



Integrating care

Next steps to building strong and effective integrated care systems across England

Key points

- NHS England and NHS Improvement (NHSEI) has set out guiding principles for the future of integrated care systems (ICSs) in England and outlined two proposals for how ICSs could be embedded in legislation by April 2022, subject to parliamentary decision.
- The details are set out in [Integrating Care: Next Steps to Building Strong and Effective Integrated Care Systems across England](#). It follows publication of our report, [The Future of Integrated Care in England](#), earlier this month. In that report, we set out views across our membership on how to make system working a success. Our key recommendations included that:
 - ICSs should be given a statutory footing through legislation – we were clear, however, that whatever form ICSs take they must embed partnership working, recognising the key role that local government, independent and charitable providers, voluntary sector organisations and community representatives play in systems alongside NHS services
 - a new statutory duty should be introduced on all partners within systems (including local authorities) to deliver against shared objectives and to incentivise greater joint working across health and care services
 - any new measures to strengthen system working must be accompanied by radical reform of the current model of NHS oversight – our members were clear that ICSs need much greater autonomy and head space to focus on delivering what local communities need.
- As we outline, we believe that the NHSEI paper represents a positive step towards a more integrated, responsive health and care sector. It addresses and takes forward the above recommendations, as well as several others outlined in our report.
- The development of system working over recent years, and during the pandemic, has demonstrated the vital importance of collaboration and partnership working and we now have an opportunity to make this the organising principle of the NHS. We believe the legislative options proposed by NHSEI are a measured and important step forward and will help to accelerate the move to delivering more integrated care to the public. We believe this will be better for both patients and the taxpayer.
- NHSEI is inviting views on its proposed legislative options by **Friday 8 January 2021**. At the end of this briefing, we set out how we intend to engage with members on our formal response over the coming weeks.

Summary of the proposals

NHSEI's paper is structured in three sections. Here, we address each in turn.

1. Purpose

NHSEI states that its proposals on the future of ICSs are designed to serve four fundamental purposes:

- improving population health and healthcare
- tackling unequal outcomes and access
- enhancing productivity and value for money, and
- helping the NHS to support broader social and economic development.

The paper outlines that these purposes will be achieved by embracing three principles taken from the NHS Long Term Plan: decisions taken closer to communities; collaboration between partners at place; and collaboration between providers.

2. Putting this into practice

In this section, NHSEI sets out a series of practical policy changes that will need to be in place by April 2022 at the latest, to make a consistent transition to system working. Notably included under the eight themes covered are:

- **Provider collaboratives.** Providers will play an active and strong leadership role, joining up the provision of services within and between places. All NHS provider trusts will be expected to be part of a provider collaborative. For provider organisations operating across a large footprint or for those working with smaller systems, they are likely to create provider collaboratives that span multiple systems. Further guidance on provider collaborative models will be published in early 2021.
- **Place-based partnerships.** The place leader will work with partners such as the local authority and voluntary sector in an inclusive, transparent and collaborative way. Their four main roles will be to: support and develop primary care networks (PCNs); simplify, modernise and join up health and care; use population health management and other methods to identify at-risk communities; and coordinate the local contribution to health, social and economic development. The exact division of responsibilities between system and place should be based on the principle of subsidiarity.
- **Clinical and professional leadership.** ICSs should embed system-wide clinical and professional leadership through their partnership board and other governance arrangements, including primary care network representation.
- **Financial framework.** NHSEI will increasingly organise the finances of the NHS at ICS level and put allocative decisions in the hands of local leaders. A 'single pot' will be created, bringing together different funding streams, including current

CCG commissioning budgets, primary care budgets, the majority of specialised commissioning spend, central support or sustainability funding and nationally-held transformation funding allocated to systems.

- **Regulation and oversight.** NHSEI recognises that regulation needs to adapt, with more support from national regulators for systems and the individual organisations within them, and a shift in emphasis to reflect the importance of partnership working. Practical steps it can take to support systems include issuing guidance under the NHS provider licence that good governance for providers includes a duty to collaborate; and ensuring foundation trust directors' and governors' duties to the public support system working.
- **How commissioning will change.** The activities, capacity and resources for commissioning will change in three significant ways in the future. First, there will be a single, system-wide approach to undertaking strategic commissioning. Second, provider organisations and others (through partnerships at place and in provider collaboratives) will become a principal engine of transformation. And third, there will be a greater focus on population health and outcomes in contracts and the collective system ownership of the financial envelope. Further analysis of the impact of the proposals on commissioning will be undertaken by NHS Clinical Commissioners.

The other themes addressed are: governance and accountability (pp.14-17) and data and digital (pp.19-21).

3. Legislative proposals

NHSEI states that while the detailed policy work described above will be necessary to deliver its vision, it will not by itself be sufficient. As we have argued, there will also need to be changes to the existing statutory framework to address the restrictions inherent in the Health and Social Care Act 2012 and embed partnership working into the health and care architecture in England. NHSEI proposes two options to achieve this.

- **Option 1: a statutory ICS board/joint committee with an accountable officer (AO).** This would establish a mandatory, rather than voluntary, statutory ICS board through the mechanism of a joint committee and enable NHS commissioners, providers and local authorities to take decisions collectively. An AO would not replace individual organisation AOs/ chief executives but would be recognised in legislation and would have duties in relation to delivery of the board's functions. One aligned CCG per ICS footprint and new powers would allow that CCGs are able to delegate many of their population health functions to providers.
- **Option 2: a statutory ICS body.** ICSs established as NHS bodies partly by "re-purposing" CCGs, taking on the commissioning functions of CCGs. CCG governing body and GP membership model would be replaced by a board consisting of representatives from system partners. As a minimum, this would include representatives of NHS providers, primary care and local government alongside a chair, a chief executive and a chief financial officer. The power of individual organisational veto would be removed and the ICS chief executive would be a full-time AO role.

Of the two options, NHSEI clearly states its preference for the second as it believe it offers greater long-term clarity on system leadership and accountability.

Common features to both models

There are certain features common to both models. These notably include:

- a new 'triple aim' duty on partners within systems, however this will apply only to NHS partners and not local government
- broad membership and joint decision-making (including, as a minimum, representatives from commissioners; acute, community and primary care providers; and local authorities).

Regardless of which legislative option is pursued, NHSEI also outlines that it wishes to develop its operating model to support the vision for ICSs. This will include a package of support for systems, such as around tackling unwarranted variation and improving use of data, as well as increased freedoms and responsibilities for ICSs, such as greater responsibility for system development and performance.

Transition

- NHSEI will work with systems to ensure that they have arrangements in place to take on enhanced roles from April 2022. It will set out a roadmap for this transition that gives assurance over system readiness for new functions as these become statutory.
- NHSEI acknowledges the need to support staff during organisational change by minimising uncertainty and limiting employment changes. It is therefore seeking to provide stability of employment, particularly in CCGs directly impacted by the second legislative option. It commits, for instance, not to make significant changes to roles below the most senior leadership roles and offer opportunities for continued employment up to March 2022 for all those who wish to play a part in the future.

Questions for consultation

NHSEI is inviting stakeholders to share their views on four questions by **Friday 8 January 2021**:

1. Do you agree that giving ICSs a statutory footing from 2022, alongside other legislative proposals, provides the right foundation for the NHS over the next decade?
2. Do you agree that option two offers a model that provides greater incentive for collaboration alongside clarity of accountability across systems, to parliament and most importantly, to patients?
3. Do you agree that, other than mandatory participation of NHS bodies and local authorities, membership should be sufficiently permissive to allow systems to shape their own governance arrangements to best suit their population's needs?
4. Do you agree, subject to appropriate safeguards and where appropriate, that services currently commissioned by NHSEI should be either transferred or delegated to ICS bodies?

NHS Confederation viewpoint

It is welcome that many of the recommendations we made earlier this month in our report feature in the proposals set out by NHSEI. We believe the direction of travel outlined is the right one for the health and care sector in England and one that we wholeheartedly support.

For decades, the NHS legislative framework has centred around the principle of competition between organisations to improve the quality of services. Our members tell us this is no longer the best way to improve the health of local communities, deliver higher quality care, and make more efficient use of resources. Greater collaboration and partnership working have been a defining feature of the response to coronavirus and we need to formally embed this into how the NHS operates in future.

The NHS and the partners we work with across social care and other public services have been on this journey now for several years. In many ways, NHS and care organisations have worked in spite of the existing legal framework to foster better ways of working locally. But the current legal and regulatory restrictions will only take us so far. As such, we believe it is the logical next step to establish these partnerships as statutory bodies and build on the progress that has been made in recent years, bringing together service provision, strategic commissioning and clinical leaders, all of whom will have an obligation to collaborate to improve the health of the communities they serve.

We also believe that for the ambitions outlined in NHSEI's proposals to be achieved, the new statutory bodies will need to be about much more than the NHS. They must be driven by collaboration, with partners across local government, social care, the voluntary sector, education and other public services involved as equal partners. This must be hardwired into these bodies from the outset, with a key aim being a focus on establishing health equity for all communities.

It should also be noted that there are some issues that remain unaddressed and on which we will be seeking to clarify and develop further with NHSEI. For example, while the paper provides detail on system finance, it is not clear if and how systems will also have control over workforce strategy. Equally, the paper emphasises the relationship between systems and NHSEI regional teams, with 'limited cause for national functions to directly intervene', but simultaneously indicates a vision towards 'thinner' NHSEI regional teams in future. Clarity is needed on the details of what the system-region relationship will look like under the above models.

Statements by our chief executive, Danny Mortimer, and the leaders of each of our member networks can be [found on our website](#).

Next steps

Over the coming weeks, we will be engaging with members through each of our member networks, both to gather feedback on the direction of travel that NHSEI has outlined and explore views on the specific questions NHSEI has posed. This engagement will feed into a formal NHS Confederation response, which we will submit to NHSEI and publish on our website in January 2021.

About the NHS Confederation

The NHS Confederation is the membership body brings together and speaks on behalf of organisations that plan, commission and provide NHS services in England, Northern Ireland and Wales. We represent hospitals, community and mental health providers, ambulance trusts, primary care networks, clinical commissioning groups and integrated care systems.

To find out more, visit www.nhsconfed.org



18 Smith Square, Westminster, London SW1P 3HZ

Tel 020 7799 6666

Email enquiries@nhsconfed.org

www.nhsconfed.org

Follow the NHS Confederation on [Twitter](https://twitter.com/nhsconfed) @nhsconfed

If you require this publication in an alternative format, please email enquiries@nhsconfed.org

© NHS Confederation 2020. You may copy or distribute this work, but you must give the author credit, you may not use it for commercial purposes, and you may not alter, transform or build upon this work. Registered Charity no. 1090329