Whatever analysis you choose to look at, the NHS is missing key targets on waiting times for cancer, A&E and elective surgery. As trusts gear up for what could be their most challenging winter yet **Ann McGauran** asks if it's high time independent sector providers were brought in from the cold

# The big freeze

**NHS providers are heading towards what could be their most challenging winter period for years, with many trusts reporting levels of pressure in the summer that would usually be expected much later in the year.**

National-level planning is considerably more developed than last year, according to the membership organisation for trusts NHS Providers. But it said these improvements are being outweighed by a combination of increasing risks. In this context, will the independent healthcare sector's offer of almost 400,000 extra treatments and tests this winter be taken up by local health systems unable to provide timely elective care?

The deterioration in waiting list management during August (Figure One) suggests, according to the *HSJ*, an NHS that is 'loosening its grip on referral to treatment (RTT) waiting list management and on waiting times'. This comes after financial penalties for breaching the 18 week RTT waiting times targets were lifted in March.

Additionally, HM understands commissioners have paid NHS providers in a number of trusts for several thousand elective procedures on a block contract basis that are not subsequently being delivered due to a lack of capacity.

## Risky business

The NHS's concentration has switched to tackling delayed transfers of care (DTOCs), which according to NHS England's national director of operations and information Matthew Swindells 'remain the main risk to the NHS's ability to enter winter with sufficient bed capacity'.

It certainly looks like the political will to stem the growth in elective waiting times nationally has evaporated. But will cancellations of elective work at scale really be allowed to happen?

With a vastly different political dynamic in place now compared to March, some independent sector insiders believe that with access targets politically symbolic, any government is vulnerable to rapidly worsening waiting times performance. Their view is that as pressures begin to grow the incentive will be there to leverage the significant additional capacity being offered by the independent sector where there are particular challenges.

In September, the NHS Partners Network (NHSPN) committed to offering significant extra mobile and static capacity to the NHS, including more than 80,000 surgical procedures and over 300,00 diagnostics tests at NHS tariff prices. Its chair Jim Easton is managing director of Care UK's health care division, which has nine surgical centres in England providing assessment, diagnosis and treatment to NHS patients.

To what extent could local health systems take up the independent sector's capacity offer?

Easton told HM: 'There is money that floats around for the winter in various forms – money set aside for local authority work and money for treating elective patients who haven't (so far) been treated. Whilst we in the sector completely understand how challenging the financial position is, I think our view is isn't this a more sensible use of money than simply for example spending money on [NHS] hospitals, giving them money for elective care that they cannot actually do?'

According to Easton, a number of hospitals have been switched to block contracts this year, where they get paid 'pretty much irrespective of the work [they] do'. He added: 'In our view, sadly it means they've had money for elective care that they haven't the capacity to do.'

He continued: 'They actually have surgeons and anaesthetists sitting on their hands, unable to do work they're meant to do. So we are opening up some of our surgical centres to say shall we be a core part of your elective capacity?'

While he emphasised there is no criticism of the trusts, he added: 'If the task is to make tough choices about where to spend the money that will get results, then we know there is stuff that our sector can do quickly, safely and

efficiently to achieve that double benefit of moving work out of hard-pressed hospitals and get waiting times down.'

## Tricky conversations

There are 'positive but not complete' conversations going on between Care UK and hospitals in areas near its surgical centres 'about how we might do exactly what I'm describing', said Easton. 'There are three of those conversations and some early signs that might be good.'

Chief executive of NHSPN David Hare said that where block contracts were being under-delivered 'we feel it's incumbent on that local system to ensure that money is re-routed to actually buy treatment as opposed to being lost in the balance sheet. It's important that local systems realise that there is capacity and before a view is taken that nothing further can be done and no further treatments can be afforded that there is absolute certainty that all existing resource being placed on those treatments is being utilised for patient care'.

According to independent health consultant Mark Hackett, conversations on using the independent sector's capacity will be harder within areas with fixed financial contracts for activity. 'In systems where you have capped expenditure limits, i.e. a cash limit between commissioner and provider, these discussions will be much more difficult because not only is everyone trying to meet the consequences of the winter costs but at the same time the system will be having to meet the costs of maintaining the elective throughput.'

Broadly, he says sub-contracting with the independent sector is going to be in areas where trusts are contracting with their commissioners on payment by results systems (PbR). 'If they have PbR systems and effectively an agreement on what they need to deliver for 18-week performance then the trusts will act logically. If they haven't [the capacity] then they will be looking either for NHS partners or independent sector partners to undertake the work that's needed to be done to meet their obligations with commissioners.'

He believes the 'first and foremost' priority for NHS trusts is to ensure they deliver their agreed elective activity plans with commissioners. 'But if that results in them still not being able to manage their resources and deliver their 18-weeks target they will certainly look at independent capacity to either get to the plan they were supposed to get to or exceed it'.

He emphasises that whether the NHS holds to the 18-week waiting time target or not will undoubtedly become the 'inflexion point' for trusts in terms of being able to keep delivering their financial targets and at the same time deal with the extra emergency care pressures this winter.

But his view is that the independent sector needs, in the short and medium term, to look at 'different ways to make this capacity that's available more attractive to the NHS to use'. This could include 'shared workforce, systems and capacity and more longer-term agreements that the public sector can offer the private sector... also looking at actually making reasonable return but at the same time thinking about whether that's at full tariff or not'.

## A financial balancing act

Chief executive of NHS Providers Chris Hopson said the government can improve access to treatment by 'utilising the private sector, but this means NHS trusts' financial position will deteriorate as more money leaves the NHS provider sector.'

He added: 'But we have to recognise that NHS trusts are unable, in the current circumstances, to cope with both the emergency and elective surgery demands they are facing and meet NHS constitutional performance standards. It's clearly a lot easier for private sector providers who can pick and choose what work they do and don't have the problem of coping with winter emergency care demand.'

Returning to Easton, speaking in his role as chair of NHSPN he said: 'I'm pretty sure that if this capacity was sitting inside the NHS this would have happened already. For reasons I understand, discussion with our sector are not always prioritised at the top. But we must not miss a real opportunity as a result of that.'

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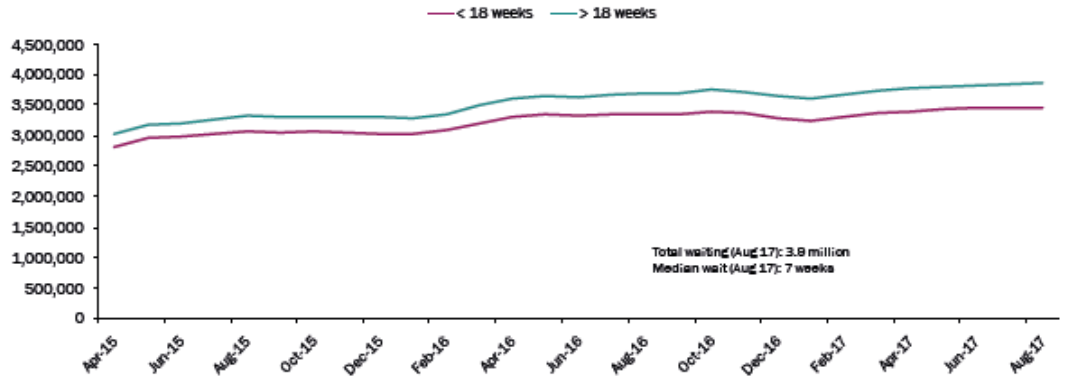


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