

Exclusive: Stevens floats 'combined authorities' for the NHS

19 May, 2016 By [Dave West](#)

- NHS England chief backs “pooling of sovereignty” to implement STPs
- “Combined authority” would bring together commissioners and providers
- National leaders will “call decisions” on service change and overcome “veto power”

The health service could create a form of “combined authorities” bringing together multiple commissioners and providers in order to simplify decision making and service change, Simon Stevens has said.

The NHS England chief executive indicated the groups could be formed from sustainability and transformation plan areas in coming months, as part of a “pooling of sovereignty” to implement STPs.

Combined authorities have been formed by several groups of local councils in the past five years to join functions across a larger area, the most high profile example being Greater Manchester.

In an interview with *HSJ* this week, Mr Stevens said he had spoken to senior leaders from 24 of the 44 STP areas in recent weeks and some were “thinking creatively” about “new governance methods for implementing and backing the change that we will sign off” in the plans. Some were planning to form “the NHS equivalent of combined authorities”, said Mr Stevens.

He said “nobody wants a reorganisation of the structural tiers” but advocated the “pooling of sovereignty to drive the changes that STPs will be coming up with”. “There are a variety of ways in which that could be done,” he said. In some cases it should involve both commissioners and providers in an area, Mr Stevens said.

He gave the example of the area surrounding Royal Free London Foundation Trust, which took over Barnet Hospital and Chase Farm Hospital in 2014, and whose chief executive David Sloman is the STP leader for the patch, potentially forming a combined authority type arrangement.

He said: “I could see that spanning both hospitals and commissioners and it could consolidate a number of CCGs in north central London.”

Mr Stevens also said national leaders would help overcome the “veto power” of individual organisations, which could otherwise stand in the way of changes proposed through STPs.

He said some STP leaders were asking of him and NHS Improvement chief Jim Mackey: “Do you mean it, have we got permission to actually get going and remove some of the veto power that exists?” He said: “In some cases individual organisations or [clinical commissioning groups] are very local focused, but perhaps there are positive gains from more shared, larger scale change.”

Some wanted “the ability just to, where there is disagreement, call it and make a decision”, Mr Stevens said. “That’s what we want to use this STP process to do. We will call some of those decisions where there has been disagreement, and do so following the [STP] review process in July.”

He said the difficult decisions typically involved “the disposition of hospital services”.

The NHS England chief executive, who passed two years in post last month, said NHS England and NHS Improvement would also support some STP areas’ requests for a whole system control total. They had already agreed this “for Devon and several other places”. He said they were also willing to agree “performance trajectory shared control totals”, under which STPs plan to meet performance targets as a whole, but with some trusts delivering more slowly than others.

Despite these proposals for some changes to structures and incentives, Mr Stevens said the most important task for STPs was to “explain... the changes in care pathways and the deployment of clinical teams and the way in which patients will use different parts of the health service”. He said “the veneer of financial re-engineering will help you – but is not in itself the change that will produce the improvement or financial sustainability”.

He said: “What we’ve said to all [STPs] is this is not a hundred page beautifully memorialised set of everything we need to do for five years, nor is this an Excel spreadsheet. Actually it’s a structured, potentially difficult safe space for a conversation about the three, four or five things you think will move the needle on your health, your care quality and your financial sustainability.”

STP indicative funding published

NHS England has today [published indicative funding pots for all sustainability and transformation plan footprints to 2020-21](#).

The allocation for each STP includes its share of allocations published in December for general, primary and specialised services; as well as its part of several national funding pots – including the sustainability and transformation fund – divided up based on weighted capitation.

Simon Stevens told *HSJ* it was an “indicative process” and did not mean the STF or other funds would necessarily be shared up in this way. This year and in 2017-18, transformation funding is due to be allocated to particular organisations and areas on the basis of national judgements about where it will make most difference.

The allocation of around £200m-£300m transformation funding for 2016-17 is expected to be announced imminently.

Mr Stevens said: “How we allocate in the meantime will depend on the assessments we make in July of how good these [STP] propositions are, and where we can get most return on investment early on in the change process. But by 2020-21 we think it’s reasonable to envisage the bulk of these funds [being allocated] on a fair shares basis.”

He said he thought the numbers would be "a useful focusing device" compared to "all of these [funding] gap numbers that people are otherwise trying to come up with".