Wellington House
133-155 Waterloo Road
London SE1 8UG

T: 020 3747 0000
E: nhsi.enquiries@nhs.net
W: improvement.nhs.uk

5 April 2017

[redacted]

By email
[redacted]

Dear [redacted]

Request under the Freedom of Information Act 2000 (the "FOI Act")

I refer to your email of 14 February 2017 in which you requested information under the FOI Act from NHS Improvement. Since 1 April 2016, Monitor and the NHS Trust Development Authority (NHS TDA) are operating as an integrated organisation known as NHS Improvement. For the purposes of this decision, NHS Improvement means Monitor and NHS TDA.

Your request

You made the following request:

Please supply all written correspondence between Jim Mackey and the 44 STP footprint leads

Decision

NHS Improvement holds the information that you have requested.

NHS Improvement has decided to withhold some of the information that it holds on the basis of the applicability of the exemptions in sections 36(2)(b) and (c), and 40 of the FOI Act as explained in detail below.

Section 36(2) (prejudice to effective conduct of public affairs)

NHS Improvement has decided to withhold some of the correspondence on the basis that it falls within section 36(2)(b)(ii) of the FOI Act (prejudice to the conduct of public affairs) and that the public interest in maintaining the exemption outweighs the public interest in disclosure.

The exemption is engaged as NHS Improvement's qualified person, its Chief Executive (Jim Mackey), is of the opinion that disclosure of this information would be likely to inhibit the free

and frank provision of advice (section 36(2)(b)(i)) and exchange of views for the purposes of deliberation (section 36(2)(b)(ii)). The qualified person is also of the view that disclosure of the information would otherwise prejudice the effective conduct of public affairs (section 36(2)(c)).

In order to conduct its operational and policy business, in this case the continued development of the Sustainability and Transformation Plans (STP) policy, NHS Improvement relies on free and frank discussions held with the STP leads for the purposes of deliberation and advice. Disclosure of the emails would reduce the candour and frankness with which advice and views would be expressed, as STP leads would be concerned about the possibility that those views and discussions would be made public. This would in turn impact on the quality of policy development. The exchanges are a necessary part of the relationship between NHS Improvement and the STP leads to determine their policy position. In each case, the emails were exchanged in the clear expectation that discussions would remain confidential.

Some of the material in the emails did not consist of the provision of advice, nor the specific exchange of views for the purposes of deliberation. This correspondence was however also conducted in the expectation that it would remain confidential. It forms part of the on-going confidential discussions between NHS Improvement and the STP leads, which are necessary for the development of the STP policy. To be effective, the discussions rely on a relationship of trust and confidence. Disclosure of these emails damage that relationship and inhibit the free flow of views and information, with a detrimental impact on policy development.

Public interest test
NHS Improvement's view is that the public interest in maintaining the exemption outweighs the public interest in disclosure. There is a general public interest in disclosing information to further the accountability of NHS Improvement and to foster transparency. We also recognise there is a specific public interest in how the STPs are being developed and the involvement of bodies such as NHS Improvement and their senior officials.

However, there is a strong public interest in NHS Improvement being able to provide advice and hold free and frank discussions about developing policy, both internally and with other NHS bodies, without concern that the detail of those discussions will be disclosed inappropriately. There is a public interest in ensuring those bodies are able to have the open and confidential discussions necessary to ensure effective NHS policy.

Section 40 – personal data

I consider that some of the information is exempt from disclosure under section 40(2) and 40(3)(a) of the FOI Act on the grounds that it contains personal data and that the first condition under section 40(3)(a) is satisfied, namely, that disclosure would amount to a breach of the first data protection principle (personal data shall be processed fairly and lawfully). This is an absolute exemption and consideration of the public interest test is not required.

The information in the documents withheld on this basis includes the contact details of the STP leads, and other personal information in relation to the roles of particular individuals in

STPs. In both cases, the individuals concerned would have a reasonable expectation that the information would not be disclosed, and we consider the disclosure would breach the requirement of the first data protection principle that personal data must be processed fairly.

Review rights

If you consider that your request for information has not been properly handled or if you are otherwise dissatisfied with the outcome of your request, you can try to resolve this informally with the person who dealt with your request. If you remain dissatisfied, you may seek an internal review within NHS Improvement of the issue or the decision. A senior member of NHS Improvement's staff, who has not previously been involved with your request, will undertake that review.

If you are dissatisfied with the outcome of any internal review, you may complain to the Information Commissioner for a decision on whether your request for information has been dealt with in accordance with the FOI Act.

A request for an internal review should be submitted in writing to FOI Request Reviews, NHS Improvement, Wellington House, 133-155 Waterloo Road, London SE1 8UG or by email to nhsi.foi@nhs.net.

Publication

Please note that this letter and the attached information will shortly be published on our website. This is because information disclosed in accordance with the FOI Act is disclosed to the public at large. We will, of course, remove your personal information (e.g. your name and contact details) from the version of the letter published on our website to protect your personal information from general disclosure.

Yours sincerely,

Jonathan Brown
Head of Private Office

[redacted]

From: Cash Andrew (SHEFFIELD TEACHING HOSPITALS NHS FOUNDATION TRUST)
Sent: 29 June 2016 11:01
To: MACKEY, Jim (NHS IMPROVEMENT - T1520)
Subject: RE: 2016/17 Financial position - for information

Thank you please can you amend your records for Andrew's email – this account will close shortly. His email is [redacted]

From: Mackey Jim (NHS IMPROVEMENT - T1520)
Sent: 29 June 2016 10:09
To: Adams Mark (NHS NEWCASTLE GATESHEAD CCG); stephen.eames[redacted]; alan.foster[redacted]; amanda.doyle[redacted]; Rob.webster[redacted]; h.bernstein[redacted]; Louise.shepherd[redacted]; Cash Andrew (SHEFFIELD TEACHING HOSPITALS NHS FOUNDATION TRUST); Douglas Glenn (MAIDSTONE AND TUNBRIDGE WELLS NHS TRUST); Michael.wilson[redacted]; andrew.morris[redacted]; julia.ross[redacted]; Pedder Angela (ROYAL DEVON AND EXETER NHS FOUNDATION TRUST); Dolman Matthew (NHS SOMERSET CCG); Robert.woolley[redacted]; Scott James (ROYAL UNITED HOSPITALS BATH NHS FOUNDATION TRUST); tim.goodson[redacted]; Samuel Richard (NHS SOUTH EASTERN HAMPSHIRE CCG); Hutton Mary (NHS GLOUCESTERSHIRE CCG); david.smith[redacted]; John.Macdonald[redacted]; simon.wright[redacted]; Thompson Gary (NHS SOUTHERN DERBYSHIRE CCG); Allan.Kitt[redacted]; david.pearson[redacted]; toby.sanders[redacted]; Williams Andy (NHS SANDWELL AND WEST BIRMINGHAM CCG); mark.rogers[redacted]; Andy.Hardy[redacted]; Dugan Sarah (WORCESTERSHIRE HEALTH AND CARE NHS TRUST); John.wardell[redacted]; Dowling Tracy (NHS CAMBRIDGESHIRE AND PETERBOROUGH CCG); Nick.hulme[redacted]; pauline.philip[redacted]; Beverley.flowers[redacted]; Donley Anita (NHS ENGLAND); Parmar Mohini (NHS EALING CCG); Sloman David (ROYAL FREE LONDON NHS FOUNDATION TRUST); jane.milligan[redacted]; Amanda.pritchard[redacted]; Kathryn.magson[redacted]; Latimer Emma (NHS HULL CCG); wendy.thomson[redacted]; Confue Phillip (CORNWALL PARTNERSHIP NHS FOUNDATION TRUST)
Cc: Brown Jonathan (NHS IMPROVEMENT - T1520)
Subject: 2016/17 Financial position - for information

Dear STP Leads

Please find attached a letter from myself and Ed Smith that was sent yesterday to all provider CEOs and Chairs regarding 2016/17 financial position for your information.

I would like to draw your attention to two specific actions set out in the letter that we are asking STP leads to take forward:

1) We are asking STP leads to develop proposals to consolidate back office and pathology services
2) We are asking STP leads to identify areas where planned care services are heavily reliant on locums and where these services can either be consolidated, changed or transferred

More details of these actions and timeframes to action these can be found in the letter. Our teams will be in contact shortly about how we support you to do undertake these actions. We will also be discussing with you in July the role of STP footprints going forward.

Best wishes

Jim

NHS Improvement
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28 June 2016

To: Chairs & CEO's of Foundation Trusts and NHS Trusts

Dear Colleague

2016/17 Financial Position

We know from many conversations over recent weeks that colleagues are keen to understand how much progress we have collectively made towards eradicating the deficit in the provider sector and what further actions will be required this year.

You will appreciate that it has not been possible to communicate this fully during the EU referendum purdah. I am therefore taking this opportunity to explain where we are and to set out some further actions that will be required over the next few weeks and where I am looking for your support.

It has already been reported that the total provider deficit in 2015/16 was £2.45bn, with the underlying position around the £3bn mark. From this starting position, we have been able to utilise the Sustainability and Transformation Fund of £1.8bn and agree control totals with the vast majority of providers. There are, currently, 19 providers who have not yet been able to agree control totals and we will continue to work with them, with the aim of agreeing similarly stretching targets to those agreed by the rest of the sector by the end of July.

The aggregate planned provider deficit stands at c£550m which, I am sure you will agree, represents significant progress compared to 2015/16. Clearly, there is still a lot of work to do to deliver these plans and significant risk to manage. This level of deficit also makes the management of the overall NHS financial position very risky.

We therefore need to continue to develop further actions and plans and, as I said at the NHS Confederation, we should see this as an active and on-going process until we have the level of financial strength and resilience that we need to ensure the NHS stays within its allocated financial resources.

There are, therefore, three areas where further action is required as follows:-

a) ***Planned cost growth in 2016/17 and actual growth in 2015/16.***
Plans for 2016/17 show that, in aggregate, the sector is planning to actively manage and reduce costs. However, a number of providers are still planning for higher levels of pay cost growth than the rest of the sector. In addition, a number of providers experienced significant pay cost growth in 2015/16 that was out of step with activity growth across the sector.

We will therefore work through this growth with each of these providers over the coming weeks to determine how much of the planned growth can be eliminated, and the extent to which we can reverse the growth that was experienced in 2015/16.

Clearly, this is quite complex and will require a lot of work between us. However, we believe that significant inroads can be made to help bring these providers more in line with the sector as a whole and other providers with a similar general profile. We will do this work in close collaboration with CQC colleagues to ensure that any adjustments are in line with our commitment to patient safety. We aim to agree the extent of these changes with the relevant providers by the end of July.

b) ***Back office and Pathology Consolidation – Carter Implementation.***
The Carter Review, and indeed Lord Carter's review of pathology services some 15 years ago, demonstrated that there is still a significant potential saving if back office services and pathology services are consolidated on a regional basis. Indeed, back office services in the NHS have not consolidated in the way they have in many other sectors and I know that many STP areas are already developing plans in this area.

We will therefore be asking all STP leads to develop proposals to consolidate back office and pathology services with outline plans, initially on an STP footprint basis but with a mind to consolidate across larger areas over time, to be agreed before the end of July. Jeremy Marlow, Director of Operational Productivity and lead director for Carter Implementation will be heading this work, working closely with STP leads.

c) Unsustainable Service Consolidation.

It is clear from discussions with provider CEOs, STP discussions and the work on locums and agency spend, that there are many planned care acute services that are reliant on a fragile and temporary workforce, with resultant financial, operational and continuity problems. One provider with whom we spoke to last Friday identified a saving of c£2.5m pa if they were able to change some elective services with a level of operational disruption that would be manageable over time. Desktop exercises indicate that, as well as the direct savings potential, there are potential associated benefits elsewhere in deflating the locum market.

We therefore want to identify where planned care services are heavily reliant on locums and where these services can either be consolidated, changed or transferred to a neighbouring provider. We will, therefore, be asking STP leads, to identify where such changes could be made, and the operational impact and financial savings potential, again by the end of July.

Taking these three areas together, we are aiming to get to c£250m deficit this year. We will also continue to explore other options and would be keen to hear of other suggestions as the year progresses.

The final rules for access to the Sustainability and Transformation Funds and more detail on our new oversight regime will be communicated later this week. We are also actively working on a simplified and earlier planning process for 2017/18 that brings greater stability for the NHS and which is designed to enable the service to accommodate the lower funding increase scheduled for that year.

We would like to end by thanking you for your actions and leadership in our collective efforts to put the NHS on a stronger financial footing. You have made great progress but there is much still to do.

Yours sincerely

JIM MACKEY
Chief Executive

ED SMITH
Chairman

[redacted]

From: MACKEY, Jim (NHS IMPROVEMENT - T1520)
Sent: 03 July 2016 17:24
To: ADAMS, Mark (NHS NEWCASTLE GATESHEAD CCG)
Subject: Re: 2016/17 Financial position - for information

Thanks mark

Sent from my iPad

On 1 Jul 2016, at 09:49, Adams Mark (NHS NEWCASTLE GATESHEAD CCG) <mark.adams[redacted]> wrote:

> Jim,
> Thank you for this. We'll start taking it forward.
> Best wishes,
> Mark
>
> ---
>
> **From:** Mackey Jim (NHS IMPROVEMENT - T1520)
> **Sent:** 29 June 2016 10:09
> **To:** Adams Mark (NHS NEWCASTLE GATESHEAD CCG); stephen.eames[redacted] alan.foster[redacted]; amanda.doyle[redacted]; Rob.webster[redacted] h.bernstein[redacted]; Louise.shepherd[redacted]; Cash Andrew (SHEFFIELD TEACHING HOSPITALS NHS FOUNDATION TRUST); Douglas Glenn (MAIDSTONE AND TUNBRIDGE WELLS NHS TRUST); Michael.wilson[redacted]; andrew.morris[redacted] julia.ross[redacted] Pedder Angela (ROYAL DEVON AND EXETER NHS FOUNDATION TRUST); Dolman Matthew (NHS SOMERSET CCG); Robert.woolley[redacted]; Scott James (ROYAL UNITED HOSPITALS BATH NHS FOUNDATION TRUST); tim.goodson[redacted] Samuel Richard (NHS SOUTH EASTERN HAMPSHIRE CCG); Hutton Mary (NHS GLOUCESTERSHIRE CCG); david.smith[redacted]; John.Macdonald[redacted] simon.wright[redacted] Thompson Gary (NHS SOUTHERN DERBYSHIRE CCG); Allan.Kitt[redacted]; david.pearson[redacted] toby.sanders[redacted]; Williams Andy (NHS SANDWELL AND WEST BIRMINGHAM CCG); mark.rogers[redacted]; Andy.Hardy[redacted] Dugan Sarah (WORCESTERSHIRE HEALTH AND CARE NHS TRUST); John.wardell[redacted]; Dowling Tracy (NHS CAMBRIDGESHIRE AND PETERBOROUGH CCG); Nick.hulme[redacted] pauline.philip[redacted] Beverley.flowers[redacted]; Donley Anita (NHS ENGLAND); Parmar Mohini (NHS EALING CCG); Sloman David (ROYAL FREE LONDON NHS FOUNDATION TRUST); jane.milligan[redacted]; Amanda.pritchard[redacted] Kathryn.magson[redacted]; Latimer Emma (NHS HULL CCG); wendy.thomson[redacted] Confue Phillip (CORNWALL PARTNERSHIP NHS FOUNDATION TRUST)
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More details of these actions and timeframes to action these can be found in the letter. Our teams will be in contact shortly about how we support you to do undertake these actions. We will also be discussing with you in July the role of STP footprints going forward.

Best wishes

Jim

[redacted]

From: MACKEY, Jim (NHS IMPROVEMENT - T1520)
Sent: 18 September 2016 12:46
To: SLOMAN, David (ROYAL FREE LONDON NHS FOUNDATION TRUST)
Subject: Re: Fwd: Re: Fwd:

[redacted] Could you drop me some bullets re stp ahead of the call tomorrow also ?

[redacted]

Sent from my iPad

[redacted]

From: MACKEY, Jim (NHS IMPROVEMENT - T1520)
Sent: 06 October 2016 12:07
To: Pritchard Amanda
Subject: Re: Thank you!

No problem and enjoyed it. Happy to help however I can so just shout.

Jim

Sent from my iPad

On 6 Oct 2016, at 12:04, Pritchard Amanda <Amanda.Pritchard[redacted]> wrote:

> Dear Jim
>
> Thanks so much for coming to our STP leaders event today - your talk went down incredibly well and has really inspired people to believe that we can make stuff happen here too if we invest in getting the right structures and relationships in place.
>
> Really helpful & very much appreciated.
>
> Thanks again
> A
>
> ---
>
> Amanda Pritchard
> Chief Executive
> Guy's and St Thomas' NHS Foundation Trust
> [redacted]

NHS Improvement

NHS England

To: STP Chairs/Conveners
Chief Executives of NHS provider trusts
CCG Accountable Officers

cc: Chief Executives of Upper Tier Local Authorities

Gateway Ref 06300

12th December 2016

Dear Colleague,

NEXT STEPS ON STPs AND THE 2017-2019 NHS PLANNING ROUND

As we head into winter, the whole of the NHS is mobilising to make sure patients get the best possible care over the next few months. We also know there is a lot still to do to close out this year successfully both operationally and financially.

Despite well-known pressures, this year the NHS has continued to treat A&E patients and those needing planned care as fast as any major western country, taken first steps to strengthen GP services and mental health, at the same time as action to cut the provider deficit by around two thirds. Taking just one other example - outcomes data released last week show that because the quality of NHS cancer care has improved so much over the past year, an extra 2,400 families will be able to celebrate the holidays this Christmas with a loved one who has successfully survived cancer. You should be rightly proud of these achievements.

The purpose of this letter is to let you know about practical next steps on STPs, in the context of the two year contracting round covering the period to March 2019.

STPs

Your collective leadership in developing your STP has been highly welcome. There is now wide acceptance that it makes sense for individual organisations to work together to develop a shared plan of action covering the next three or four years, which sets out how together you will tackle key local challenges while giving effect to the overarching NHS Five Year Forward View.

The first phase of STPs has been to develop proposals for discussion. All 44 STP proposals will have been published within the next fortnight. Despite constrained funding growth, they all include important commitments on prevention, improving cancer outcomes, expanding access to mental health services, strengthening general practice and developing more integrated urgent care services, amongst other goals. They provide strategic direction for the

tactical decisions you will collectively be taking in the few weeks about the 2017/18-18/19 commissioning round.

That said, we agree that all STPs, even the most advanced, are understandably a work in progress. The next phase of turning proposals into plans will require intensified engagement with patients, staff, communities and local stakeholders. In some cases, formal consultation will be required. Particular effort is now needed to engage clinicians and other staff, and we strongly encourage you to take advantage of the contacts offered by the medical royal colleges—for example, the RCGP's STP ambassadors— as well as local staff sides and unions.

The best STPs have built strong relationships with local councils, on the basis of shared goals and reciprocity of support. While the NHS spending review settlement nationally was never intended to - and is obviously not able to - offset pressures in local authorities' budgets, this fact is not a legitimate reason for councils or the NHS to stand in the way of action needed to put local health and care services onto a sustainable footing.

Having turned initial STP proposals into STP plans - through the contracting round and following engagement and consultation - the third phase during 2017/18 will be to give life to your agreed plans as STPs become implementation partnerships.

A small number of STP partnerships have indicated that you wish quickly to evolve into integrated or 'accountable' care systems, and we will actively support you to do so. In these areas, providers and commissioners will come together, under a combined budget and with fully shared resources, to serve a defined population.

However in most cases STP partnerships will instead take the form of forums for shared decision making and performance accountability, supplementing the ongoing role of individual boards and organisations. To this end, areas that have demonstrated collective leadership and agreed contracts by 23 December within the total resources available to their STP, will also be able to benefit from a system control total that gives you the flexibility to adjust organisational financial and performance control totals between constituent providers and CCGs. NHS England and NHS Improvement will jointly agree this flexibility on a case by case basis. Regional Directors will be in touch with STP leaders early in the New Year to discuss this.

In the coming weeks, we also want to discuss with STP leaders how national bodies can best support you in implementing your plans. We will be providing some direct financial support to STP chairs/convenors. We will also work with STP leaders with the most advanced plans to give you greater direct influence and freedom over how NHS England and NHS Improvement staff and resources - as well as the talent in CCGs, CSUs and other bodies - can be better aligned and deployed in your area to support your STP's implementation.

Transformation Funding

We will once again be allocating the bulk of the available national funding - £1.8bn - to support providers in 17/18 and 18/19. We are also rolling-over the national Vanguard funding into 2017/18 for a final year.

In addition NHS England is making available to STPs support for service improvements in the national priority areas of cancer, mental health, learning disabilities and diabetes. The single process for STPs to request this additional funding is now available at https://www.england.nhs.uk/ourwork/futurenhs/deliver-forward-view/stp/tf-call-to-bid/.

While individual organisations or alliances may bid on behalf of an STP for this funding, it is essential that the STP leadership collectively backs the proposal.

Capital

We will be working with you over the next 8-12 weeks to refine and prioritise capital expenditure. As you know, capital is extremely tight over the next few years, and STP capital proposals currently exceed what we have available. Providers should consider how their use of resources assessment under NHS Improvement's Single Oversight Framework would be affected by the proposed investment. We will identify a long list of schemes that appear to meet these criteria from STPs and operational plans, so no additional submissions are necessary at this stage. Regional teams will be in touch with STP leaders about this long-list. For pragmatic reasons, our initial priority will be on schemes that are of small-medium scale, implementable over the next few years, and that improve productivity or generate wider savings from service redesign over that timeframe. A new capital framework will provide further detail within the next couple of weeks.

2017/18-18/19 contracting

Our most immediate task now is to focus on completing the contracting round by 23rd December. By agreeing deliverable contracts early and quickly, we have an opportunity to cut through the non-value-adding processes experienced in previous years.

In its Autumn Statement, the Government made explicit its intention that all parts of the NHS must live within the resources that it has allocated. *Taking the total local funding envelope as the fixed point, the shared task is therefore to 'reverse engineer' a pragmatic set of funding decisions between programmes of care and individual services.* It is important that this is supported by clear plans that manage cost and risk, not just shift them between organisations.

The 44 STPs, combined with the outcome of the upcoming contracting round, will - in aggregate - become the NHS' agreed medium term plan for the rest of the Parliament, which we will summarise in an NHS FYFV Delivery Plan to be published by 31st March.

We fully understand how complex and difficult this task is, and are deeply grateful to you for your personal leadership at this challenging time.

With thanks, and best wishes.

Simon Stevens
CEO, NHS England

Jim Mackey
CEO, NHS Improvement