 2018/19
- Commissioner allocations for 2014/15
- The planning guidance issued by the Trust Development Authority – securing sustainability, planning guidance for NHS Trust Boards 2014 to 2018/19.
- 2014/15 national tariff payment system

2. The NHS Outcomes Framework 2014/15

2.1. The NHS Outcomes Framework 2014/15 confirms the five key domains of the framework. These are:

- Domain 1 – preventing people from dying prematurely
- Domain 2 – enhancing quality of life for people with long term conditions
- Domain 3 – helping people to recover from episodes of ill health or following injury
- Domain 4 – ensuring that people have a positive experience of care
- Domain 5 – treating and caring for people in a safe environment and protecting them from avoidable harm

2.2. The document outlines further progress made in refining existing measurement indicators and developing new indicators. The framework is summarised in appendix 1.

2.3. The NHS outcomes framework sits alongside the outcomes frameworks for adult social care and public health.

3. Everyone counts – planning for patients 2014/15 to 2018/19

3.1. The planning document covers a five year period, 2014/15 to 2018/19, and sets out the strategic and operational priorities for NHS England and commissioners.

3.2. The document reconfirms NHS England’s focus to meet the five domains of the outcomes framework described above. It also outlines three additional priorities where it expects to see improvements. These are:

- Improving health
- Reducing health inequalities
- Parity of esteem between services for mental health and those for physical health

3.3. The document identifies the need for the NHS to deliver transformational change in order to secure improvements against the NHS outcomes framework
within the context of a challenging environment. To secure this transformational change the document outlines six transformational service models. These are outlined below.

**Citizen participation and empowerment**

3.4. The objective of this model is to ensure that citizens are fully engaged in making positive choices about their own health and lifestyles and participate in the shaping and development of health and social care services. The model encompasses:

- Listening to patient views
- Delivering better care through the digital revolution
- Transparency and sharing data

**Wider primary care, provided at scale**

3.5. This model involves providing the 20% of the population with a moderate mental or physical long term condition access to a broader range of services in primary care. This model involves:

- Transforming primary care services
- Care integrated around the patient

**A modern model of integrated care**

3.6. For the 5% of patients with multiple conditions, the document calls for a modern model of integrated care with the senior clinicians taking responsibility for active co-ordination of the full range of support and lifestyle held to acute care. This will require a focus on:

- Ensuring tailored care for vulnerable and older people
- Care integrated around the patient

**Access to the highest quality urgent and emergency care**

3.7. This model is based on the provision of treating patients as close to home as possible and establishing networks, with major specialist services offered in between 40 and 70 major emergency centres supported by other emergency centres and urgent care facilities.

**A step change in the productivity of elective care**

3.8. Commissioners are required to challenge providers to achieve a 20% productivity improvement within five years so that existing activity levels can be delivered with better outcomes and 20% less resource

**Specialised services concentrated in centres of excellence**

3.9. The document foresees a concentration of expertise in some 15 to 30 centres for most aspects of specialised care.

3.10. Local plans are required to demonstrate a focus on four essential elements. These are:

(i) Quality
- Patient safety
• Patient experience
• Compassion in practice
• Staff satisfaction
• Seven day services
• Safeguarding

(ii) Access to services – convenient for everyone
(iii) Driving change through innovation
• Supporting staff to innovate
• Research
(iv) Value for money, effectiveness and efficiency

3.11 The document sets out changes to the planning process. The key proposed changes are:
• A move towards a longer planning horizon with strategy plans covering a five year period with the first two years at operating plan level of detail
• Greater co-operation between commissioners and providers, with the commissioner planning process aligned with the Monitor/TDA provider process
• Enhanced integration with social care

3.12 The document sets out the planning assumptions commissioners are required to follow both for 2014/15 and the period 2015/16 to 2018/19. These are summarised in the table below.

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<tbody>
<tr>
<td>Demographic growth</td>
<td>Local determination using age profiled population projections</td>
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<tr>
<td>Non-demographic growth</td>
<td>Local determination based on historic analysis and evidence</td>
</tr>
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<td>Tariff changes</td>
<td>See below</td>
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<td>Price inflation – prescribing</td>
<td>Local determination – expected to be in a range of 4% to 7% per annum increase</td>
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<tr>
<td>Price inflation – continuing health care</td>
<td>Local determination - expected to be in a range of 2% to 5% per annum increase</td>
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<td>Business rules</td>
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<td>2014/15</td>
<td>Minimum of 0.5% contingency</td>
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<td>1% cumulative surplus carry</td>
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<tr>
<td>2015/16-2018/19</td>
<td>Minimum 0.5% contingency</td>
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<td>1% cumulative surplus carry</td>
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3.13 The document also provides further details on the Better Care Fund which, by 2015/16 will see £3.8 billion deployed locally on health and social care through pooled budget arrangements. In 2014/15 a further £241 million transfers from the NHS to adult social care in addition to the £859 million transfer already planned. For the Trust’s local commissioner, Oxfordshire CCG, the level of transfer will total £33.12m.

3.14 Supplementary guidance has been issued by specialist commissioners. The continued development and implementation of specialised service specifications will continue in 2014/15. There is also an indication that a national programme of savings associated with specialised services will be introduced.

4. Commissioner allocations

4.1 NHS England has agreed to adopt a new formula aimed to reflect population changes and including a deprivation measure in to tackle health inequalities.

4.2 Funding for NHS commissioners will rise from £96 billion to £100 billion over the next two years to protect the NHS from inflation. All CCGs will receive a funding increase matching inflation in the next two years (2.14% in 2014/15) with those most underfunded according to the new formula or with fast growing populations receiving up to 2.8% extra in their total allocations each year.

4.3 Thames Valley Commissioners will receive uplifts of 3.48% in 2014/15 and a further 3.16% in 2015/16. The respective figures for Oxfordshire CCG are 3.32% and 2.90%, and nationally are 2.54% and 2.09%.

5. Securing Sustainability, Planning for NHS Trust Boards 2014/15 to 2018/19

5.1 The Trust Development Authority has also issued guidance that complements the planning guidance issued by NHS England. Securing sustainability, planning guidance for NHS Trust Boards 2014/15 to 2018/19 also has an emphasis on longer term sustainability.

5.2 The TDA guidance also requires Trust’s to respond to the rapidly changing quality agenda requiring them to develop:
   - An integrated approach to quality
   - Getting the basics right
   - Having the right focus on quality

5.3 The guidance emphasises the five domains set out by the CQC i.e. ensuring services are:
   - Safe
The guidance describes updates to the foundation trust application process and the support that the TDA will offer to aspirant NHS Trusts.

There is an emphasis on the need to listen to patients, stakeholders and staff.

NHS Trust plans must demonstrate sustainability and resilience by describing how the Trust will continue to provide high quality, sustainable services, being explicit about the risks in the plan and associated mitigating actions.

6. **2014/15 National tariff payment system**

   6.1 The national tariff (pricing structure) for 2014/15 has been published alongside a document confirming the approach that has been adopted towards the tariff payment system together with a summary of the planned changes.

   6.2 The approach to the national currencies, prices and rules for 2014/15 is to keep relative prices broadly stable.

   6.3 An efficiency requirement of 4% has been applied. This includes an allowance for inflation of 2.5%. The net effect of this for acute trusts is a 1.5% reduction in the prices received by providers. The guidance sets out a framework for agreeing all local payment approaches whether these are:

   - Local prices – agreed changes to the level and structure of local prices (i.e. non PbR)
   - Local variations – i.e. adjustments to national prices or currencies where it is deemed to be in the interests of patients to support a different service mix or delivery model
   - Local modifications – these are intended to ensure that services are delivered where patients require them, even if the cost is higher than the nationally determined prices.

   6.4 Local variations and modifications need to be agreed by Monitor.

   6.5 The guidance also opens up the opportunity for the baseline for emergency activity (i.e. the level at which 30% marginal rates apply to be renegotiated)

   6.6 The national contract documentation for 2014/15 has also been published. The key feature of the contract for 2014/15 is a significant increase in the level of penalties that providers will incur if they fail to meet relevant performance targets stipulated within the contract. In the case of this Trust should current performance levels in these domains persist in 2014/15 the level of penalties incurred will increase by 2.85%.

   - Effective
   - Caring
   - Responsive
   - Well-led
7. Conclusion

7.1 The implications of the guidance for the Trust are being assessed.

7.2 The guidance summarised in this paper will shape the development of the Trust’s annual business plan and also the update to the Trust’s integrated business plan and long term financial model.

7.3 The Trust Board is recommended to note the contents of this paper.

Mr Andrew Stevens  
Director of Planning & Information  

January 2014
Appendix 1

NHS Outcomes Framework 2014/15

at a glance

Alignment with Adult Social Care Outcomes Framework (ASCOF) and/or Public Health Outcomes Framework (PHOF)

* Indicator is shared
** Indicator is complementary

Indicators in italics are placeholders, pending development or identification

1. Preventing people from dying prematurely
   - Overarching indicators
     - Potential Years of Life Lost (PYLL) from causes considered amenable to healthcare
       - Adults & Children and young people
       - Males & Females
   - Improvement areas
     - Reducing premature mortality from the major causes of death
       - 1. Sudden death
       - 2. Under 15 mortality rate from cardiovascular disease
         (PHOF 4.4*)
       - 3. Under 15 mortality rate from respiratory disease
         (PHOF 4.4*)
       - 4. Under 15 mortality rate from cancer
         (PHOF 4.4*)
   - Reducing premature death in people with a learning disability

2. Enhancing quality of life for people with long-term conditions
   - Overarching indicators
     - Health-related quality of life for people with long-term conditions (ASCOF 1A**)
   - Improvement areas
     - Improving functional ability in people with long-term conditions
     - Reducing time spent in hospital by people with long-term conditions
     - Enhancing quality of life for people with dementia

3. Helping people to recover from episodes of ill health or following injury
   - Overarching indicators
     - Emergency admissions for acute conditions that should not usually require hospital admission
     - Improvement areas
     - Improving outcomes from planned treatments
       - Total health gain assessed by patients for elective procedures
       - Hip replacement
       - Knee replacement
       - Bypass surgery
       - Varicose veins
     - Psychological therapies
     - Preventing lower respiratory tract infections (LRTI) in children from becoming severe
     - Admission of children with LRTI
     - Improving recovery from injuries and trauma
     - Improving recovery from strokes
       - Proportion of stroke patients reporting an improvement in activity/lifestyle on the Modified Rankin Scale at 6 months
     - Improving recovery from fragility fractures
     - Time taken to return to previous levels of mobility/ability
     - Helping older people to recover their independence after illness or injury

4. Ensuring that people have a positive experience of care
   - Overarching indicators
     - Patient experience of primary care
     - GP services
     - Patient experience of hospital care
     - Improvement areas
     - Improving people's experience of outpatient care
     - Improving access to primary care services
     - Access to GP services and non-NHS dental services
     - Women's experience of maternity services
     - Improving access to community mental health services
     - Improving the experience of care for people at the end of their lives
     - Improving the experience of care for people with chronic or long-term conditions
     - Improving the experience of care for people with mental illness
     - Improving the experience of care for people with learning disabilities
     - Improving children and young people's experience of healthcare
     - Improving people's experience of integrated care

5. Treating and caring for people in a safe environment and protecting them from avoidable harm
   - Overarching indicators
     - Patient safety incidents reported
     - Safety incidents involving severe harm or death
     - Improvement areas
     - Reducing the incidence of avoidable harm
       - Deaths from severe thrombocytopenia (VTE) related events
       - Incidence of healthcare associated infections (HCAI)
     - Improvement of self-reported health
     - Improving the safety of maternity services
     - Admission of full-term babies to neonatal care
     - Delivering care to children in acute settings
     - Improvement of Action Plan implementation