Specialised Services Commission
Chair: Lord Warner

SPECIALISED SERVICES COMMISSION CALL FOR WRITTEN SUBMISSIONS JANUARY 2016

The Specialised Services Commission is seeking written submissions from any stakeholders wishing to contribute to expert assessment of the future for NHS specialised care.

This paper sets out the key topics under consideration by the Commission to inform written input.

- Written submissions should be **no longer than 2000 words** in length
- The deadline for submissions is **Friday 29th January 2016**
- Submissions can be sent to **mark.loughridge@shca.info**

What is the Specialised Services Commission?

The Specialised Services Commission is an expert working group convened by former Health Minister Lord Warner to examine the current challenges and opportunities facing NHS specialised care.

As an independent short-life working group, the Commission will make recommendations to the Government, NHS England and others about the future direction of travel for over £15billion of specialised services.

Specialised Services Commission membership

The Commission includes members and observers from:

- NHS England
- Department of Health
- Academy of Royal Medical Colleges
- NHS Providers
- NHS Clinical Commissioners
- Macmillan Cancer Support
- Cystic Fibrosis Trust
- Niemann Pick UK
- Scottish and Welsh specialised service departments
- Greater Manchester health leaders
- Association of the British Pharmaceutical Industry

The Specialised Healthcare Alliance, a coalition of 117 patient-related organisations and 17 corporate members, has agreed to provide the Commission the use of its secretariat, without prejudice to the group's independence. Further information on the SHCA's governance and funding is available at its website: www.shca.info.

Topics for written submissions:

Stakeholders are invited to submit materials to inform the Commission's recommendations on the future direction of travel for specialised services.

The below topics cover the areas of greatest interest to the Commission, with the accompanying questions intended as prompts.

1 Safety, Quality and Money

- How should specialised services be defined?
- Is growth in expenditure on specialised services necessarily faster than the general rate of NHS growth? If so, by how should this be accommodated?
- How can quality best be embedded in specialised services? Should national standards remain in place and how should quality be assured?
- How and at what level should clinical leadership and patient involvement be embedded for specialised service planning?

2 Provision and integration

- What role should providers play in the management of specialised care in future?
- How should the provider landscape change? What role will New Care Models play?
- How should payment systems adapt to support better specialised care in future?
- What measures would best support an integrated experience of specialised care for patients?

3 Accountability and engagement

- How will accountability for patients and the public be assured in a more plural world?
- How should devolution affect specialised services and what safeguards will be required?
- Where should the buck stop and how will patients and the public know who to engage with?
- How should the Commission consider innovation within the above programme, without duplicating the work of the Accelerated Access Review?

Appendix: Specialised services policy trends

One year on from the publication of the NHS Five Year Forward View, and following the more recent announcement of NHS funding levels for the duration of this parliament, there is now greater clarity about the financial and policy context in which specialised services will be delivered in the years ahead.

The Specialised Services Commission has the opportunity to take stock of these developments and make recommendations for the future development of these services. This should prove timely in informing Jonathan Fielden, the incoming Director of Specialised Commissioning, who is committed to developing a new strategy following his arrival in March 2016.

NHS England was keen that the Commission should take this broader policy context into account citing the following issues, with commentary by the secretariat.

Key policy trends include:

- **Spending Review settlement**
  The Government has announced that NHS budgets will increase by £3.8billion in April 2016, rising by a further £1.5billion in 2017/18 before more modest growth rates in the following two years. Over the five years from 2016/17, NHS budgets will increase by £8.4billion in real terms.

  The breakdown of these budgetary increases between specialised and other NHS care is not yet known.

  Much of next year's budget increase will need to cover shortfalls from this financial year. NHS providers are on course for a total deficit of over £2billion in 2015/16, and commissioning budgets across Clinical Commissioning Groups (CCGs) and NHS England are also stretched. The specialised commissioning budget is likely to overspend by less than £100m in 2015/16, largely related to a deficit in the Cancer Drugs Fund.

  Future NHS budget increases also obscure reductions to non-NHS budgets, including public health and capital budgets. To some extent, increased NHS resource may need to offset lower non-NHS spending to shore up local health economies. Overall, the Health Foundation has calculated the average increase of health spending across this five-year period at 0.9% per annum – the same as in the previous parliament and lower than the anticipated growth in demand, typically put at 4% per annum. Substantial efficiency savings will continue to be required of the NHS or, as is increasingly the case, waiting lists will grow and other forms of rationing take effect

- **Commissioning reforms**
  NHS England took up responsibility for specialised commissioning at national level in April 2013.

  The commissioning model adopted by NHS England saw service

specifications and clinical commissioning policies developed nationally, with implementation managed by local area teams. There was very limited scope for local variation from national specifications.

While the equity and quality enshrined in national specifications was welcomed by many specialised service stakeholders, there was also concern at the lack of integration between national and local commissioning.

Collaborative commissioning is now being introduced, whereby mandatory national service specifications remain in place, but local CCGs sit alongside regional and local hubs to maximise pathway cohesion.

There has been substantial work, with little public output to date, on defining the optimum population level at which different specialised services should be commissioned. NHS England and others have concluded that different services might usefully be split out to national, regional and more local levels. However, current regulations dictate a binary division of responsibility between NHS England nationally or CCGs locally. The final decision on such matters falls to ministers.

- **Public sector devolution**
  The Cities and Local Government Devolution Bill is currently before parliament and, if passed, would enable substantial future devolution of public service responsibilities, including the NHS. In parallel, NHS England's Board has agreed a set of criteria for granting approval to future devolution proposals within healthcare (enclosed as Appendix One). A relatively high bar has been set for the preparedness of a local area to take on further functions.

  These provisions are likely to have an impact on specialised services, altering the national commissioning landscape and bringing local and regional leadership to the fore. This is particularly the case in Greater Manchester, the standard-bearer for devolution, which is set to take on greater responsibility for health and social care, including NHS specialised services, from April 2016.

  The key details and implications of devolution for specialised services are not yet known. It is not clear where budgets will sit for specialised services in Greater Manchester, for example, but assurances have been given by ministers and civic leaders that national specialised service specifications will be met or exceeded in the region.

  Devolution might also presage more collaborative working between commissioners and providers, and between different providers themselves. This could have potential for the integration of specialised and primary care provision, for example through accountable providers.

- **Five Year Forward View implementation and new models of care**
  The NHS Five Year Forward View was published just over a year ago and its implementation is underway, most particularly in the form of the 'vanguards' for new models of care.

This involves a reshaping of the way that secondary and primary care systems work together in different areas, with local leaders encouraged to innovate in seeking to deliver more accessible and integrated care. In future, such local health systems might be given control of capitated budgets, and successful initiatives may be replicated elsewhere.

The role of specialised services within the vanguards has been minimal to date. While acute care collaboration vanguards will see specialist providers working together differently, there has not yet been detailed consideration of how specialised planning and provision might be placed within new care models.

- **Future development of payment system**
  Following substantial debate on the national tariff, where formal provider objection to the tariff proposed for 2015/16 was driven in large part by proposals for a specialised services 'risk-share' agreement, the future development of the payment system will be of central importance for specialised services.

  Notwithstanding the technical discussions on tariff for the years ahead, a broader shift away from tariff to alternative payment methods is likely to take place. Alongside the reforms to commissioning outlined above, this could see further erosion in the boundary between purchasers and providers, with the latter potentially given budgetary responsibility for local population health in some instances.

- **Role of technology**
  The National Information Board and others have been seeking to drive greater uptake of technology within the NHS to change the way that patients interact with the health service.

  Organisations such as the Mayo Clinic in the USA have employed remote working and networking to offer specialist oversight to patients living far from expert centres, enabling them to receive care closer to home. This potential has appeal to many patients.

  In the next five years, technology has the potential to change the way that specialised services are delivered but its introduction will need to be prioritised and carefully managed.

  Equally, specialised services are the focus of much innovation enabling significant advances in standards of care while creating cost pressures at the same time.

  The Accelerated Access Review is looking at the way in which the NHS assesses and introduces new technology but, without duplicating its work, there may be aspects the Commission wishes to address.