Health Select Committee inquiry into Sustainability and Transformation Partnerships

NHS Partners Network response

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The NHS Partners Network is the trade association representing a wide range of independent sector providers of NHS-funded clinical services, ranging through acute, diagnostic, clinical home healthcare, primary and community care and dentistry. Our members are drawn from both the 'for profit' and 'not for profit' sectors and all are committed to working in partnership with the NHS and to the values set out in the NHS Constitution. More than 85,000 people are employed and contracted by NHS Partners Network members in the delivery of NHS-funded services across more than 2000 sites serving around 10 million patients annually.

Summary

In recent years, it has become clear that NHS services need to evolve to reflect an ageing population and a growing number of people living with multiple co-morbidities and long-term conditions, ensuring that services are designed and delivered to be responsive to people's needs as they are today rather than reflect historical organisational partitions that have barely altered in more than half a century. The NHS Partners Network therefore welcomes the move towards developing more place-based models of care in the NHS such as Sustainability and Transformation Partnerships (STPS) and Accountable Care Systems (ACSs) which have the potential to focus on providing more long-term, preventative and patient-centred healthcare, supported by a modern technology platform. However, while there is significant scope for more integrated models to improve patient care, any shift in this direction must avoid introducing inflexible and unaccountable monopoly provider models with a "too big to fail" and "like it or lump it attitude" to patient care – a concern also reflected in public comments made by the Kings Fund[1] and the Nuffield Trust[2] and borne out by some NHSPN members' initial experiences of working within STPs/ACSs where they deliver existing NHS-funded services.

How effective have STPs been in joining up health and social care across their footprints, and in engaging parts of the system outside the acute healthcare sector?

STP engagement beyond the publicly-owned NHS acute sector varies across the country and while a number of NHSPN members have reported that STPs are gradually starting to look outwards for more innovative ways to improve patient pathways, in a survey conducted by the NHS Partners Network in January 2018, the vast majority (90%) of NHSPN members said that they thought STP engagement with the independent sector had been either "not very effective" or "not at all effective".

Despite the independent sector currently representing £9 billion of NHS spending and treating over 10 million patients a year, most NHSPN members reported frustration at being excluded from what they perceived as 'NHS only discussions' - an experience not unique to the sector but also shared by many Local Authorities, patients and local communities themselves. Furthermore, rather than taking a system-wide approach to looking at the healthcare of a local area, which they have been tasked with doing, STPs are viewed by many in the sector as primarily vehicles for stabilising acute publicly-owned NHS hospitals. A number of STP areas, for example North Central

[1] https://www.economist.com/news/britain/21730887-three-decades-market-based-reforms-are-being-rethought-end-nhss-internal

[2] https://www.nuffieldtrust.org.uk/news-item/2018-what-to-look-out-for-in-health-and-social-care#accountable-care

London[3], have gone as far as committing to repatriate elective care from the independent sector back into the public sector. This is a particularly concerning move given the current elective capacity constraints in the NHS with the referral to treatment target not having been met in almost two years and the significant risk that an active policy of repatriating care from independent sector providers breaches patients' legal right[4] to choose a hospital or clinic for their NHS-funded treatment.

Given the significant challenges the NHS is currently facing, the importance of STPs looking outwards for support has never been starker. In the independent sector alone there are tens of thousands of health and care staff treating NHS patients across the country, as well as considerable capability in the voluntary and social enterprise sectors. Knowing who these organisations are and establishing strong connections with their leadership teams will be critical to the effective delivery of STPs and ACSs across the country. As part of this, it is vital that local systems are upfront about the gaps they have in terms of capital, capacity and capability in their area and what they can do to bring in support and expertise from outside to help. While rooting system planning in a sense of place has much merit, there is a big danger of the local system stagnating, resulting in STPs and ACSs becoming 'airless rooms' rather than genuine catalysts for change.

In order to instil greater confidence in and encourage collaboration between different parts of the health and care system on STPs/accountable care, national NHS bodies, notably NHS England, should also be sending some clear signals, including defining what "success" is for STPs and accountable care in a clear, collaborative and transparent manner; increasing confidence in data sharing to ensure better utilisation by clinicians and encouraging any future contractual frameworks for STPs and accountable care to emphasise longevity. And more generally the message that it is OK to talk to partners outside of the public sector can and should be sent out from the national NHS bodies, making it clear that engaging local independent sector partners in ACSs - treating them as part of the local system and reaching out to independent sector players who are doing interesting work elsewhere which could be replicated in a particular ACS - is entirely sensible and one of the ways that STPs and ACSs will deliver success.

What are the legislative, policy and/or other barriers to effective STP and ACS governance and implementation? Are the demands being made of STP plans through the NHS Mandate and the NHS Shared Planning Guidance deliverable, and can STPs ensure the fulfilment of the requirements of the NHS Constitution?

At the heart of the vision behind STPs and ACSs is the transformation of NHS services to ensure they are responsive to the needs of the public rather than reflecting historical organisational silos, and there is potential for accountable care to offer the kind of scale and capability which the commissioning system has struggled with for years. However, there is also the risk that more integrated 'accountable care' ends up creating an inflexible model of monopoly provision, based on arbitrary geographical footprints, which removes important improvement incentives and leaving patients to feel stuck in a system of 'like it or lump it care'.

Such concerns are reinforced by the increasingly widespread view in the NHS that the development of STPs and ACSs represent the end of the "purchaser/provider split". Whilst incontrovertible that population health needs have changed in the period since the split was

[3] Page 55 http://www.candi.nhs.uk/sites/default/files/Documents/161115%20NCL%20STP%20strategic%20narrative%20-%20Draft.pdf

[4] https://www.gov.uk/government/publications/the-nhs-choice-framework/the-nhs-choice-framework-what-choices-are-available-to-me-in-the-nhs

introduced in the 1980's, there is a real danger that many of the disciplines which accompany it - strong governance mechanisms to guard against real or perceived conflicts of interest, fair treatment for all local health providers including over pricing, and the active promotion of plurality and diversity to encourage innovation and give greater choice and control to patients – could be lost.

This can be most clearly demonstrated with regards **patients' constitutional right to choose** which provider they receive NHS treatment from. As Nigel Edwards, Chief Executive of the Nuffield Trust, has argued, the move to ACSs and the potential "geographic monopolies" they create "will make it easy for them to become complacent and to try to keep all the care within their organisation…. retaining choice for elective care, diagnostics and areas such as talking therapies is still a desirable goal both in terms of providing some challenge to the current providers but also enabling patients to make their own choices". Indeed, on this point, two-thirds of NHSPN members surveyed felt that the shift towards STPs and ACSs would prevent patients' constitutional right to choose from being upheld.

While it was welcome to see the *Five Year Forward View* Next Steps document published in March 2017 stating that that STPs and ACS' "must establish clear mechanisms by which local populations will still be able to exercise patient choice over where they are treated for elective care", almost a year on there remains a significant lack of clarity over what such mechanisms would be and how, for example, Payment By Results (PBR) and the National Tariff, which help underpin patient choice, would work under accountable care systems. Given that the national NHS bodies, specifically NHS Improvement, retain important legal responsibilities for setting national prices, partly indeed to avoid local price competition from being introduced, we do not believe that it is appropriate to ask STPs and ACSs to design wholesale new payment mechanisms and that any changes in this area must be led nationally and ensure compliance with existing legal principles.

Equally, while moving towards a more integrated model of health and care does have its benefits, the important role that **competition** plays should not be forgotten. Where there is persistent service failure in the provision of health services, the patients affected should be reassured that everything is being done to find a provider better able to deliver that service to the required standard. Whilst competition is not a panacea, and indeed only around 5.5 per cent of NHS contracts are currently let by competitive tender, it is an important that lever for commissioners to hold and ACSs and STPs must be structured in a way that allows competition and tendering to be properly deployed.

Indeed, given the current political environment and the difficulties in getting any new comprehensive health legislation to put STPs and ACSs on new legal footing, it is vital that NHS England, NHS Improvement and the Department of Health and Social Care ensure that any moves to accountable care are compatible with the law as it stands today, including promotion of patient choice, delivery of the NHS' Constitution's access standards and demonstrating openly and transparently that the NHS commissioning system is securing the best available provider for services delivered.

What does the available evidence, and experience so far, tell us about the deliverability of STP plans given the financial and workforce pressures across the NHS and local government?

The NHS is undoubtedly under a significant amount of strain, with rising demand and increasingly complex patient needs. However, whilst we understand the current debate around aggregate NHS spend, we believe that there must also be a focus on what can be done to change the overall model of care quickly and safely. We know from the evidence that significant efficiencies can be made in the NHS an, for example, improving diagnostics capability was a key area highlighted by the Government in their 2015 Spending Review Settlement to encourage long term partnerships

between the NHS and the private sector to deliver efficiencies of new models of care – a commitment we would like to see much greater progress against.

Equally, the workforce pressures facing the health and care system do put at significant risk the ability for any local areas to make improvements in patient care, particularly with regards primary care. We therefore welcome the announcement of Health Education England's development of a ten-year workforce strategy which should support STPs in having a more longterm and holistic approach to recruiting and retaining health and care staff. As mentioned previously, given that over 85,000 people are employed and contracted by independent sector it is vital that HEE's strategy involves all operators in an STP and not just the public-sector workforce.

Contact

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