

The NHS: What's Happening

Educating NHS suppliers on how to navigate the new NHS landscape

Wednesday 19 September 2018 | BCEC Birmingham

SEMINAR ARTICLE:

The funding deal is done, but a crucial few months follow

AUTHOR: Dave West

Two things are true at the same time: It was a quite remarkable win to draw this funding deal out of the Treasury under current circumstances - a five-year settlement, outside of a spending review, requiring new tax and borrowing. But, in the simplest judgement, it is not enough.

The less simple question is, what is this deal enough for?

That will be shaped in part by a number of important decisions to be made in the next five months.

The unprotected

First and foremost is a second, probably less noisy, round of negotiation with Treasury and Number 10 over four important areas not part of this week's settlement: Education and training, capital, social care, and public health.

Jeremy Hunt and Simon Stevens, who together secured the deal, are hopeful they are on a roll - that they are now being heard in government, and that they have secured written if non-specific commitments from the Treasury to do better in these areas.

To nail the commitments down though, they will have to compete in a bloody spending round, against other ministers convinced health has just had a plush deal, and amid a row over paying for that.

Sticking by social care and public health will be a test of the NHS's fibre - the new NHS Assembly, now to be hastily assembled to inform the long-term plan, should fight hard on this and not settle for delay.

But the heavy lifting for the NHS in the next few months will be on detailing smart and credible plans for workforce, infrastructure and technology – sustainability and

transformation partnerships' efforts in recent years show how hard this is to get right.

Good plans and deals in these four areas could be the difference between this settlement being the firm foundation for success that Mr Hunt and Mr Stevens hope, and a transformation flop.



Service priorities

One happy feature of the funding deal is that government – possibly just because it ran out of thinking time – has for now imposed remarkably few specific requirements. It might not stay that way. Having named the NHS its “number one priority”, ministers will want quite rapid tangible progress on core targets and top reform priorities.

It is significant (and sensible) that the prime minister has even kicked off a review of targets, but assuming that the familiar standards will disappear would be unwise – more likely they could be diluted with new ones on integration and prevention.

There will be money only for a small number of things in the first years of the settlement from a long wish list.

Dealing with the dire finances of most acute trusts (and some non-acute ones) is likely to be a starting

[CLICK HERE TO BOOK NOW →](#)

point, and is a fair one. The question is how: by inflating tariff; sustainability fund-style direct payments; or with other methods more geared to promoting systems and preventive services?

Making inroads into acute performance, with capacity to meet demand at a low ebb, plus ongoing workforce shortages, will be hard going and quickly swallow up cash. An ability to rely on five full years of certainty on NHS England growth – with a 3.1 per cent floor in the middle – will hopefully go some way to help.

A sober look at the numbers suggests that once these are covered, along with non-negotiables like expanding mental health access and cancer services, there's unlikely to be enough left to create much bigger transformation pots for establishing and double-running the new integrated service models, which were meant to be emblematic of the Five Year Forward View. The prospect of NHS Improvement getting more stuck into provider-side reform could help, at least.

The result is the early years of the settlement could feel very similar to the past few: A continuation of the Forward View direction, with similar frustrations, and hopes – not guaranteed – of a bit more success.

After all Jeremy Hunt is an old dog at nearly six years in the job, and Simon Stevens is not too far behind, so both are unlikely to learn completely new tricks.

Work on priorities for the later years of the 10 leaves more scope for creativity and vision, and will hopefully build in serious reductions in health inequalities.

Funding flows, regulation and legislation

What will likely see more revolution in the short term are the rules governing NHS finances, nearly all of which are now up for grabs. The easy part is willing the end of the damaging sustainability funding regime linked to stringent control totals. The hard part is agreeing what to replace it with and convincing Treasury this will eliminate deficits.

The NHS: What's Happening: What you need to know

This event takes place on **20 September 2018** in Birmingham and **5 December 2018** in London.

These seminars are ideal for NHS suppliers new to the NHS or in need of a refresher. Attendees will learn about STPs, ICSs, the new 10 year plan and new NHS funding settlement.



There is a review of the better care fund – one potential conclusion of which could be further “two leaky bucket” top-slices from the NHS.

The Treasury has put efficiency and productivity riders in the funding deal – expect a ramping up not down of pay and procurement controls, scrutiny of variation, and pressure to bring providers together.

There are still outstanding questions about whether regulators – both NHS Improvement (now interlinked with NHS England) and Care Quality Commission – make decisive changes to their regimes to encourage systems and integration, somehow balancing this against existing obligations.

On that note, prime minister Theresa May has notably reiterated the government's offer to change the law if the NHS comes up with “consensus” proposals in coming months. Ms May gave a strikingly convincing account of NHS leaders' frustration with a fragmented system and what Mr Stevens once decried as the “rear view mirror it's all gone tits up agenda” of assurance.

If they are serious about embarking on such a risky business as legislation, this would open up a range of complex options, and the question is whether we are looking for the kind of precision surgery changes, which were under consideration 13 months ago, or something more dramatic.

Source: HSJ

You will hear from expert speakers from Wilmington Healthcare and HSJ as well as national and local NHS leaders responsible for service redesign and efficiency

Book your place via our website today:

www.wilmingtonhealthcare.com/events/seminars/the-nhs-whats-happening/