

# The NHS Long Term Plan from a Commissioning Perspective

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The NHS Long Term Plan (LTP) sets out a number of changes that will change the future of commissioning within the NHS. This publication sets out the key areas that are likely to impact commissioners and their functions.

## The move to ICSs

The LTP confirms the continuation of developing Integrated Care Systems (“ICS”), with the aim to cover the whole country by 2021. As part of this, Clinical Commissioning Groups (“CCGs”) will:

- need to strategically support providers to partner with local government and other community organisations on population health, service redesign and Long Term Plan implementation.
- continue to receive support from NHS England to combine health and social care budgets. The government will set out further proposals for health and social care integration in the forthcoming Green Paper on Adult Social Care.
- need to be aware of any changes to the Better Care Fund (BCF), which is currently under review and due to conclude the first half of 2019.

## One CCG per ICS

The LTP reiterates that ‘Every ICS will need streamlined commissioning arrangements to enable a single set of commissioning decisions at system level. ***This will typically involve a single CCG for each ICS area.*** CCGs will become leaner, more strategic organisations that support providers to partner with local government and other community organisations on population health, service redesign and Long Term Plan implementation.’

As explained above, each ICS will typically involve a single CCG. As a result, CCGs who fall within a ICS that covers a wide geographical area will need to be aware of how this will impact them, particularly if more than one CCG falls within the area. This could potentially result in an increase in CCGs having to merge, and we will continue to closely monitor whether any further guidance is produced in relation to this particular point.

## ICP Contract

The LTP outlines the use of contract reform to support the move to ICS. As part of this, the new Integrated Care Provider (ICP) contract will be made available for use from 2019. This contract, includes provisions allowing for a whole population annual payment, and also allows for partial or full integration between core primary medical services with other healthcare services. Any use of the ICP contract will be subject to the Integrated Support and Assurance Process.

## BCF

The LTP highlighted the view that the BCF’s current funding mechanism is overly complex, and there is a lack of clarity on the return on investment. Furthermore, the reporting mechanisms behind the BCF can be onerous and frustrating to more advanced health and care systems. In light of this, the Department of Health and Social Care and NHS England are reviewing the BCF to ensure that it meets its goals and further supports the integration of care. This review will conclude in early 2019, with the 2019/20 BCF including clear requirements to continue to reduce DTOCs and improve the availability of care packages for patients ready to leave hospital.

## Primary care networks

The LTP also commits to increase investment in primary medical and community health services as a share of the total national NHS revenue spend from 2019/2020 until 2023/2024; a spend which will be at least £4.5 billion higher in five years’ time. This new investment will fund expanded community multidisciplinary teams aligned with new primary care networks (“PCN”) based on neighbouring GP practices that work together covering 30-50,000 people. As part of this, CCGs will need to ensure swift investment within these areas and must ensure that the new primary care networks, which all GP practices will be mandated to join, are in place by 30 June 2019, at the latest. This paired with NHS England’s planning guidance further confirms that CCGs must commit to spending a recurrent £1.50 per head on developing and maintaining the PCNs. Finally, Sustainability and transformation partnerships (“STPs”) and ICS must also include a primary care strategy, by April

2019, as part of their overarching strategy to improve population health.

NHS England has issued guidance, which can be found [here](#), on the inclusion of providers in PCNs (particularly community pharmacists).

Please [click here](#) for further information on the LTP and PCNs.

## The impact on procurement

The LTP confirms that ‘the rules and processes for procurement, pricing and mergers are skewed towards fostering competition than to enabling rapid integration of care planning and delivery’. In light of this, the LTP proposes to:

- repeal the NHS (Procurement, Patient Choice and Competition) (No.2) Regulations 2013;
- free the NHS from wholesale inclusion in the Public Contract Regulations 2015 (PCR); and
- reform of areas such as diagnostic services including pathology and imaging networks, which in turn could see current contracts varied or terminated; creating further procurement risks.

The current procurement legislation for NHS commissioners imposes a number of barriers to integration and the plans to repeal/revise current procurement legislation could help to ‘remove the overly rigid competition and procurement regime applied to the NHS’. We will be keeping a watchful eye on any further developments on this.

Please [click here](#) for more information on the LTP and its impact on procurement and competition.

## Potential legislative changes

The LTP sets out a number of legislative changes to help achieve its aims which will impact upon commissioning within the NHS. These include:

- **Giving CCGs and NHS providers new shared statutory duties that would allow them to work together with their neighbours for the benefit of their local population and improve accountability** - these duties would also support securing a stronger chain of accountability for managing public money within and between local NHS organisations.
- **Removing specific impediments to ‘place-based’ NHS commissioning** - this could potentially include lifting a number of restrictions on how CCGs can collaborate with NHS England.
- **Supporting the more effective running of ICSs** - proposes to let trusts and CCGs exercise functions, and make decisions jointly through joint committees.
- **Cutting delays and costs of the NHS automatically having to go through procurement processes** - this is dealt with above under the impact of procurement.
- **Removing a number of restrictions on how CCGs can collaborate with NHS England to counter the barriers that the Health and Social Care Act 2012 imposes on ICSs** - these could potentially include restrictions on how CCGs can collaborate with NHS England and allowing NHS England to be able to integrate Section 7A public health functions with its core mandate functions where beneficial.

Please [click here](#) for more information on the proposed legislative changes and our commentary on how these changes will work in practice.

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