

# Sustainability and transformation plans (STPs):

How do you know if STPs are making a positive impact?



## What are STPs?

STPs are part of a new planning framework for NHS services. Announced in the NHS planning guidance in December 2015, STPs are strategic, multi-year plans running to March 2021 which aim to address the three major challenges facing health and care systems: health and wellbeing; quality and safety; and finance and efficiency.

In tandem and aligned with STPs, all NHS organisations submitted two-year organisational plans in November 2016 to operationalise the first two years of the STP vision.

Each plan is required to address how local partners meet key national commitments, including returning NHS services to financial balance, seven day services, targets for cancer treatment and outcomes, investment in primary care and focusing more on prevention. More information is given in section 3 below.

STPs are intended to be the vehicles by which local areas will access NHS funding for transformation from March 2017. In 2016/17 the transformation fund is £2.3 billion, rising to £3.4 billion by 2021.

Though STP leads and the partnerships working on the plans have no statutory basis and are not legal entities, they derive their authority to act from the consent and participation of their participant organisations: namely clinical commissioning groups (CCGs), providers of NHS services and local authorities.

There are 44 STP footprints covering the whole of England. According to the NHS England guidance. The 44 STP footprints take account of the increased scale needed to plan and deliver services based on population size. Although the planned footprints are currently being used, they may adapt over time. There has been concern about the boundaries of the STP footprints in some localities, particularly where they are not coterminous with, council, health and wellbeing board (HWB), or combined authority boundaries. In addition, many commissioners and providers will need to

work across more than one footprint, or expected to align planning for some NHS services (like specialised care or urgent and emergency care planning which may have a slightly different footprint) with the broader STP process.

## Why do you need to know?

### STPs and local leadership

This 'Must Know' for lead members focuses on the role for elected members in the STP process and what plans may mean for lead members and local communities at the time of publication. We will continue to update the Local Government Association (LGA) website with information and resources.

Lead members will wish to continue to use available structures, programmes and mechanisms, such as HWBs and now STPs, to bring about improvements in the quality and experience of care across the whole health and social care system.

The STP guidance<sup>1</sup>, issued by NHS England and national health partners in February 2016, states that STPs should be, "used to drive a genuine and sustainable transformation in patient experience and health outcomes in the long term." STPs are intended to address the three challenges facing health systems: the health and wellbeing challenge, the quality and safety challenge and the finance and efficiency challenge.

If STPs work as intended, they therefore can provide an opportunity:

- to help to build and strengthen local relationships by expecting providers of NHS services, clinical commissioning groups (CCGs), local authorities, and other health and care services to come together and develop robust plans to transform the way that health and care is planned and delivered for their local populations
- for local government to work with health partners to reshape services for the benefit of their local communities, potentially being

<sup>1</sup> <https://www.england.nhs.uk/wp-content/uploads/2016/02/sustainability-transformation-plan-letter-160216.pdf>

a vehicle to support full integration of health and care and breach the silos where they exist to support partnerships to deliver new models of care

- to identify the totality of the health and social care funding gap and support partners to work together to facilitate whole-system transformation of local service provision to improve quality, service user experience and outcomes, and provide value for money.

The STP guidance is clear about the crucial role of local government and highlights that success depends upon the engagement of all partners across a local system. It encourages STPs to build on the work of HWBs, including joint strategic needs assessments, and health and wellbeing strategies to develop a place based strategy for improving health outcomes, improving the quality and safety of services and achieving financial sustainability. Members will want to work with officers and local partners to make this vision a reality.

## The LGA view on the role of local leadership in STPs

An essential element of successful transformation and greater integration is robust, transparent governance to enable implementation. The level of involvement and engagement of elected members and other key stakeholders in the development of STPs has so far been as variable as STPs themselves. Where elected members have been excluded from the process of developing plans, their ability to exert influence has been limited.

When STPs were first introduced, the LGA stated that early engagement with political leadership, through HWBs, should help STPs build and strengthen existing place based strategies such as joint health and wellbeing strategies, Better Care fund plans, Transforming Care plans etc.

The LGA continues to press for the support and commitment of NHS providers and commissioners to engage members and HWBs in an open and transparent process. HWBs, as a system-wide forum – and in particular elected members with their democratic mandate from local communities – must be central to the development of STPs. STPs must be informed by joint strategic needs assessment and the joint health and wellbeing strategy as developed by HWBs.

Councils – and local leaders – have a long track record in public engagement and a wide reach into their communities. Lead members will have an important role in explaining the purpose of STPs to local communities, and in ensuring that their concerns and aspirations for the future of health and care services are fully considered. They are also best placed to advise on early and effective public engagement to support development and implementation of STPs.

It is crucial that there is an ‘honest conversation’ with the public on the challenges facing the NHS and the changes that need to happen in order for the STP process to deliver on its stated objectives. As part of this, it is vital that STPs involve local political leaders, especially in areas where proposed NHS reconfigurations are planned and will require formal public consultation.

Health and social care are interdependent: it is not possible to achieve financial sustainability within the NHS acute services without a financially sustainable system of social care. Lead members will wish to advocate that the STP fully analyses and addresses the totality of the funding pressures and quality gap across the health and social care system and recognises that these pressures cannot be solved in isolation.

Elected members will want to ensure that the financial challenges of the NHS do not overshadow other challenges. Funding models should include the shift towards prevention, health improvement and long-term care. There should be a clear route to reducing demand, empowering communities and promoting health and wellbeing in its

broadest sense, making the most of all the assets in local communities, social care, public health and housing.

The LGA has promoted a place based approach for several years. We welcome the fact that the concept of 'place' has become an important one in developing a vision based around the needs of people, cutting across organisational and sectoral boundaries and drawing on the collective resources of local communities.

Integration is a core component of a place based approach, and all areas will need to develop plans charting their route to full integration of health and care by 2020. We are committed to ensuring that these are aligned to and build on STPs. Our collective aim should be to improve health and wellbeing of local people – sometimes through organisational change – through better planning of local health, social care and public health systems and addressing the deficits in care and quality, and health and wellbeing.

## How do you know if STPs are making a positive impact?

### What we know

As noted above, all individual NHS organisations within each STP footprint were also required to submit two-year operational plans aligned to their STP objectives in November 2016. Each of the 44 footprints submitted draft STPs on 21 October 2016 and these drafts have now been published. Further information on how STPs are developing are given below, so lead members can work with officers and other partners to assess the development of their STP.

Several key themes are common to many and below is a summary of the main themes.

### Political engagement

- Engagement of health and wellbeing boards and local politicians varies greatly. Where engagement is in place, the plans appear to give a greater consideration of the whole system.

- Where STPs are working well, STP leaders present plans regularly to health and wellbeing boards and at public meetings.

### Leadership and governance arrangements

- Four of the 44 STP areas have local authority lead officers.
- Around half the plans incorporate oversight from HWBs, scrutiny committee or cabinets in their governance structures. A majority have local government representation on programme boards, most usually council chief executives.
- Where STPs were felt to be functioning well, council officers are leading work streams, for example directors of public health leading on prevention.

### Financial sustainability

- All plans include a 'do nothing' scenario for 2020/21 which unanimously shows the current system is unsustainable and the funding gap will continue to widen unless there is considerable transformation across the system.
- The level of detail in financial planning varies greatly. Some have relatively robust plans, forecasting a surplus in the health system by 2020/21. However, too often plans have not properly accounted for social care. At least two-thirds of the plans identify the social care financial gap but do not factor this into a system-wide approach to service planning or financial balance.

### Public engagement

- Some STPs have gone to great efforts to consult the public and service users while others have built onto existing engagement activity. The majority of STP areas have not undertaken specific engagement. Overall, public engagement has been a significant weakness of the process to date. Many plans have not sufficiently engaged the public on reconfiguration options or presented a clear and accessible 'case for change'.
- Many areas outlined preparations for more formal engagement and consultation taking place between November 2016 and March 2017.

- Some local authorities have stated that their support for the STP is conditional on proper public consultation and scrutiny.
- Many noted significant workforce challenges, including recruiting doctor, nurse and social worker posts, and training required for new roles and to deliver new systems of care. A significant number of GPs, who are central to delivering STPs, are set to retire in the next five years and recruitment is difficult in most areas.

### Prevention

- Although all draft plans acknowledge the importance of investing in prevention, it is not to the scale or scope many would recognise. Most focus more narrowly on health prevention such as smoking cessation and immunisation, whilst only around a third of plans show a clearer commitment to tackling the wider determinants of health, such as employment and housing.

### System reconfiguration

- Acute/urgent care downgrades feature in the vast majority of plans with A&E, maternity and stroke services most commonly up for review and fewer services covering larger areas.
- There are widespread plans for a greater role for primary care. This includes the creation or expansion of 'community hub' type models, with GPs taking a more central role in the wider system. This seeks to result in an increase in primary care support staff and fuller integration of a range of activity such as pharmacy, mental health, outpatient services, social care, community and voluntary services, and prevention.
- Reduction in community hospitals is a common theme in the plans: there are sites that will maintain bed capacity, others will reduce and there are some sites set for closure. Other key areas of focus included estate rationalisation, better workforce integration, back office consolidation and a greater role of digital technologies.

### Operational challenges

- Common concerns are how local areas will manage the shift to a seven-day NHS, as well as managing national targets around A&E waiting times and delayed transfers of care (DToC).

## Where do we go from here?

STPs vary in their quality, specificity and readability. Following analysis by the LGA, generally, good plans were more likely in areas with two critical features:

- Strong and equitable local relationships between health and local government leaders, as well as other stakeholders, providing the collective energy required for whole system transformation.
- Localities further along the place-based and integration journey, which already had broad local consensus, were more equipped to produce ambitious plans in the timeline set by NHS bodies. (Conversely, some of these areas have well developed local development plans/existing NHS plans which have not translated to STP-wide initiatives).

To enable local authorities and elected members to play the most positive role they can to support and work with local health partners, lead members will wish to continue to:

- secure political engagement by including elected members on the advisory group for STPs and ensuring that STP leaders regularly consult and inform elected members and health and wellbeing boards

- consider how to develop – and secure buy in to – robust governance arrangements with clear lines of accountability into your health and wellbeing board, overview and scrutiny committee and cabinet, supported by clear communication and engagement strategies jointly owned by STP partners
- ensure that any sensitive propositions such as reconfiguration proposals are shared with elected members at an early stage to discuss their concerns well before formal consultation stage and find ways to build on and cross-refer to existing plans which already have local support
- be champions for the engagement of and consultation with local communities, speaking up for transparency and accountability in the development and implementation of the STP, and ensuring there is a system both for involving citizens and then monitoring their responses to proposals and service changes
- enable a shift from acute to preventative and community services should be a central concept in STPs and the concept of prevention goes beyond a focus on single diseases
- advocate for STPs to utilise personal and communities' strengths and assets
- have clarity on how the STP will improve health outcomes, alongside improving services and address financial accountability
- ensure that STPs fully take account of the financial pressures on social care and that it address these pressures including a system-wide approach to service planning and financial balance.
- To what extent are HWBs acting strategically to exert maximum influence on the STP? Have you considered streamlining or merging health and wellbeing boards across the STP footprint as and when appropriate?
- Do your health and wellbeing board members have good relationships with STP leaders and if not, what further action can take place to facilitate and promote close working relationships?
- Do you understand the funding models being developed and how they may impact on your budgets?
- Do you understand the concepts used in developing integrated care such as risk stratification, population segmentation and funding models such as capitation? (see integration 'Must Know' briefing).
- If your health and wellbeing board is not exercising a 'system leadership' role and actively involved in and overseeing STP developments, who are you working with to discuss, what if anything, can the HWB do to increase its influence?
- Do the models of prevention and early intervention in the STP include social care, public health and other local government services such as housing, where appropriate?
- What systems are in place to monitor and evaluate the health and wellbeing outcomes and value for money of new service models?
- Are you benchmarking or planning to benchmark your progress against the achievements of comparable STP areas, as part of your performance management systems?

## Questions to consider

To support the above, lead members may wish to consider the following key questions:

- Are you encouraging other councillors to develop close working relationships across the STP footprint – including with STP, local authority and NHS leadership – as key to delivering the benefits to local people?

## How the LGA can support you

The LGA recognises the challenges and opportunities the STP process is creating locally. We will continue to press the NHS at local and national level to adopt a partnership approach with local government to the further

development of plans as a partnership of equals. To achieve this, we will:

- advocate for strong local accountability, to ensure that health and wellbeing boards and appropriate council officers are central to the development of STPs
- support health and wellbeing boards and their chairs in addressing and influencing wider regional issues emerging from STP geographies, including working with neighbouring boards and exploring implications for overview and scrutiny arrangements
- raise concerns regionally and nationally about the challenges in balancing the demands of separate planning and regulatory frameworks, and will support local systems to align and simplify these, building on existing arrangements where possible
- promote the use of health and wellbeing strategies, joint needs assessments, Better Care Fund plans and other existing partnership transformation plans as the key building blocks for identifying STP priorities
- push for clear guidance from the national support teams to help local systems navigate the differing planning requirements, timescales and footprints of existing programmes because this is, in some places, creating some duplication, confusion and additional bureaucracy
- urge that STPs are developed in step with future policy developments, including what 2017-2021 integration plans should cover, around a sense of place, building preventative, person-centred approaches to improving health and wellbeing
- offer support products such as an integration self-assessment tool and facilitated workshop, which support local health and care leaders to assess their capacity, capability and commitment to move at scale and pace towards integration of health and social care (see 'key resources' below for details).

## What is the legislative and policy context?

### The legislative framework

The Health and Social Care Act 2012 places a duty on local authorities through their health and wellbeing boards to encourage integrated working between health and social care. The 2006 NHS Act places a similar duty on clinical commissioning groups.

The Care Act 2014 places a duty on councils to promote integration. Health and wellbeing boards are required to oversee the planning and implementation of the Better Care Fund, set up in 2013 to create a local single pooled budget to incentivise the NHS and local government to work more closely together, shifting resources into social care and community services to reduce the demand for emergency, acute and residential care.

### The Five Year Forward View (FYFV)

Published by the arms-length bodies for the NHS in October 2014, sets out the 'triple challenge' for the NHS:

- the health and wellbeing gap – the urgent need to reduce demand on the NHS by shifting focus and investing in prevention services and addressing health inequalities
- the care and quality gap – reduce variations in the quality, safety and outcomes in care by greater use of technologies and innovations
- the funding and efficiency gap – to ensure the long-term financial sustainability of the NHS and that additional funding is used to improve efficiencies and transform services.

The FYFV provides a vision for the NHS to deliver new models of care with a greater focus on prevention and integration, in order to address this triple challenge and improve outcomes for patients and communities. The LGA supports this objective. The move away from individual NHS organisations just being asked to submit annual plans, towards longer-term, place-based strategies has been welcomed by the LGA. Also welcome is the explicit recognition of the importance of adult social care and the NHS working together, and the contribution of wider services in effective prevention.

## The November 2015 spending review

This outlined the Government's ambitions for the NHS and adult social care from 2016-2021, the same window covered by the FYFV. The spending review also set out a clear expectation that by 2020, health and care will be integrated across England and to develop a plan to achieve this by 2017.

## The future

As well as implementing the Better Care Fund, many local areas are developing more ambitious integrated health and care provision. Further Department of Health guidance on integration, including how areas can progress beyond Better Care Fund programme management arrangements, is still being agreed. The NHS mandate is also expected to require local areas to state how better integration between health and social care. The Spending Review offered a range of models to achieve this ambition, including integrated provider models or devolved accountabilities as well as joint commissioning arrangements. The STP guidance requires STPs to be aligned with these local integration programmes and ambitions.

## What further resources are available?

### Key resources

**Stepping up to the place: the key to successful integration**, published in June 2016, sets out the essential characteristics of an integrated system to achieve improved health and wellbeing for local populations. It is the shared vision for a fully integrated health and care system by the LGA, NHS Clinical Commissioners, the NHS Confederation and the Association of Directors of Adult Social Services.

Stepping up to the place: the key to successful health and care integration:  
[www.nhsconfed.org/resources/2016/06/stepping-up-to-the-place-the-key](http://www.nhsconfed.org/resources/2016/06/stepping-up-to-the-place-the-key)

This vision is supported by an **integration self-assessment tool and workshops**, which support local health and care leaders to assess their capacity, capability and commitment to move at scale and pace towards integration of health and social care. After being piloted in several areas, the workshops are now available to all local areas as part of the LGA's Care and Health Improvement Programme. The tool and workshop is designed to support transformation across place and so could be used by STP leaders to assess their capacity for transformation and integration across their footprint.

Stepping up to the place: integration self-assessment tool

[www.local.gov.uk/integration-better-care-fund/-/journal\\_content/56/10180/8090582/ARTICLE](http://www.local.gov.uk/integration-better-care-fund/-/journal_content/56/10180/8090582/ARTICLE)

## Web resources on STPs

LGA web pages and links to resources on STPs:

[www.local.gov.uk/integration-better-care-fund/-/journal\\_content/56/10180/7772969/ARTICLE](http://www.local.gov.uk/integration-better-care-fund/-/journal_content/56/10180/7772969/ARTICLE)

NHS England page on STPs:

[www.england.nhs.uk/ourwork/futurenhs/deliver-forward-view/stp/](http://www.england.nhs.uk/ourwork/futurenhs/deliver-forward-view/stp/)

NHS England guidance on STP (February 2016):

[www.england.nhs.uk/wp-content/uploads/2016/02/sustainability-transformation-plan-letter-160216.pdf](http://www.england.nhs.uk/wp-content/uploads/2016/02/sustainability-transformation-plan-letter-160216.pdf)

King's Fund reports and briefings on STPs:

[www.kingsfund.org.uk/projects/sustainability-and-transformation-plans](http://www.kingsfund.org.uk/projects/sustainability-and-transformation-plans)

HSJ map with links to all 44 STPs and related HSJ news stories:

[www.hsj.co.uk/topics/stps/mapped-all-44-stps-published-full-coverage/7013064.article?utm\\_source=t.co&utm\\_medium=Social&utm\\_campaign=freefeed](http://www.hsj.co.uk/topics/stps/mapped-all-44-stps-published-full-coverage/7013064.article?utm_source=t.co&utm_medium=Social&utm_campaign=freefeed)

NHS England (2014), The NHS Five Year Forward View:

[www.england.nhs.uk/ourwork/futurenhs/](http://www.england.nhs.uk/ourwork/futurenhs/)

## General resources

LGA web pages and links to resources on integration:

[www.local.gov.uk/integration-better-care-fund](http://www.local.gov.uk/integration-better-care-fund)

Lead member development opportunities:

[www.local.gov.uk/adult-social-care/-/journal\\_content/56/10180/5801791/ARTICLE](http://www.local.gov.uk/adult-social-care/-/journal_content/56/10180/5801791/ARTICLE)

Landing page for tools and resources for care and health improvement:

[www.local.gov.uk/chip/-/journal\\_content/56/10180/6010137/ARTICLE](http://www.local.gov.uk/chip/-/journal_content/56/10180/6010137/ARTICLE)

## Related 'Must Knows'

How do you know you are making progress in the personalisation of adult social care?

How do you know your council is performing well in adult social care?

How do you know your council is actively promoting integration of health and social care?

How do you know you are making the best use of scarce resources?

How do you know that you are implementing care and support reforms effectively?



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