



8 July 2021

ICS development: design, oversight and deadlines

Yesterday (6 July), a day after the NHS celebrated its 73rd birthday, the new health and care bill was introduced to Parliament. Though it may be amended as it works its way through the legislative process, the broad thrust won't change. It would be very surprising if it doesn't get passed into law during the current parliamentary session. Regulators are already issuing guidance on the assumption it will be. Once the Bill is passed, the new era of collaborative, integrated healthcare will be officially ushered in, moving further away from the market-based competitive approaches of the last 25 years.

The introduction of the new health and care bill concludes a busy few weeks in which the ICS design framework and NHS systems oversight framework have been published by NHS England / Improvement. Both sets of guidance, which we have written about over the past two weeks, give leaders of both providers and systems plenty to think about and get on with to be ready for the crucial April 2022 date. The starting pistol on this new age of healthcare has well and truly been fired and the timescales are tough. Momentum will be key based on establishing the proper foundations now, something we have been supporting ICSs to get right.

What needs to be done and when

There is lots to be done, by specific deadlines at system, place and provider levels: At the same time, funding was put under pressure. Cuts continued in stretched funders such as local At

Q2 (Jul-Sep 2021)

- **MoU:** Submit draft 22/23 MoU (operating model and governance)
- **Place:** Start place-based arrangements
- **Transition:** Start due diligence planning
- **Recruitment:** Ensure ICS Chair, ICS lead, and AO roles are well supported; Recruit Chair and AO

Q3 (Oct-Dec 2021)

- **Shadow:** Be ready to operate in shadow form (ICS NHS body and ICS)
- **Constitution:** Engage on ICS constitution
- **Recruitment:** Recruit ICS executive roles (finance, medical, nursing, more)

Q4 (Jan-Mar 2022)

- **Constitution/ MoU:** Submit ICS NHS body constitution and agree 22/23 MoU with NHSE/I
- **Commissioning:** Shift direct commissioning to ICS NHS body
- **Systems:** Ensure digital, data and finance systems are ready to go live
- **Transition:** Complete due diligence for transition
- **Recruitment:** Recruit ICS senior roles, incl place based leaders, non-executive directors



system level, development needs to progress at pace. Structures need to be established and the roles and membership of the soon-to-be-created statutory organisations and other bodies, place-based partnerships and provider collaboratives. Governance and oversight systems need designing and implementing. Rules, responsibilities and accountabilities need careful clarification and mutual agreement. Functions need delineating and the transition from CCGs needs managing.

Some providers may think they only play a limited role, but when they think more deeply about it, there's a lot they can and should be doing immediately. The new NHS systems oversight framework (SOF) is intended to drive organisational behaviours and make all partners better 'system players' who focus on system outcomes. This creates new challenges for already hard-pressed boards of organisations: they are emerging from COVID, will have to think about impacts outside their organisational boundary, and must align their governance to the places in which they operate. Providers will also have a significant role to play in improving each other's performance, the provider collaborative functioning like an improvement arm of the ICS.

What will be the key challenges

The scale of what needs to be done shouldn't be underestimated. That the bill and related ICS guidance run into hundreds of pages is testament to the complexity of what needs not just to be set up but set up effectively, and able to deliver the four aims of ICSs. The reality will be more complex still.

Capacity and capability will be required both to i) help navigate what some observers think will be the NHS' most difficult winter and ii) at the same time deliver this massive systemic change. This is a lot of change in a short period of time. All this whilst supporting a workforce traumatised by dealing with COVID and managing the ongoing pandemic and recovering waiting lists. ICS development is complex work which needs to be done right for ICSs to have the foundations to be successful from the start.

A key governance point for ICSs is clear accountability. As organisational boundaries get fuzzier under the ICS umbrella, it's critical to maintain clarity about which issues belong to single organisations and which issues are shared - and if so, between whom Organisations are seeking to avoid duplication of care, mindful of the risk of patients falling between the cracks of the new structures. As Sir Roy Griffiths famously observed nearly 40 years ago "if Florence Nightingale were carrying her lamp through the corridors of the NHS today she would almost certainly be searching for the people in charge". If the NHS is moving to an approach similar to that of the past, we must avoid its weaknesses.

The new ICSs will require a radical overhaul of how decision making processes are currently structured, not only within the new statutory body, but also a much larger involvement for health partners including local government and the third sector. All of these organisations have different statutory responsibilities and accountability and financial frameworks. As such, a clear and transparent governance structure capable of dealing with this complexity will need to be developed.

As part of the move to a new statutory ICS body, constitutions need to be developed before March 2022. Following the closure of CCGs, replacement primary care structures will need to be set up which keep the best of the current system.

Questions boards should be asking themselves

Influencing decisions: Are you clear about how decisions will be taken in the statutory ICS and how you will be involved?

Duties: Are you content with how you will manage the tension between delivering your existing statutory duties and operating as a system in shadow form? Have you thought about your organisation's role in delivering better outcomes along the whole patient pathway and reducing inequalities?



Subsidiarity: Are you clear about the functions and decisions to be taken at place level and in provider collaboratives and are they in line with the principle of subsidiarity?

Primary care: Has the role of primary care in all levels of the system been agreed?

Collaboration: How will you work jointly and collaboratively with local authority, VCSE and other partners despite the demands of your respective legal duties and accountabilities?

Illuminations

- As organisational boundaries get fuzzier under the ICS umbrella, it is critical to maintain clarity about which issues belong to single organisations and which issues are shared, and if so between whom.
- The new ICSs will require a radical overhaul of how decision making processes are currently structured. Not only within the new statutory body, but also a much larger involvement for health partners including local government and the third sector.
- Capacity and capability will be required to help navigate these reforms and put the best possible foundations in place and within the tight time frame

We have established a strong reputation for our pioneering integration work across a number of organisations and have developed a suite of original tools to support integration and ICS development, which is freely available through our Institute. We can provide specialist support with:

- System Development Plan
- Memorandum of Understanding
- Governance structures
- Decision-making models
- Place models
- Constitution
- Primary care engagement in decision-making
- Other structures and frameworks e.g. digital, data, finance, people / workforce

If you have any questions or comments about this briefing, or to discuss how we can help, please call us on 07732 681120 or email advice@good-governance.org.uk.