



13th September 2017

Simon Stevens  
Chief Executive of NHS England  
Skipton House  
80 London Road  
London SE1 6LH

Dear Simon,

As the five Leaders of the boroughs within the North Central London Sustainability and Transformation Plan we are writing to you to set out our views on where we have got to in our region. In particular, we want to express our increasing concern about the focus on short-term cost cutting at the expense of longer-term transformation, particularly the experience of the Capped Expenditure Process.

When STPs emerged almost 18 months ago, we saw an opportunity to work with local partners and develop a plan that would address some of the biggest challenges facing health and care locally. It could have been a chance for the NHS, local Councils, the voluntary and community sector and other partners to look across systems and organisational boundaries to develop a long-term and system-wide plan to address health and care inequalities.

We had hoped to be equal partners alongside our NHS colleagues, bringing to the table our vast experience and skills in meeting growing needs whilst continuing to deliver a balanced budget each year, despite years of budget cuts. We know from our experience that investing in prevention and early intervention is the sensible and successful way of approaching large scale transformation. 18 months on, we feel that the ambition for this to be a joint, population based approach that will transform the health and care of local people is not yet being realised. There is plenty of willingness of local partners to rise to the original ambitions, but they are hindered by a range of systemic problems that are driving them to focus on short termism.

Specifically, the main focus of NHS colleagues for many months earlier this year was on savings through the directed Capped Expenditure Process (CEP) which only looked at in-year positions and not transformational change. It was not acceptable to learn from local newspapers during this time that this directed process was resulting in lists of proposals for cuts to local services and a reduction in standards. Despite months of effort, none of this CEP work has dealt with some of the core problems in the local system including that: 1) North Central London is expected to deliver a surplus control total this year of £38m despite the high levels of deprivation and significant health inequalities in this part of London; this control total seems to be an accident of history with no rationale behind it; 2) NCL is not receiving all the sustainability and transformation funding it was allocated because of the way the rules mean the Royal Free is not eligible for its allocated amount; 3) the approach to the Royal Free's financial position is failing to recognise the challenges it has faced in resolving systemic issues it inherited during its expansion in recent years. This Capped Expenditure Process suggests to us that the STP is being forced to be focussed on short-term issues in the NHS rather than a truly sustainable and transformational system for health and care locally in North London.

We do need to take issue with a recent NHS media statement on the matter of the surplus control total. You may not be aware, but a press notice earlier this summer suggested that doing away with the surplus in NCL would result in us “taking less than our fair share” compared to other areas of the country. This provocative statement was a clear dismissal of the legitimate concerns of local people and their elected representatives and showed a complete lack of understanding of the make-up of our populations and the health and care challenges we face.

We know that colleagues locally have been working hard to identify how to contain budgets whilst finding effective ways of improving the health and wellbeing of residents, and meeting the requirements of the NHS constitution. We are of course fully aware of the pressure NHS budgets are under and we remain committed to working with colleagues on local health Trust and Clinical Commissioning Group (CCG) boards to help create an affordable health and care system that continues to meet our residents’ needs and aspirations. We agree that there are improvements to be made and that some are vitally important. But when the focus on balancing budgets has reached the stage where service cuts and rationing health services are on the table, where there is minimal investment in prevention and yet when there are significant unresolved accounting issues, the process must surely be broken.

Looking ahead we believe that there are some important steps to be taken to re-build trust and confidence and to move us all forward. We therefore urge you to commit to the following:

- No reduction in health services, or service standards (including no detrimental changes in access to services) in North Central London as a result of pressures on CCG, the current exercise or the STP;
- Additional funding if required to guarantee the above, including resolving the funding/ accounting issues we have mentioned in this letter;
- Full and proper consultation with residents and patients on any proposals for health service changes, meaning that they will be involved in re-designing services;
- Return the focus of NHS leaders in North London to long-term transformational change over the STP period, working across the health and care system with Councils as equal partners;
- Returning to your ambition for local flexibility in determining our health and care system, reducing the central control exercised over the system;
- Encourage NHS leaders to invest in long-term prevention activity, which by 2020/21 will reduce the demand for expensive health and care.

We would very much welcome a meeting to discuss our concerns.

Yours sincerely,



Richard Cornelius  
Leader  
Barnet



Georgia Gould  
Leader  
Camden



Claire Kober  
Leader  
Haringey



Doug Taylor  
Leader  
Enfield



Richard Watts  
Leader  
Islington