

A guide to specialised commissioning in 2023/24

March 2023 (Version 1.0)

Executive summary

- Currently, all 154 specialised services are planned and paid for – or ‘commissioned’ – at a national level by NHS England (NHSE). Over the next few years, NHSE wants to delegate responsibility for some specialised services to local commissioners called Integrated Care Boards (ICBs). It hopes this will make it easier to deliver joined-up care designed around patients’ needs^{1, 2}
- 2023/24 is a transition year, with NHSE and ICBs expected to establish nine statutory joint committees. Together, they will commission 59 specialised services deemed suitable and ready for greater ICB leadership (‘delegated services’). NHSE will still hold the budget and contracts with individual providers¹
- NHSE is working towards full delegation of appropriate specialised services to ICBs from April 2024 – including budgets. However, NHSE will always be the accountable commissioner. It will retain responsibility for setting national standards, assurance and support to ICBs for delegated services, and commissioning of non-delegated services (also known as ‘retained services’, including all 78 highly specialised services)¹
- NHSE has stated that it will “*ensure continued involvement of people and communities in specialised commissioning.*”² One of the easiest things you can do is become a registered stakeholder. This means you will receive updates on the work of specific Clinical Reference Groups (CRGs), including invites to take part in consultations³

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Introduction

There are 154 specialised services, which support people with a wide range of rare or complex health conditions, including rare cancers, genetic disorders, or complex medical or surgical conditions.¹

The way that these specialised services are commissioned is changing. They are currently commissioned at a national level by NHS England (NHSE) but, over the next few years, it is expected that responsibility for some specialised services will be delegated to local Integrated Care Boards (ICBs).^{1, 2}

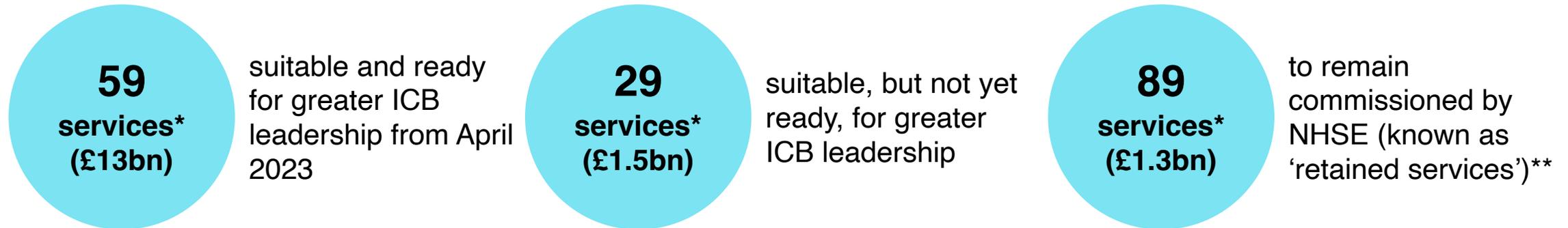
NHSE says that *“by integrating the commissioning of specialised services with ICBs’ wider commissioning responsibilities where appropriate, ICBs will be the*

commissioner for the primary, community, secondary and tertiary elements of pathways for their population, enabling them to design care that joins up around patient needs, and invest resources where they can have best effect on outcomes.”²

This guide for Specialised Healthcare Alliance (SHCA) members provides an easy-to-read, factual summary of changes to specialised commissioning in 2023/24. If you have any questions about this guide or the work of the SHCA, please visit shca.info or email team@shca.info.

Service portfolio analysis

To determine which specialised services are appropriate for greater ICB leadership, NHSE reviewed each service to assess its suitability and readiness (see [appendix 1](#) for more detail). NHSE determined that there are:¹



These figures exclude budgets for high-cost drugs, devices and other national programmes, which will continue to be held centrally by NHSE.¹

A [full list](#) of the services deemed suitable and ready for greater ICB leadership was published in February 2023. It includes (but is not limited to) most specialist cancer services, most specialist renal services and most specialist neurosciences services for adults.⁴

*Does not add to 154 because some services have been split into multiple 'service lines', eg specialist renal services have been divided into kidney dialysis (suitable and ready for greater ICB leadership from April 2023) and kidney transplantation (suitable, but not yet ready, for greater ICB leadership).

** Includes all 78 'highly specialised services', which are usually provided to no more than 500 patients per year and are typically delivered through a very small number of centres.



Joint commissioning

In 2023/24, NHSE and ICBs are expected to establish nine statutory joint committees to commission the 59 specialised services deemed suitable and ready for greater ICB leadership (see [appendix 2](#) for more detail). The committees will be legally underpinned by a Joint Working Agreement (JWA), which will set out the roles and responsibilities of each organisation.^{1, 5}

Through joint committees, NHSE and ICBs will work together to oversee and take commissioning decisions for delegated services.¹ Each committee will develop a delivery plan, which should identify at least three key priority pathways for transformation.⁶ However, budgets and contracts with individual providers will remain fully with NHSE.¹

2023/2024 is seen as a “*stepping stone*” towards full delegation of appropriate specialised services to ICBs from April 2024 – including budgets. NHSE will always be the accountable commissioner, and will retain responsibility for setting national standards, assurance of and support to ICBs for delegated services, and commissioning retained services.¹

The two ICBs in South London are the exceptions to the rule. They want to take on full commissioning responsibility for appropriate specialised services from 2023/24, rather than 2024/25. NHSE plans to work with them over the next year to test key elements of delegation in a “*safe and managed way*”.¹



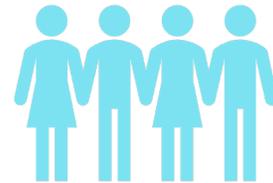
Financial framework

More than £20bn is spent on specialised services every year in England (~15% of the total NHS budget). NHSE wants to change the way specialised services are funded to make it easier to join up patient pathways, help address health inequalities and give ICBs more flexibility over how they use their budget to meet the needs of their local population. There will be a phased approach to changing how finances work over the next few years:^{1, 2, 7}



2022/23: Host provider basis (regional)

Funding is allocated to NHSE regional teams, according to where a service is provided and based on historical levels of spend



2023/24: Population basis (regional)*

Funding will be allocated to NHS regional teams, according to local population needs, but still based on historical levels of spend



From 2024/25: Population basis (local)*

Funding will be allocated to ICBs, according to local population needs and based on the “*gradual and cautious*” application of a new needs-based methodology

*Retained services will continue to be funded on a host provider basis, and NHSE’s approach to funding high-cost drugs and devices will also remain unchanged.



Clinical leadership

National standards (including service specifications and clinical commissioning policies) will continue to apply to all specialised services, whether retained or delegated.^{1, 2}

The development of national standards is supported by clinical leaders via 52 Clinical Reference Groups (CRGs) aligned to six [National Programmes of Care](#) (NPoC).^{*} Each CRG operates according to one of three models:⁸

Transform

CRGs responsible for major NHSE priority areas, consisting of a fully constituted group led by a National Clinical Director (NCD) or National Speciality Adviser (NSA)

Lead and inform

CRGs responsible for delivering a formal work programme, consisting of a fully constituted group led by a NSA

Respond and advise

CRGs responsible for providing ad hoc advice to NHSE and ICBs, consisting of a National Clinical Lead and network of advisers (ie not a fully constituted group)

Working with CRGs, NHSE intends to review all service specifications over the next 3-5 years. There will be a focus on *what* the key service components should be to maximise quality and outcomes, while giving ICBs appropriate freedom and flexibility to decide *how* services are delivered.²

^{*}A small number of CRGs sit outside the six NPoC. These are: Medicines Optimisation; Gender Dysphoria; Armed Forces; Health and Justice; and Genomics.



Patient and public involvement

NHSE has stated that it will “ensure continued involvement of people and communities in specialised commissioning.” This includes the following:^{2, 3}

Patient and Public Voice Assurance Group (PPVAG)

The PPVAG advises NHSE on how to effectively engage with patients and the public on specialised services

Specialised Services Stakeholder Forum

The Forum provides an opportunity for patient groups to learn about and shape specialised commissioning policy

Representation on wider NHSE groups

Patients are represented on NPoC, CRGs, the Clinical Priorities Advisory Group (CPAG) and the Rare Disease Advisory Group (RDAG)

ICB engagement

NHSE has stated that it will provide guidance and support to ICBs on involving patients and the public in delegated decision-making

For more information on how to get involved, please visit [NHSE's website](#). One of the easiest things you can do is become a registered stakeholder. This means you will receive updates on the work of specific CRGs, including invitations to take part in consultations.³



Oversight and assurance

NHSE regional teams will develop detailed oversight and assurance arrangements for joint working in 2023/24. It is expected that these will largely follow existing mechanisms and structures (and be aligned to the [NHS Oversight Framework](#) and [NHSE Operating Framework](#)). High-level roles and responsibilities are likely to be as follows:²

NHSE national team	NHSE regional teams	NHSE-ICB joint committees
<ul style="list-style-type: none">• Ultimate oversight of delegated services, via a new Delegated Commissioning Group (DCG), and retained services• Maintain clinical leadership infrastructure to advise on the development of national standards	<ul style="list-style-type: none">• Determine and coordinate operational arrangements for oversight and assurance• Act on advice from joint committees to decide appropriate support and/or intervention as required	<ul style="list-style-type: none">• Oversee and monitor performance of delegated services• Escalate and report issues to NHSE regional/national team as appropriate

A longer-term approach to oversight and assurance, for 2024/25 onwards, is in development. NHSE wants to strike a balance between ensuring that ICBs are carrying out their commissioning responsibilities appropriately, while also allowing them sufficient freedom and flexibility in the design and delivery of specialised services.²

Case studies

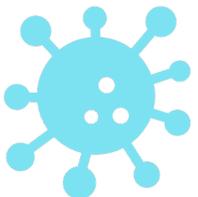
NHSE has published various case studies to outline what it sees as the potential benefits of delegating suitable specialised services. These have been summarised below:²



Renal services: Currently some services, such as dialysis, are commissioned by NHSE and other services, such as most outpatient care, are commissioned by ICBs. NHSE says one benefit of integration is that it will be easier to deliver upstream interventions in primary care around diagnosis and early treatment, which can prevent or delay the need for dialysis and transplants later on.



Mental health, learning disability and autism services: According to NHSE, more joined up commissioning of specialised and non-specialised services – overseen by NHS-Led Provider Collaboratives – has already driven an increased focus on clinically led transformation. This has resulted in greater investment into earlier parts of the pathway such as local and community provision, in turn reducing demand on inpatient services, and delivering better patient outcomes and experience.



HIV services: NHSE, ICBs and local authorities are all involved in the commissioning of HIV services. NHSE believes that reform should provide an opportunity to join up the commissioning of HIV services with genitourinary medicine (GUM) and sexual health (SH) services, as well as strengthening links to other services including drugs and alcohol, domestic abuse, and mental health services.

References

- ¹ NHS England. *NHS England public board meeting – agenda and papers – 2 February 2023 (Item 7: Next steps on the delegation of specialised services commissioning)*. 2023. Available from: <https://www.england.nhs.uk/wp-content/uploads/2023/02/board-2-feb-23-item-7-delegation-of-spec-comm.pdf>. Accessed March 2023
- ² NHS England. *Roadmap for integrating specialised services within Integrated Care Systems*. 2022. Available from: <https://www.england.nhs.uk/wp-content/uploads/2022/05/PAR1440-specialised-commissioning-roadmap-addendum-may-2022.pdf>. Accessed March 2023
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- ⁵ NHS England. *NHS England public board meeting – agenda and papers – 2 February 2023 (Item 7: Annex B assessment of system readiness)*. 2023. Available from: <https://www.england.nhs.uk/wp-content/uploads/2023/02/board-2-feb-23-item-7-annex-b-assessment-of-system-readiness.pdf>. Accessed March 2023
- ⁶ NHS England. *2023/24 priorities and operational planning guidance*. 2022. Available from: <https://www.england.nhs.uk/publication/2023-24-priorities-and-operational-planning-guidance/>. Accessed March 2023
- ⁷ NHS England. *Revenue finance and contracting guidance for 2023/24*. 2022. Available from: <https://www.england.nhs.uk/publication/2023-24-revenue-finance-and-contracting-guidance/>. Accessed March 2023
- ⁸ NHS England. *National Programmes of Care and Clinical Reference Groups*. Available from: <https://www.england.nhs.uk/commissioning/spec-services/npc-crg/>. Accessed March 2023

Acronyms

- **CPAG** – Clinical Priorities Advisory Group
- **CRG** – Clinical Reference Group
- **DCG** – Delegated Commissioning Group
- **ICB** – Integrated Care Board
- **JWA** – Joint Working Agreement
- **NCD** – National Clinical Director
- **NHSE** – NHS England
- **NPoC** – National Programmes of Care
- **NSA** – National Specialty Adviser
- **PPVAG** – Patient and Public Voice Assurance Group
- **RDAG** – Rare Diseases Advisory Group
- **SHCA** – Specialised Healthcare Alliance

Appendix 1 | Service suitability and readiness criteria

Service suitability for increased ICS leadership				Service readiness for increased ICS leadership			
Co-dependent services	Financial risk and volatility		Number of providers	Patient and clinical benefit	Future horizon scan	Suitability of the provider landscape	Adequate supporting commissioning infrastructure
Determined through clinical and NPoC engagement	19/20 total outturn £m	19/20 outturn activity	Number of providers 20/21 taken from NHS England Specialised Commissioning financial tiering analysis	Potential to bring improvements to the quality of care delivered?	Any disruptive technologies in the pipeline which could potentially alter the current service delivery model?	Is the service associated with significant % of out-of-area-flows?	Appropriate governance infrastructure in place?
	Provider income volatility			Opportunities to address pathway fragmentation concerns?	Would any innovative treatments in the pipeline require national commissioning at first?	Would delegating the service to an ICS risk destabilising the current service delivery model?	Robust information sharing infrastructure in place (one version of the truth)?
	Year-on-year % patient volume and financial volatilities			Opportunities to reduce health inequalities?	Is there a risk any treatment delivery would be significantly impacted as a result of therapies in the pipeline?	Would delegating the service to an ICS negatively impact any provider network arrangements?	Adequate commissioning capacity and capability available to manage the service?
				Potential impact on patient outcomes			

Appendix 2 | Proposed joint committees

