

# Our report at a glance:

Unlocking the NHS's social and economic potential:  
creating a more productive system

**Michael Wood, Head of Health Economic Partnerships**



**@NHSLocalGrowth**

# Health economic partnerships: a suite of recent reports supporting members to deliver



## **Unlocking the NHS's social and economic potential: creating a productive system**

Explore what social and economic development is, why it matters to the NHS and how ICSs can develop more productive systems.



## **Health on the high street**

How integrating health services into local high streets can generate economic, social and health benefits for local communities and businesses.




## **From safety net to springboard: putting health at the heart of economic growth**

Investing in healthcare has an impact on more than healthcare outcomes. It also boosts labour productivity and economic activity.



## **Reimagining the relationship between universities and the NHS: a guide for building and sustaining local, place-based collaborations**

Exploring the critical relationship between universities and the NHS and their collective role in contributing to their local society and economy.

**Visit our hub** 

<b>News</b>	<b>Blogs</b>	<b>Events</b>	<b>Resources</b>
-------------	--------------	---------------	------------------

# A defining purpose for an integrated care system (ICS)

In November 2020, NHS England and Improvement published [Integrating Care: Next Steps to Building Strong and Effective Integrated Care Systems across England](#), outlining four core purposes of ICSs. The last of these purposes is perhaps the **least defined and** understood in traditional NHS management and strategy terms, yet is particularly **important given the wider on-going impact of the pandemic and the inextricable relationship between health and socioeconomic outcomes.**



# Unlocking the NHS's social and economic potential: report storyboard

## Inspiration

- **Least defined and understood purpose** in traditional NHS management and strategy terms
- Particularly **important given** the wider ongoing **impact of the pandemic**, the increasingly **clear relationship between health and socioeconomic outcomes**, and the **Levelling Up agenda**
- **NHS England commissioned the NHS Confederation** to reach a **common understanding of the NHS's role as a partner within an ICS**, through engagement with a wide range of system partners and drawing on the emerging work already happening

## Process

- **Worked closely with NHS England, local leaders, and a range of system partners** through a series of roundtables and separate discussions
- Drew upon ongoing and emerging **case studies** including what works and new challenges faced
- Focused collaboration to reach a **common understanding of the NHS's social and economic potential**, appetite and ambition, and **how to unlock this within an ICS**

## Outcome

- Serves as the very **first piece of published literature on this core ICS purpose**
- Provides a **common vision for this ICS purpose** and gives systems and leaders the mindset, skillset and toolset to begin / accelerate journey
- Provides a **tangible direction** for ICSs to deliver on this purpose as well as framework for ICSs to **measure their progress**

# Unlocking the NHS's social and economic potential: executive summary

## Key points

- This report is the **first published resource** for ICS leaders on this purpose and builds on significant cross-sector leadership engagement. We found widespread support for the purpose with leaders seeing it as a key test of how systems will work more broadly
- Delivering on this purpose can broaden an ICS's prevention and population health planning and influence the future direction of local social and economic development, **moulding an economy and place that supports health in everything it does**
- This ICS purpose reflects **the next phase of the anchor journey**: moving from an institutional view of what one can do to a system view of what we can change
- **The role of NHS England is particularly important** in developing ongoing packages of practical support, establishing permissive frameworks for systems on policy and delivery, ensuring leadership programmes reflect the system-nature of this work and engaging across government
- While there will be **tensions between the short-term operational pressures** and the **long-term nature of social and economic development**, leaders believe this purpose should play a central role in wider integrated care strategic planning, policy and communications
- This report looks at the **wider implications and opportunities** that may arise as ICSs become more engaged in this purpose. In particular, there will be clear overlaps with areas developing new and existing devolution deals, as outlined in the levelling up white paper

### What?

- What do we mean by social and economic development?
- What is inclusive growth?

### Why?

- Why does social and economic development matter to the NHS and vice versa?
- Why is social and economic development a priority for our leaders?

### How?

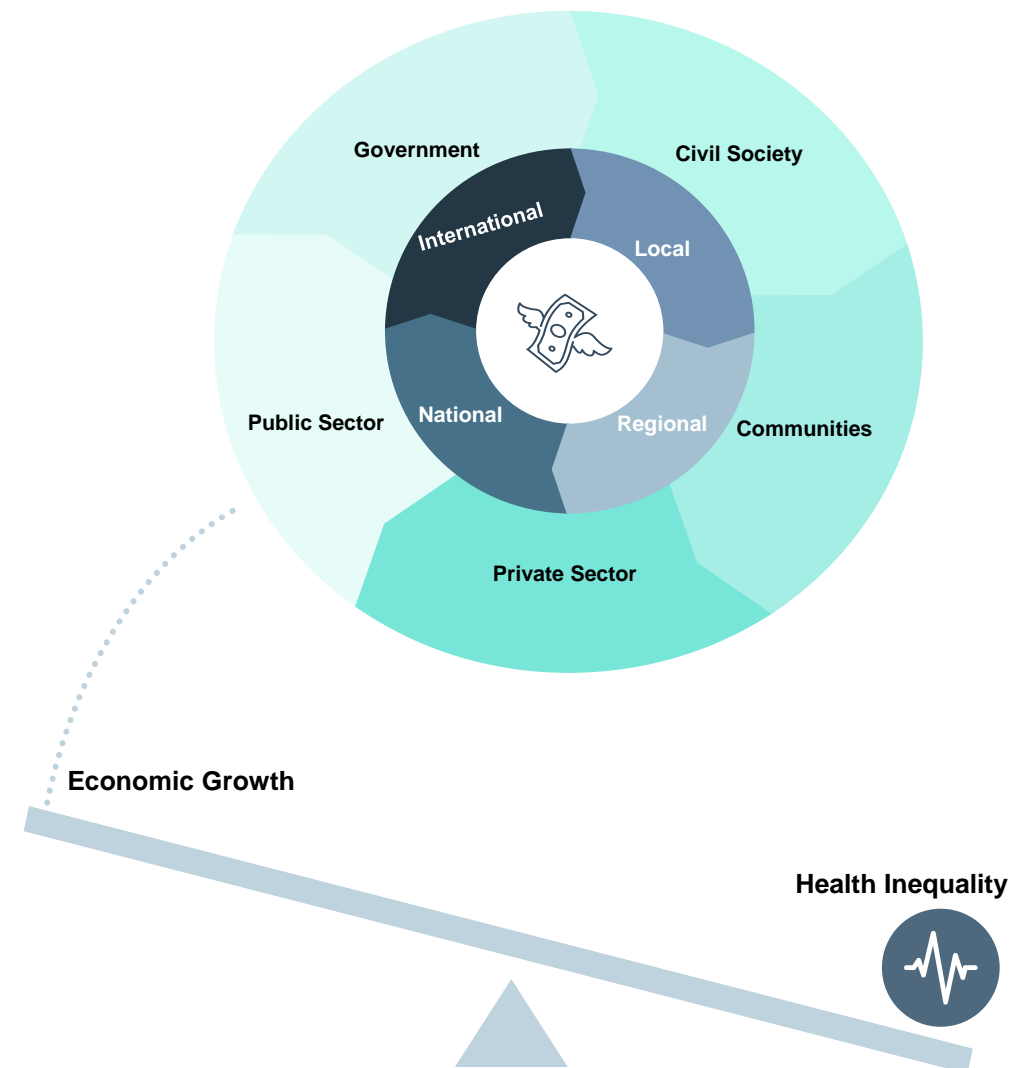
- How can ICSs deliver against this purpose for the benefit of their populations?
- How can ICSs measure their progress and impact?

### Where Next?

- Where will this broader strategic partnership work lead future system thinking?
- Where can national bodies offer support to help accelerate their journey?

# What is social and economic development?

- ‘Social and economic development’ is often described as the **process by which economic wellbeing and quality of life is improved through a range of targeted policy, goals, and objectives**
- **“The definition used locally needn’t be complicated – for many it is simply about developing the conditions for a good life.”** ~ [Chapter 1: Putting Health at the Heart of Social and Economic Development](#)
- The focus on both **social** and **economic** is important, reflecting the need to ensure a **balance between the two** in what systems prioritise if we are collectively to grow the kind of economy and society we want
- While this balance may alter depending on the views of national government and local economic leaders, this concept is increasingly **focusing on those who have been traditionally excluded from social and economic opportunities**, helping to curate more inclusive and resilient societies which spread and improve prosperity
- Inclusive growth, sometimes referred to as **inclusive economy**, is **economic growth that is distributed fairly across society and creates opportunities for all**. It specifically targets actions and initiatives that tackle inequalities, including health inequalities, with the intention of enabling more people and places to benefit from the proceeds of economic success



# Modelling the future: what we heard

In developing this report, we built on a series of outputs from roundtables and discussions with senior leaders from within and outside the health and care sector, finding widespread support for this new ICS purpose. While the task of turning this into concrete and impactful policy and action should not be underestimated, the appetite for change and the understanding of how important this is to local partners is clearly present.

Holding a mirror to the NHS

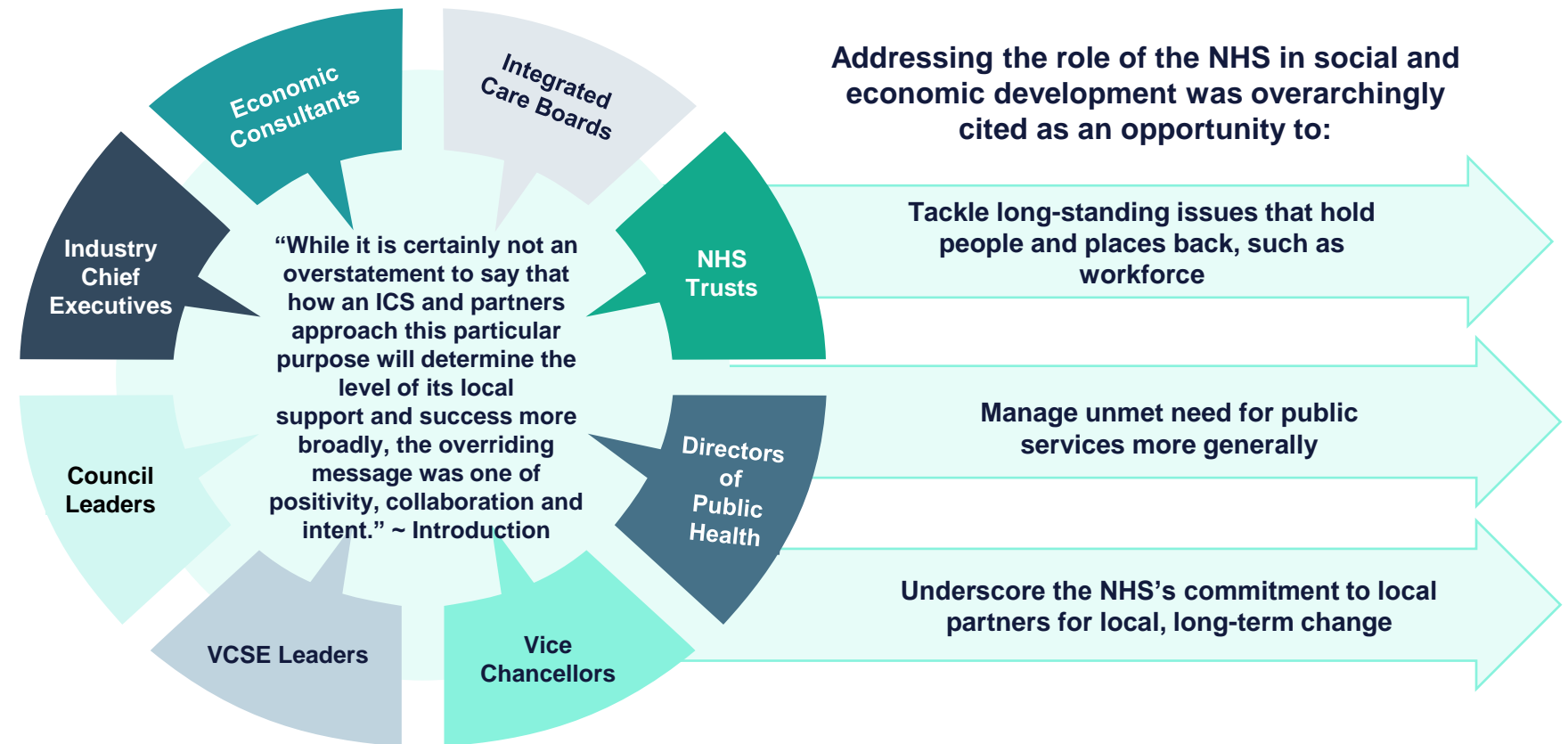
How can we encourage NHS leaders to be more curious?

Will the NHS push where and when really needed?

How can we illustrate that collaborative place leadership is an opportunity, rather than a challenge, for the NHS?

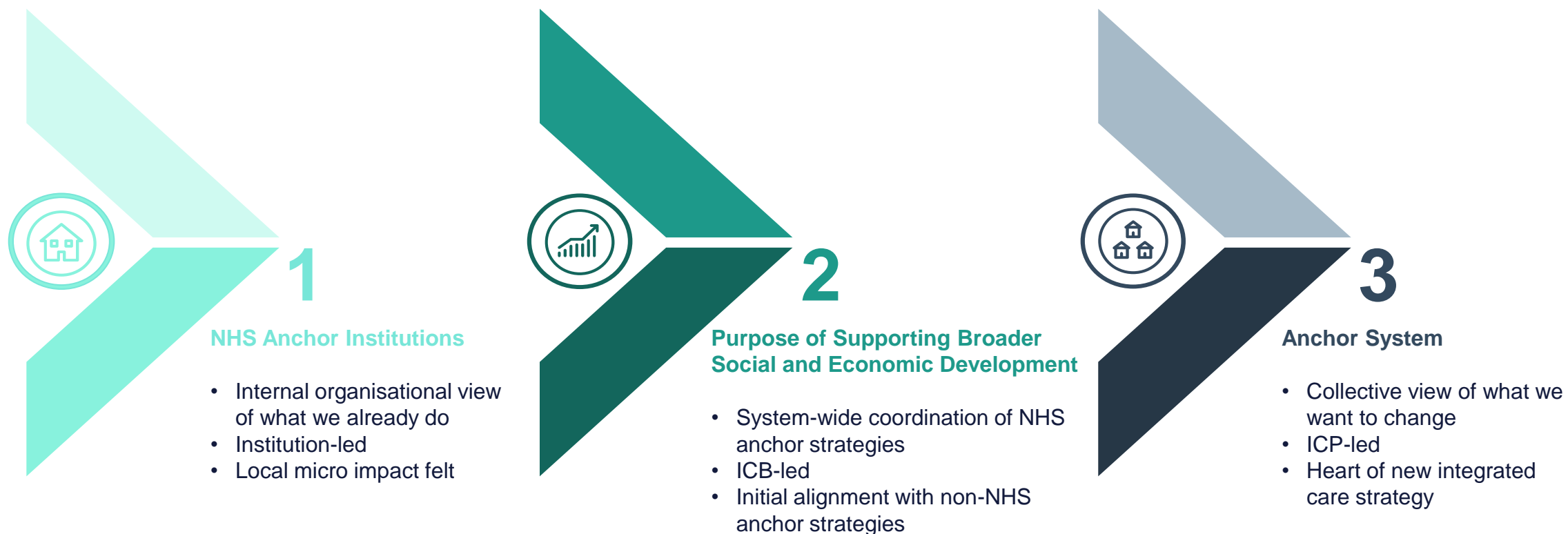
How can we demonstrate that the NHS's power is not solely limited to its resources, but expands to its voice and influence?

How can we show the NHS's knock-on effects on other sectors?



# Moving from anchor institutions to anchor systems

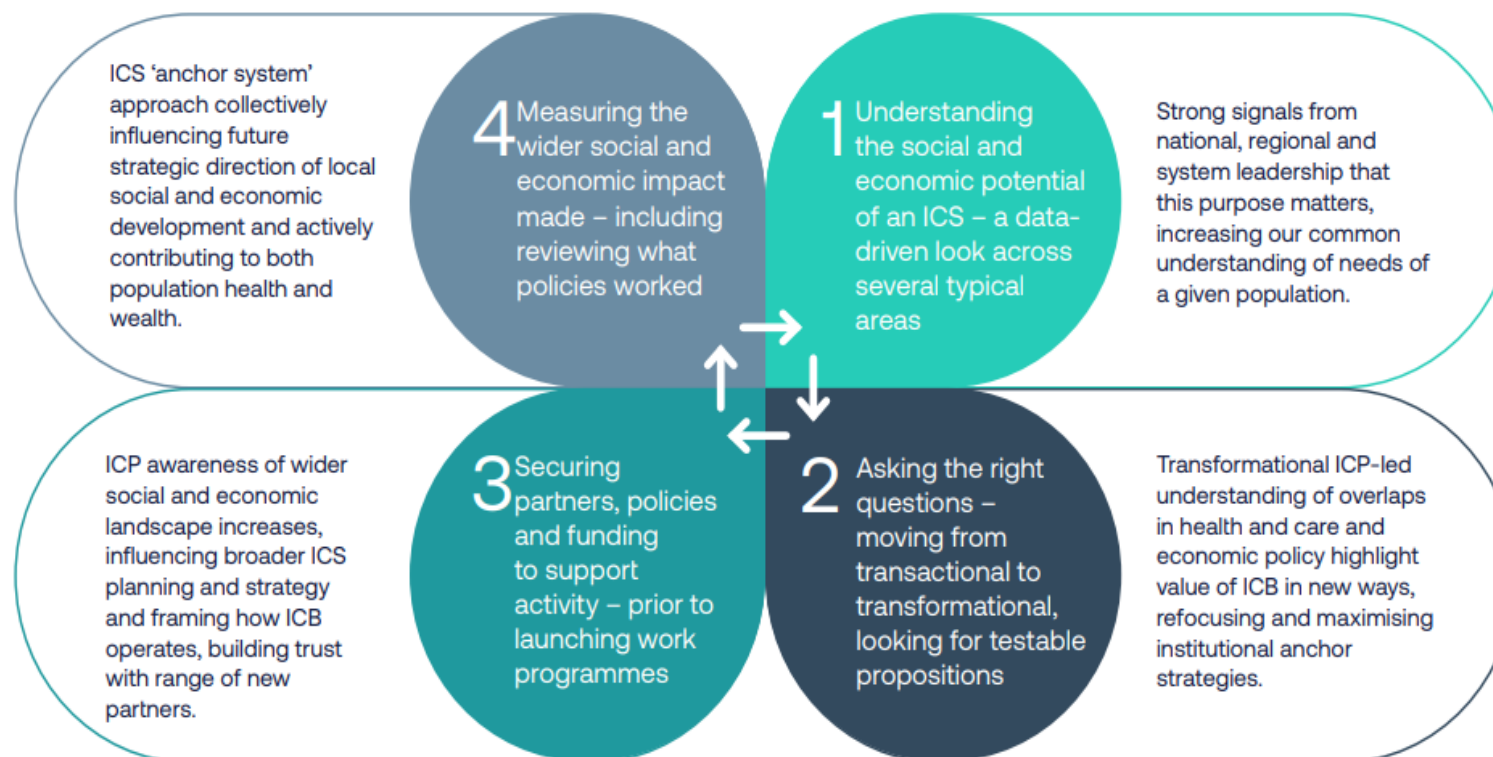
The NHS is one of the **main ‘anchors’** in a given place, alongside local authorities, universities, colleges, VCSE organisations and increasingly businesses. Sitting at the heart of integrated care strategies and delivering on this ICS purpose should be the start of a journey from focusing on anchor institutions to creating anchor systems. This will involve a much more **strategic and aligned focus** on what it is the ICS wants to change, **developed in partnership with the range of other NHS and non-NHS anchors across the system**, all pulling and participating in the same strategic direction for the economy and for the shared communities.





# A four step model for local change

To stimulate action and delivery against an ICS's purpose of helping the NHS support broader social and economic development, we believe there is a need to develop a light touch framing model that has broad consent from health service and local authority leaders and their partners, and enables a system to begin formulating its own plans. The model we have developed with and for system leaders has **four key steps through which an ICS can deliver on this purpose:**



# Step 1: approach and recommendations

Understanding the social and economic potential of the integrated care system (ICS) – a data-driven collection of where an ICS might make a difference.

### Net Zero

- Number of NHS-related journeys, including suppliers, staff and patients
- Carbon footprint of all NHS organisations within ICS
- Fleet size

### Research and Development

- Number of health-related industries supported to invest
- Business rates and taxation raised
- Number of start-ups supported
- Amount of research funding attracted

### Employment and Skills

- Total employed workforce across ICS
- Number of staff living within ICS, including in most deprived wards
- Number of local households supported
- Number of young people employed through apprenticeships/schemes

### Civic Leadership

- Diversity, range and number of local staff volunteers
- Data on patient engagement levels
- Mentoring and other forms of local impact

### Procurement

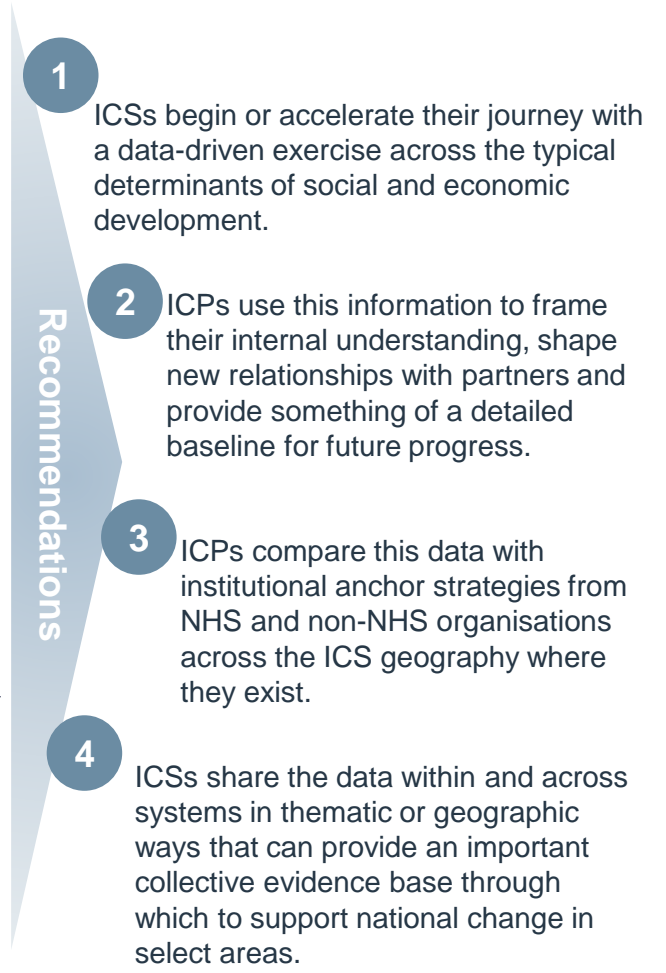
- Total NHS spend within ICS
- Influenceable spend
- Social value impact
- Amount spent with voluntary, community and social enterprise (VCSE) and other local target groups

### Population Health

- Number of operations on working-age people
- Number of people supported through smoking cessation
- Number of people supported back into employment through mental health initiatives

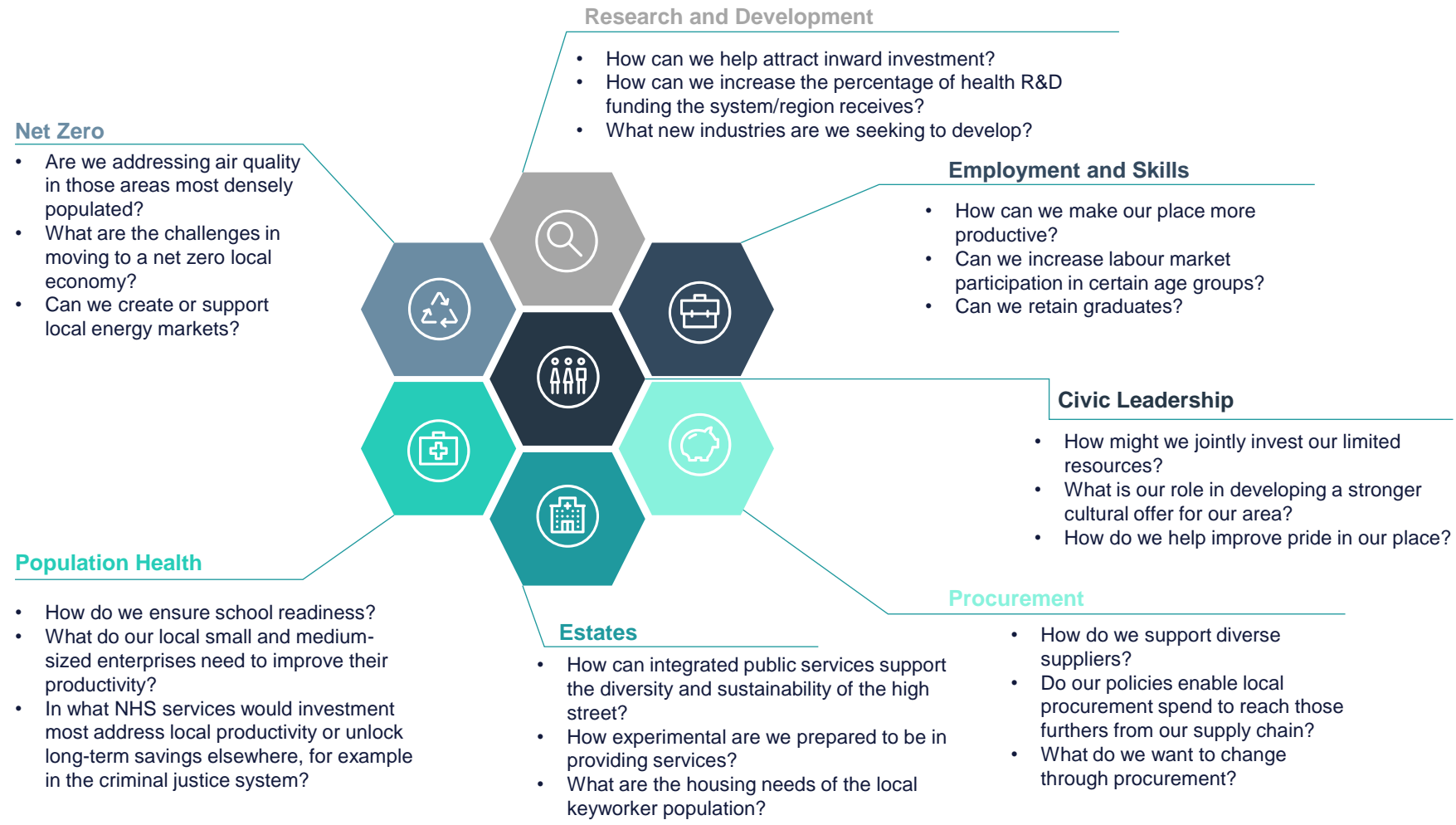
### Estates

- Size and value of NHS estate across ICS
- Asset usage across sites, including non-NHS services supported
- Footfall across sites, including links to any regeneration schemes



# Step 2: approach and recommendations

Asking the right questions – moving from being transactional to transformational.



**Recommendations**

**1** ICPs prioritise a selection of the transformational questions to test through the development of their integrated care strategy.

**2** ICPs undertake a relationship audit across their partnership. The annex in the report reflects some of the views of the NHS from other sectors in a social and economic perspective.

# Step 3: approach and recommendations

The **below table will change over time** but is a good starter to reflect on as systems cast the net wide in search of partners, policies and programmes that can support their priorities and pilots.

Tier	Partners	Policies	Programmes
<b>Region</b>	Northern Powerhouse, Midlands Engine, Western Gateway	Levelling Up	UK Shared Prosperity Fund
	DLUHC Regional Directors	Industrial Strategy	
		Net Zero Strategy: Build Back Greener	
		A Plan for Growth	
<b>System</b>	Mayoral combined authorities	Good Work	Levelling Up Fund
	Private partnerships, such as freeports	Strategic Economic Plan	
	Local enterprise partnerships	OHID Inclusive and Sustainable Economies Framework	
	Growth hubs	Health as new wealth	
<b>Place</b>	Local government	Health on the high street	Community Ownership Fund
	Chambers of Commerce		Towns Fund
	VCSE, civil society	Civic university agreements	One Public Estate
	Universities		
	Business improvement districts		
	Colleges		

# Step 4: what could an ICS target?

Measuring the health sector's impact on social and economic development has never been straightforward. The nature of social and economic development is **diverse**. It may be that economic impact is mainly derived at a **macro, or system level, while social impact is found in hyper-local situations**, such as on the high street. Both matter and both should be pursued where relevant change and impact can be sought. Several parts of the country have made a start through local anchor strategies and social value frameworks and approaches, though this is still at an early stage.

Local partners are well placed to help systems develop a diagnostic or evaluation tool which can help an ICS measure its impact. At a very simplistic level, there are a range of targeted interventions that add value, such as:

- Drive more and better local jobs
- Support increased labour market participation
- Retain graduates
- Raise opportunity
- Alleviate pressure on other public services
- Attract investment
- Create commercial spin-offs
- Deliver wider infrastructure connections, including transport
- Unlock housing or planning
- Enable voluntary community and social enterprise organisations to grow
- Increase social value
- Source external funding
- Secure green investment
- Narrow health inequalities
- Improve air quality
- Address staff and community poverty

ICPs develop a **living map across their footprint** to help understand the variety and focus of where an ICB is adding economic and social value.

Recommendation

1

ICPs approach **local or combined authority and university colleagues** about new approaches to measuring piloted place-based work programmes.

Recommendation

2

ICPs keep under review areas where **further devolution or decentralisation** of powers or resources could stimulate greater impact.

Recommendation

3

# A maturity framework: delivering long-term change

A practical tool developed by Cathy Elliott, chair of NHS West Yorkshire Integrated Care Board, to support ICSs in mapping long-term progress and designing and agreeing delivery milestones across a range of suggested example areas, some of which are listed below:

Area of Focus	<b>Emerging</b> The system is 'emerging' and less than two years old	<b>Established</b> The system is 'established' and is around three to five years old	<b>Expanding</b> The system is 'expanding' in terms of its work due to being around six to ten years old
<b>Supporting Economic Development and Recovery</b>	The integrated care partnership (ICP) with the integrated care board (ICB) have reviewed and are aware of area's economic development and/or recovery plan, and reference it in its system strategy, linked to the ICS fourth purpose.	The ICP with the ICB have aligned its system strategy with the area's economic development and/or recovery plan to contribute to its broad delivery and to directly benefit its health and care partnership and services.	The ICP with the ICB have agreed shared aims and objectives to deliver with partners within and outside of health and care for the whole area's economic development and/or recovery for mutual benefit, tracking delivery and evaluating practice together.
<b>Ensuring Quality Local Employment</b>	The ICP with the ICB have reviewed and are aware of local quality employment and wage policy and approaches within and outside of health and care to guide its own People Plan strategy and delivery, working with health and care staff.	The ICP with the ICB have aligned its system and place strategies and workforce approaches in health and care with the area's overall policy and approach, such as signing up to and delivering the Fair Work Charter (or equivalent), working to achieve equality, diversity and inclusion (EDI), and offering local training and employment opportunities widely, especially to unemployed groups of people in the system's communities.	The ICP with the ICB have agreed shared aims and objectives to deliver with partners within and outside of health and care, such as shared policy, roles and plans for quality employment, tackling unemployment, achieving EDI, offering a fair opportunity for work for all residents in the area, such as hyper local recruitment based on population needs and working with local people, tracking progress and evaluating practice together
<b>Tackling Climate Change</b>	The ICP with the ICB have a green plan, linked to NHS plans, and have reviewed and are aware of green policy and approaches in the area outside of health and care to guide its own strategy and delivery	The ICP with the ICB have aligned its system and place green plans, estates and workforce approaches in health and care with the area's policy and approach on tackling climate change to contribute to its broad delivery and directly benefit its health and care partnership and services.	The ICP with the ICB have agreed shared aims and objectives to deliver with partners within and outside of health and care on tackling climate change, such as shared policy, roles and plans on local emissions, public health and travel, tracking progress and evaluating practice together.

# Devolution

The **levelling up white paper**, published in February 2022, established for the first time a **Devolution Framework**, setting out which powers and resources are on offer for local and combined authorities as a means to address growing regional inequalities. While **the role of health within devolution deals is still emerging**, we should expect this to be a priority for many.

## Levelling Up white paper

Levelling up white paper set out the government's mission to **extend, deepen and simplify devolution across England so that by 2030**, every part of England that wants a devolution deal will have one with powers at or approaching the highest level of devolution and a simplified, long-term funding settlement. While not always coterminous, there will be convergence of boundaries across both combined authorities and ICSs given the strategic, macro nature of their respective roles.

## Primary partner of an ICS

All **current and future combined authorities** will have a core focus on economic growth and many of the determinants of health, making them, and their directly elected metro mayor, **the primary partner for an ICS in understanding, designing and delivering on their purpose of supporting social and economic development**.

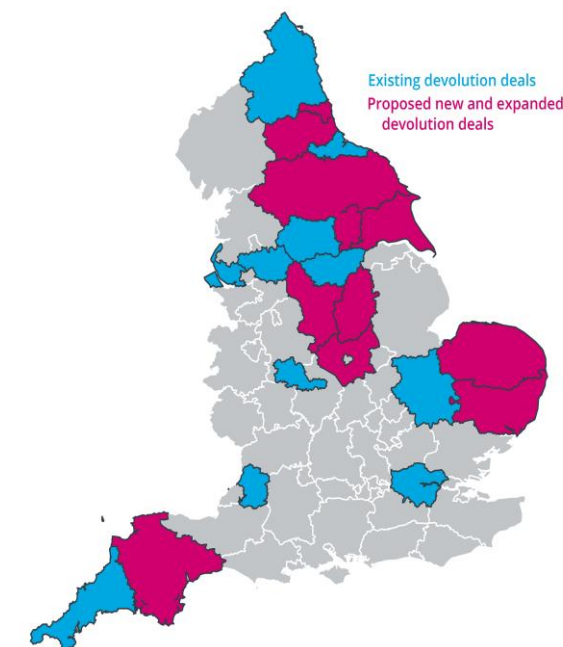
## A key issue

While a range of key issues already matter to ICSs (including skills, innovation, funding, planning), **health and wider public service reform is becoming a more explicit part of English devolution**. Many existing deals, and some in the process of being agreed, have referenced the importance of public health and addressing health inequalities, for example.

## Role of the Metro Mayor

The role of the metro mayor in particular is an interesting one. Their **'soft' convening and influencing power** is becoming increasingly evident in how they align local partners and voices around civic issues that matter to local populations, but often do not belong in any one sector, such as homelessness. We can expect **an overlapping of not simply strategies but also accountability for a given place**.

Existing and proposed devolution deals by area, England



Institute for Government analysis of Office for National Statistics Area Classifications and Department for Levelling Up, Housing and Communities, *Levelling Up the United Kingdom*, 2022.

CC BY-NC

# National recommendations: accelerating the journey

With the right support, leadership and collaboration we believe ICSs can make significant progress in delivering against their purpose of supporting social and economic development. On a **national** level, the following national recommendations would help to realise impact:

**1**

NHS England sets out a **broad vision statement** for the NHS's role in social and economic development

**2**

NHS England sets a **collective expectation for the 42 ICSs to work together**, potentially through the NHS Confederation's ICS Network, to come up with a joint plan on how they will fulfil this purpose through their ICP strategies

**3**

A **national support package** to be co-developed with ICS leaders and rolled out across England:

- Peer System Learning
- Modular Leadership Development
- Individual Fellowships

**4**

The NHS Leadership Academy **prioritises the skillset necessary** to develop this ICS purpose in their various programmes

**5**

NHS England **models the behaviours required** to develop this principle by showing the social and economic impact of their own policy and decision-making

**6**

NHS England **national and regional teams support ICS and ICB leaders to form geographic cross-sector partnerships** focused on social and economic development

**7**

The Department of Health and Social Care and NHS England convenes a national, multi-stakeholder partnership to **establish consistent arrangements for aligning the sector's work** to support social and economic development

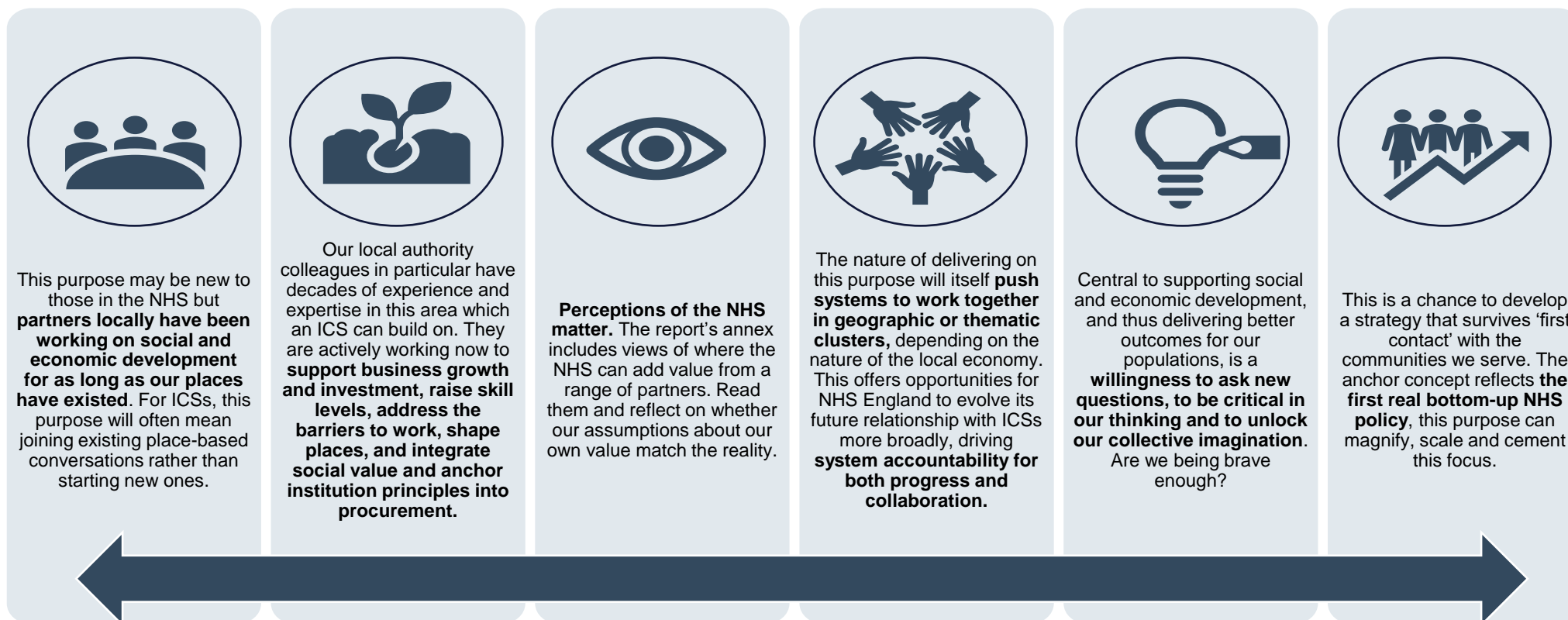
**8**

NHS England works with the government to ensure health is explicit in future funding and policy decisions



# Final thoughts

“For this ICS purpose, this means an ICP looking outwards at the emerging local social and economic landscape and understanding both what it wants to change and what it will ask from its partner members. For the NHS specifically, it **means a change in its mindset, a reframing of its skillset and a more experimental, long-term toolset.**” ~ [Chapter 1: Putting Health at the Heart of Social and Economic Development](#)



# Further information

Our Health Economic Partnerships work programme supports the NHS to understand its growing role in the local economy and to develop anchor strategies at institutional, place and system level.

Visit our [website](#) and contact [Michael.Wood@nhsconfed.org](mailto:Michael.Wood@nhsconfed.org) or [Bridget.Gorham@nhsconfed.org](mailto:Bridget.Gorham@nhsconfed.org) for more information