

Trust Board Meeting in Public: Wednesday 13 January 2016
TB2016.16

Title	NHS Planning Guidance 2016/17 – 2020/21
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Status	For information
History	This report provides a summary of the annual national planning guidance.

Board Lead(s)	Mr Andrew Stevens, Director of Planning and Information			
Key purpose	Strategy	Assurance	Policy	Performance

Summary

1	Joint planning guidance was issued to commissioners and providers for 2016/17 annual planning round on 22 December 2015/16.
2	Key features of the guidance include: <ul style="list-style-type: none">• A requirement to produce place-based five year sustainability and transformation plans as well as one year organisation-based operational plans.• A set of national policy “must dos”• Initial details of the allocations and business rules that will operate in 2016/17• A planning timetable for 2016/17 planning round
3	The implications of the planning guidance for the OUH are being assessed and will be built into the Trust’s own planning framework. However, a significant level of guidance and information is yet to be published.
4.	Recommendation The Trust Board is asked to note the contents of this paper.

Delivering the Forward View: NHS Planning Guidance 2016/17 – 2020/21**1. Introduction**

- 1.1 Joint NHS planning guidance was issued to commissioners and providers on 22 December 2015. The guidance builds on the objectives of the Spending Review which were to implement the Five Year Forward View, restore and maintain financial balance and deliver core access and quality standards for patients.
- 1.2 This paper summarises the key features of this initial guidance. A copy of the guidance paper is attached.

2. Format of plans

- 2.1 For 2016/17 the NHS is being required to produce two separate but connected plans:
 - A five year sustainability and transformation plan (STP), place-based and driving the Five Year Forward View;
 - A one year operational plan for 2016/17, organisation-based but consistent with the emerging STP
- 2.2 An early task for healthcare systems is to define the footprint for the STP. While the county boundaries will be the obvious footprint for Oxfordshire – the nature of the Trust’s services will mean that it will need to seek to influence the STPs of other health economies.
- 2.3 The OUH will also need to integrate its own strategic review with the development of STPs across relevant health economies.

3. National requirements

- 3.1 Local operational plans will need to map out progress on achieving the national policy on the development of seven day services.
- 3.2 In addition, the planning guidance outlines nine “must dos” for 2016/17 for every local system:
 - Develop a high quality and agreed STP consistent with the Five Year Forward View
 - Return the system to aggregate financial balance
 - Develop a plan to address the sustainability and quality of general practice
 - Get back on track with access standards for A&E and ambulance waits
 - Maintain improved performance against the referral to treatment target
 - Deliver the 62 day cancer waiting standard and make progress in improving one year survival rates
 - Achieve and maintain the two new mental health access standards and continue to meet the dementia diagnosis target

- Deliver actions to transform care for people with learning disabilities
- Develop and implement an affordable plan to make improvements in quality and participate in the annual publication of avoidable mortality rates

3.3 The operational plans for 2016/17 must therefore be able to demonstrate:

- How they intend to reconcile finance with activity (and where a deficit exists, to set out clear plans to return to balance);
- The planned contribution to efficiency savings;
- The plans to deliver the key “must dos”;
- How quality and safety will be maintained and improved for patients;
- How risks across the local health economy plans have been jointly identified and mitigated through an agreed contingency plan;
- How they link with and support local emerging STPs.

3.4 The 2016/17 operational plan should be regarded as year one of the five year STP.

4. **Allocations and business rules**

4.1 The guidance states that overall primary medical care-spend will rise by 4% to 5% each year. Specialised services funding will rise by 7% in 2016/17, with growth of at least 4.5% in each subsequent year.

4.2 For 2016/17, CCG allocations will rise by an average of 3.4% with no CCG more than 5% below its target funding level.

4.3 £1.8b of income from the 2016/17 Sustainability and Transformation Fund will replace direct Department of Health funding. The distribution of this funding will be calculated on a trust by trust basis by NHS improvement and then agreed with NHS England.

4.4 The consultation on the tariff proposes a 2% efficiency deflator and a 3.1% inflation uplift for 2016/17.

4.5 The guidance states that to support system stability the NHS will remain on a HRG4 for a further year and that there will be no changes to specialised top ups in 2016/17. The specialised service risk share (i.e. the marginal tariff for specialised services) is also being suspended for 2016/17.

5. **Timetable**

5.1 The proposed planning timetable for 2016/17, as set out in the guidance, is outlined in the table below.

Timetable	Date
Publish planning guidance	22 December 2015
Publish 2016/17 indicative prices	By 22 December 2015
Issue commissioner allocations, and technical annexes to planning guidance	Early January 2016
Launch consultation on standard contract, announce CQUIN and Quality Premium	January 2016
Issue further process guidance on STPs	January 2016
Localities to submit proposals for STP footprints and volunteers for mental health and small DGHs trials	By 29 January 2016
First submission of full draft 16/17 Operational Plans	8 February 2016
National Tariff S118 consultation	January/February 2016
Publish National Tariff	March 2016
Boards of providers and commissioners approve budgets and final plans	By 31 March 2016
National deadline for signing of contracts	31 March 2016
Submission of final 16/17 Operational Plans, aligned with contracts	11 April 2016
Submission of full STPs	End June 2016
Assessment and Review of STPs	End July 2016

6. Conclusion

6.1 The implications of the planning guidance for the OUH are being assessed and will be built in to the planning and commissioning framework for 2016/17. However, it should be noted that there are a significant level of detailed guidance that is still awaited and that is required before the Trust can, for example, finalise its own operational plans, contract offers and budgets.

7. Recommendation

7.1 The Trust Board is asked to note the contents of this paper.

Andrew Stevens

Director of Planning & Information

January 2016