

2023-2024 NHS Priorities and Operational Planning Summary

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Key Highlights

On 23 December 2022, NHS England (NHSE) released its 2023/24 priorities and operational planning guidance [NHS Operational Planning Guidance for 2023/24](#), outlining three priority areas for the service:

1. **to recover core productivity;**
2. **progress the aspirations in the Long Term Plan; and**
3. **transform the health and care system for the future.**

- This year's guidance contains **12 national priorities with 31 metrics overall** and it is notably shorter –The guidance allows for ICBs to define what they want to focus on locally. It is also positive to see more flexible funding for systems to deliver on local priorities with a clear focus on outcomes and partnership working.
- The guidance signals the **importance of inequalities and prevention work** and advises on best practice for NHS contribution to a system-wide approach and strong partnerships with local government and other partners. It acknowledges that NHS performance is challenged everywhere, but that the problems will be best resolved with local solutions rather than national instructions, this sentiment also reflects NHSE's new operating framework and the aims of the [Hewitt Review](#).
- The guidance rightly acknowledges the **critical contribution of our workforce** in delivering the priorities. Restating the commitment to publishing a long-term workforce plan, but no decisions on funding and priorities. The ask is to refresh workforce plans for 2023/24.
- The guidance recognizes that the long-term sustainability of health and social care also depends on having the right **digital foundations** with reference to NHSE working with systems to level up digital infrastructure and drive greater connectivity-
- ICBs are asked to work with their system partners to **develop plans to meet the national objectives** set out in this guidance and the local priorities set by systems. These are based on what systems and providers have already demonstrated makes the most difference to patient outcomes, experience, access and safety.
- System plans need to be triangulated across activity, workforce and finance, and signed off by ICB and partner trust and foundation trust boards before the **end of March 2023**.

National NHS objectives 2023/24

- The 12 national priorities with 31 metrics on this slide are supported by a set of key evidence-based actions. All systems are asked to develop plans to implement these. To assist systems in developing their plans a summary of other guidance, best practice, toolkits and support available from NHS England is available on the planning pages of [NHSFutures](https://www.nhs.uk/england/planning).

Area	Objective	
Recovering our core services and improving productivity	Urgent and emergency care*	
	Improve A&E waiting times so that no less than 76% of patients are seen within 4 hours by March 2024 with further improvement in 2024/25	
	Improve category 2 ambulance response times to an average of 30 minutes across 2023/24, with further improvement towards pre-pandemic levels in 2024/25	
	Community health services	Reduce adult general and acute (G&A) bed occupancy to 92% or below
		Consistently meet or exceed the 70% 2-hour urgent community response (UCR) standard
	Primary care*	Reduce unnecessary GP appointments and improve patient experience by streamlining direct access and setting up local pathways for direct referrals
		Make it easier for people to contact a GP practice, including by supporting general practice to ensure that everyone who needs an appointment with their GP practice gets one within two weeks and those who contact their practice urgently are assessed the same or next day according to clinical need
		Continue on the trajectory to deliver 50 million more appointments in general practice by the end of March 2024
	Elective care	Continue to recruit 26,000 Additional Roles Reimbursement Scheme (ARRS) roles by the end of March 2024
		Recover dental activity, improving units of dental activity (UDAs) towards pre-pandemic levels
	Cancer	Eliminate waits of over 65 weeks for elective care by March 2024 (except where patients choose to wait longer or in specific specialties)
		Deliver the system-specific activity target (agreed through the operational planning process)
		Continue to reduce the number of patients waiting over 62 days
	Diagnostics	Meet the cancer faster diagnosis standard by March 2024 so that 75% of patients who have been urgently referred by their GP for suspected cancer are diagnosed or have cancer ruled out within 28 days
		Increase the percentage of cancers diagnosed at stages 1 and 2 in line with the 75% early diagnosis ambition by 2028
	Maternity*	Increase the percentage of patients that receive a diagnostic test within six weeks in line with the March 2025 ambition of 95%
		Deliver diagnostic activity levels that support plans to address elective and cancer backlogs and the diagnostic waiting time ambition
	Use of resources	Make progress towards the national safety ambition to reduce stillbirth, neonatal mortality, maternal mortality and serious intrapartum brain injury
		Increase fill rates against funded establishment for maternity staff
	Workforce	Deliver a balanced net system financial position for 2023/24
		Improve retention and staff attendance through a systematic focus on all elements of the NHS People Promise
	Mental health	Improve access to mental health support for children and young people in line with the national ambition for 345,000 additional individuals aged 0-25 accessing NHS funded services (compared to 2019)
		Increase the number of adults and older adults accessing IAPT treatment
		Achieve a 5% year on year increase in the number of adults and older adults supported by community mental health services
		Work towards eliminating inappropriate adult acute out of area placements
		Recover the dementia diagnosis rate to 66.7%
	People with a learning disability and autistic people	Improve access to perinatal mental health services
		Ensure 75% of people aged over 14 on GP learning disability registers receive an annual health check and health action plan by March 2024
	Prevention and health inequalities	Reduce reliance on inpatient care, while improving the quality of inpatient care, so that by March 2024 no more than 30 adults with a learning disability and/or who are autistic per million adults and no more than 12-15 under 18s with a learning disability and/or who are autistic per million under 18s are cared for in an inpatient unit
		Increase percentage of patients with hypertension treated to NICE guidance to 77% by March 2024
		Increase the percentage of patients aged between 25 and 84 years with a CVD risk score greater than 20 percent on lipid lowering therapies to 60%
	Continue to address health inequalities and deliver on the Core20PLUS5 approach	

Recovering our core services and productivity (Actions)

Urgent and emergency care

- Increase physical capacity and permanently sustain the equivalent of 7,000 beds of capacity that was funded through winter 2022/23.
- Reduce the number of medically-fit-to-discharge patients, addressing NHS causes as well as working in partnership with local authorities.
- Increase ambulance capacity
- Reduce handover delays to support the management of clinical risk across the system.
- Maintain clinically led [system control centres](#) to effectively manage risk.
- NHS England will publish an urgent and emergency care recovery plan in the new year. Delivery will be supported by £1 billion through system allocations to increase capacity, with an expectation that virtual ward use is increased towards 80 per cent by the end of September 2023. £600 million will be available through the Better Care Fund in 2023/34 (£1 billion in 2024/25) to support timely discharge in addition to an increase in allocations for systems that host ambulance services.

Community health services

- Increase referrals into urgent community response, with a focus on maximising referrals from 111 and 999; and creating a single point of access where not already in place.
- Expand direct access and self-referral where GP involvement is not clinically necessary. By September 2023, put in place:
 - direct referral pathways from community optometrists to ophthalmology services for all urgent and elective eye consultations
 - self-referral routes to falls response, musculo-skeletal physiotherapy, audiology-including hearing aid provision, weight management, community podiatry, and wheelchair and community equipment services.
- NHS England will allocate core funding growth for community health services as part of the ICB allocation, with £77 million of service development funding maintained in 2023/24.

Primary care

- Ensure people can more easily contact their GP practice.
- Transfer lower acuity care away from both general practice and NHS 111 by increasing pharmacy participation in the Community Pharmacist Consultation Service.
- NHSE will publish the general practice access recovery plan in the new year, as well as the themes for further engagement that will inform the negotiations for the 2024/25 contract. Delivery will be supported by funding as part of the five-year GP contract, including £26,000 funding for through the Additional Roles Reimbursement Scheme. Integrated care board (ICB) primary medical allocations are being uplifted by 5.6 per cent to reflect the increases in GP contractual entitlements.

Recovering core services (cont.)

Elective care

- Deliver an appropriate reduction in outpatient follow-up in line with the national ambition to reduce activity by 25 per cent against the 2019/20 baseline by March 2024.
- Increase productivity and meet the 85 per cent day case and 85 per cent theatre utilisation expectations.
- Offer meaningful choice at point of referral and at subsequent points in the pathway, and use alternative providers if people have been waiting a long time for treatment including through the Digital Mutual Aid System.
- NHSE will agree elective activity targets with systems for 2023/24 through the planning round on the basis that COVID-19 demand will be similar to that in the last 12 months. NHSE will allocate £3 billion of elective recovery funding to ICBs and regional commissioners on a fair shares basis and continue to work with systems and providers to maximise the impact of the three-year capital Targeted Investment Fund put in place in 2022.

Cancer

- Implement priority pathway changes for lower GI (at least 80 per cent of FDS lower GI referrals are accompanied by a FIT result), skin (teledermatology) and prostate cancer (best practice timed pathway).
- Increase and prioritise diagnostic and treatment capacity, including ensuring that new diagnostic capacity, particularly via community diagnostic centres (CDCs), is prioritised for urgent suspected cancer. Nationally, a 25 per cent increase in diagnostic capacity for cancer and a 13 per cent increase in treatment capacity is expected to be required.
- Expand the Targeted Lung Health Checks (TLHC) programme and ensure sufficient diagnostic and treatment service capacity to meet this new demand.
- Commission key services which will underpin progress on early diagnosis, including non-specific symptoms pathways (to provide 100 per cent population coverage by March 2024), surveillance services for Lynch syndrome, BRCA and liver; and work with regional public health commissioners to increase colonoscopy capacity to accommodate the extension of the NHS bowel screening programme to 54-year-olds.
- The Cancer Alliance planning pack will provide further information to support the development of cancer plans by alliances and these, subject to ICB agreement, are expected to form part of wider local system plans.

Diagnostics

- Maximise the pace of roll-out of additional diagnostic capacity, delivering the second year of the three-year investment plan for establishing community diagnostic centres (CDCs) and ensuring timely implementation of new locations and upgrades to existing CDCs.
- Deliver a minimum 10 per cent improvement in pathology and imaging networks productivity by 2024/25 through digital diagnostic investments and meeting optimal rates for test throughput.
- Increase GP direct access in line with the national rollout ambition and develop plans for further expansion in 2023/24.

Recovering core services (cont.)

Maternity and neonatal services

- Continue to deliver actions from the [Ockenden April 2022 letter](#) and those that will be set out in the single delivery plan for maternity and neonatal services (due to be published in early 2023).
- Ensure all women have personalised and safe care, through every woman receiving a personalised care plan and being supported to make informed choices.
- Implement local equity action plans that every local maternity and neonatal system/ICB has in place to reduce inequalities in access and outcomes for the groups that experience the greatest inequalities.

Use of resources

To deliver a balanced net system financial position for 2023/24 and the 2.2 per cent efficiency target, ICBs and providers should:

- develop robust plans that deliver efficiency savings and raise productivity to increase activity and improve outcomes within allocated resource
- put in place strong oversight and governance arrangements to drive delivery, supported by clear financial control and monitoring processes.
- Plans should include systematic approaches to understand where productivity has been lost and actions needed to restore underlying productivity including:
- support a productive workforce taking advantage of opportunities to deploy staff more flexibly
- increase theatre productivity using the [Model Hospital System](#) and associated [GIRFT](#) guidance, and other pathway / service specific opportunities.

Plans should also set out measures to release efficiency savings, including to:

- reduce agency spending across the NHS to 3.7 per cent of the total pay bill in 2023/24, which is consistent with the system agency expenditure limits
- reduce corporate running costs with a focus on consolidation, standardisation and automation
- reduce procurement and supply chain costs by realising the opportunities for specific products and services
- improve inventory management – NHS Supply Chain will lead the implementation of an inventory management and point of care solution
- purchase medicines at the most effective price point by realising the opportunities for price efficiency identified by the Commercial Medicines Unit.

Delivering the key LTP ambitions and transforming the NHS

Mental health

- Continue to achieve the Mental Health Investment Standard by increasing expenditure on mental health services by more than allocations growth.
- Develop a workforce plan that supports delivery of the system's mental health delivery ambition.
- Improve mental health data to evidence the expansion, and transformation of mental health services and the impact on population health.
- As systems update their local plans, they are asked to set out how the wider commitments in the NHS Mental Health Implementation Plan 2019/20-2023/24 will be taken forward.
- NHSE will continue to support the growth in IAPT workforce by providing 60 per cent salary support for new trainees in 2023/24. It will also support ICBs to co-produce a plan by 31 March 2024 to localise and realign mental health and learning disability inpatient services over a three-year period as part of a new quality transformation programme.

People with a learning disability and autistic people

- Continue to improve the accuracy, and increase size, of GP learning disability registers.
- Develop integrated workforce plans for the learning disability and autism workforce – the workforce baselining exercise completed during 2022/23 will inform this.
- Test and implement improvement in autism diagnostic assessment pathways, including actions to reduce waiting times.
- NHSE will publish guidance on model inpatient care to support a continued focus on admission avoidance and improving quality.

Embedding measures to improve health and reduce inequalities

- Update plans for the prevention of ill-health and incorporate them in [joint forward plans](#). NHS England will publish a tool summarising the [highest impact interventions](#)
- Deliver the five strategic priorities for tackling health inequalities and:
 - take a quality improvement approach to addressing health inequalities and reflect the [Core20PLUS](#) approach in plans
 - consider the specific needs of [children and young people](#)
 - establish [high intensity use](#) services to support demand management in urgent and emergency care.
- The funding formula includes an adjustment to weight resources to areas with higher avoidable mortality and the £200 million of additional funding allocated for health inequalities in 2022/23 is also being made recurrent in 2023/24.

Delivering the key LTP ambitions and transforming the NHS

Investing in our workforce

- Systems are asked to refresh their 2022/23 whole-system workforce plans to support:
- improved staff experience and retention through systematic focus on all elements of the NHS People Promise and implementation of the [Growing Occupational Health strategy](#), Improving Attendance toolkit and [Stay and Thrive](#) programme
- increased productivity by fully using existing skills, adapting skills mix and accelerating the introduction of new roles
- flexible working practices and flexible deployment of staff across organisational boundaries using digital solutions
- [regional multi-professional education and training investment plans](#) and ensure sufficient clinical placement capacity, including educator/trainer capacity to enable all NHSE-funded trainees and students to maintain education and training pipelines
- implementation of the [Kark recommendations](#) and [Fit and Proper Persons \(FPP\) test](#).

Digital

- Use forthcoming [digital maturity assessments](#) to measure progress towards the core capabilities set out in [What Good Looks Like](#) (WGLL) and identify the areas that need to be prioritised in the development of plans. Specific expectations will be set out in the refreshed WGLL in early 2023.
- Put the right data architecture in place for population health management
- Put digital tools in place so patients can be supported with high-quality information that equips them to take greater control over their health and care.
- NHSE will provide funding to help ICSs meet minimum digital foundations, procure a [Federated Data Platform](#), roll out new functionality for the NHS App, and accelerate the ambition of reducing the reporting burden on providers and addressing the need for more timely automated data through the [Faster Data Flows \(FDF\) programme](#).

System working

Key priorities for their development in 2023/24 include:

- developing ICP integrated care strategies and ICB joint forward plans
- maturing ways of working across the system, including provider collaboratives and place-based partnership arrangements.

Joint forward plans – five-year joint forward plans (JFPs) are to be prepared before the start of each financial year. NHS England has developed [guidance](#) to support development.

Delegated budgets – pharmacy, ophthalmology and dentistry services will be fully delegated by April 2023. Subject to NHSE board approval, statutory joint committees of ICBs and NHSE will oversee commissioning of appropriate specialised services across multi-ICB populations from April 2023, ahead of ICBs taking on this delegated responsibility in April 2024. ICBs are expected to work with NHSE through their joint commissioning arrangements to develop delivery plans, which should identify at least three key priority pathways for transformation.

Financial Arrangements

- NHS England is issuing two-year revenue allocations for 2023/24 and 2024/25. At national level, total **ICB allocations (including COVID-19 and ERF) are flat in real terms** with additional funding available to expand capacity. Capital allocations will be topped-up by £300 million nationally with this funding prioritised for systems.
- ICBs and NHS primary and secondary care providers are expected to work together to plan and **deliver a balanced net system financial position** in collaboration with other ICS partners. Further details are set out in the revenue finance and contracting guidance for 2023/24.
- There is a requirement for a 2.2 per cent efficiency target for 2023/24. This includes:
 - reduce agency spending across the NHS to 3.7 per cent of the total pay bill in 2023/24 and
 - reduce corporate running costs with a focus on consolidation, standardisation and automation to deliver services at scale across ICS footprints.
- ICB and provider plans should include systematic approaches to understand where productivity has been lost and actions needed to restore underlying productivity including, but not be limited to, measures to:
 - support a productive workforce taking advantage of opportunities to deploy staff more flexibly – systems should review workforce growth by staff group and identify expected productivity increases in line with the growth seen and
 - increase theatre productivity using the Model Hospital System theatre dashboard and associated GIRFT training and guidance, and other pathway and service specific opportunities.

Financial Planning – System Allocation

NHS South Yorkshire Core Allocation

	22/23	23/24	24/25
	£m	£m	£m
Recurrent allocation	2,443.9	2,551.7	2,606.0
COVID	59.0	10.8	0.0
Elective Recovery	46.5	61.6	63.6
Discharge	8.3	7.7	12.5
Capacity/virtual wards	10.3	12.0	0.0 Note 1
	<u>2,568.0</u>	<u>2,643.8</u>	<u>2,682.1</u>
Growth		3.0%	1.4%

	23/24		24/25	
	£m	%	£m	%
Primary medical services				
Recurrent baseline 22/23	237.5		259.4	
Recurrent 20/21 transfers	0.0		0.0	
Transfer of GP access from core	5.0		0.0	
Transfer of GP access from SDF	4.2		0.0	
	246.7		259.4	
Base growth	13.7	5.6	9.5	3.7
Convergence	-1.0	-0.4	-1.1	-0.4
	<u>259.4</u>	<u>5.2</u>	<u>267.8</u>	<u>3.2</u>

Note 1 Increase in funding is FYE for virtual wards from £4.5m to £6.2m

The table above shows a comparison of 22/23 with the 23/24 allocation. This shows an uplift of 3.2% in 24/25 and 1.5% in 24/25. Health inequalities (£5.4m), non pay inflation (£14.5m), other pay funding (£1.7m) and COVID (£10.8m) that were funded non recurrently in 22/23 are funded recurrently from 23/24

Financial Planning Assumptions

	Estimate	Weighting	Weighted
	%	%	%
Pay	2.1	68.9	1.4
Drugs	1.3	2.4	0.0
Capital	4.0	7.1	0.3
Unallocated CNST	1.5	2.2	0.0
Other	5.5	19.4	1.1
		<u>100.0</u>	<u>2.9</u>
Efficiency requirement			<u>-1.1</u>
Net uplift			<u>1.8</u>

NHS Contract consultation Proposes four payment mechanisms

- Aligned payment and incentive(API) (fixed and variable element) (NHS value >£0.5m)
- Low volume activity (LVA) block payment (<£0.5m) (NHS value <£0.5m)
- Activity based payments (activity x unit price) (Non NHS unit prices)
- Local payment arrangement (Non NHS no unit prices)
- **Elective activity excluded from API fixed element and will be paid on a PBR basis at 100%** of the price plus MFF
- **Capacity/virtual wards – Initial allocations include £590m with the potential of a further £380m** being available which is contingent on the funding demonstrating an impact on UEC performance
- **Additional funding for ambulance capacity** and performance will be communicated shortly
- **Agency** – aim to reduce spending in providers to 3.7% of pay bill or maintain or reduce spend if currently below 3.7% (SY is circa 2.9%)
- **Covid – testing moves to a fixed allocation during 23/24** and from 1 Oct 23 trusts will become responsible for the procurement of lateral flow devices through a centralised supplier. COVID vaccinations will be funded by allocations to regions rather than the previous central reimbursement basis.
- **PPE – still to be announced but possibly moves to a charging model** for PPE rather than centrally procured as has been the case since 20/21

Financial Planning Assumptions (cont)

- **The running cost allowance for 23/24 (£27.2m) remains the same as 22/23** which represents a real terms reduction when inflation/pay awards are taken into account for 22/23 and 23/24
- Figures for 24/25 will be available shortly but ICB's should expect a reduction compared to 23/24
- **Service Development funding:**

	Total £'000	Confirmed £'000	Indicative £'000
Ageing well	<u>1.9</u>	<u>1.9</u>	<u>0.0</u>
Cancer	<u>6.3</u>	<u>6.3</u>	<u>0.0</u>
Mental health			
Adult crisis	2.2	2.2	0.0
CYP	4.6	4.6	0.0
Adult community	<u>10.0</u>	<u>10.0</u>	<u>0.0</u>
	<u>16.8</u>	<u>16.8</u>	<u>0.0</u>
Primary care			
General practice fellowships	0.9	0.2	0.6
Supporting GP mentors	0.2	0.1	0.2
Transformation	4.1	4.1	0.0
GPIT - infrastrucyure and resilie	<u>0.3</u>	<u>0.3</u>	<u>0.0</u>
	<u>5.5</u>	<u>4.7</u>	<u>0.8</u>
TOTAL	<u>30.5</u>	<u>29.7</u>	<u>0.8</u>

- **No SDF allocations in 23/24 for diabetes, people(MH staff support hubs), personalised care, system transformation and ageing well (anticipatory care)**
- **No SDF allocations for GP access and virtual wards as within ICB allocations**
- There are a number of lines where allocations have yet to be confirmed and will follow in due course. The detail of these is outlined in the guidance

Financial Planning Assumptions

- **Cancer: Significantly increasing the quantum of targeted funding to cancer alliances** rising to £148m in 23/24 and £180m in 24/25

	Indicative 23/24 £m	Indicative 24/25 £m
Targeted lung health checks	116.0	151.0
Prostrate	0.6	0.0
Endoscopy (CE training)	1.5	0.0
Targeted projects (Lynch, Liver , CCE, Community Pharmacy)	22.7	19.0
Cytosponge and GRAIL	7.2	10.0
	<u>148.0</u>	<u>180.0</u>

- **Other Primary Care - the ICB will be taking on delegated responsibility from 1 April 23 for other non medical primary care services** including Dental services (primary, secondary and community); General ophthalmic services; Community pharmacy services
- Allocations for 23/24 are fixed and 24/25 is indicative
- Utilisation of OPC budgets subject to the same business rules ie break even but dental budgets are ringfenced and NHSE reserves the right to direct any underspend or exceptionally return the underspend to NHSE

Key Actions

- Systems and providers are asked to submit five-year joint forward plans before the end of March 2023 with a publication date of 30 June 2023 (for yr 1).
- System plans should be signed off by ICB and partner trust and foundation trust boards.
- The guidance also recommends:
- ICBs and providers should review the urgent and emergency care and general practice access recovery plans, as well as the single maternity delivery plan for further detail when published in the new year.
- Elective recovery - ICBs and trusts are asked to update their local system plans, actively including independent sector providers.
- As we move to delegated budgets, ICBs should work with NHSE through their joint commissioning arrangements to develop delivery plans.
- ICBs and providers should develop robust plans that deliver efficiency savings and raise productivity within allocated resource; and put in place strong oversight and governance arrangements.

Next Steps and Timeline

- Setting up planning group to develop the performance narrative, activity and finances. First draft due 9th Feb. 23rd Feb (first submission deadline).
- ICB establishing a planning group with SY leads to triangulate the returns as information is requested at provider and ICB level.
- 30th March final submission.
- 31st March contracts signed.
- Joint forward plan submissions are also due by the end of March, with board sign off.
- NHS England will publish a Single Delivery Plan for maternity and neonatal services, an urgent and emergency care recovery plan and the general practice access recovery plan in the new year, as well as separate guidance to support the increase GP direct access.
- There is, however, still further to go in devolving power to ICSs and allowing more local key performance indicators to be defined jointly with local partners – ones that will jointly deliver both the recently prepared local integrated care strategies and the five-year joint forward plans