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Report title: Update on the development of Integrated Care Systems in Essex and the progress of the Health and Care Bill	
Report to: Health Overview and Scrutiny Committee	
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County Divisions affected: Not applicable	

1. Introduction

1.1 The Health and Care Bill 2021/22 was tabled in parliament in July 2021 and will make changes to local NHS structures and establish new statutory integrated care systems (ICSs) affecting Essex. The Bill will also introduce some changes for adult social care.

1.2 The Health Overview and Scrutiny Committee has requested a briefing on the form and function of the Integrated Care Systems and on local transition work ahead of the new statutory arrangements coming into being from the 1st April 2022 (subject to changes as the Bill passes through the legislative process).

2. Recommendations

2.1 Members are asked to discuss how, going forward, they would like Health Overview and Scrutiny (including joint scrutiny arrangements) to engage in the activity of the newly created Integrated Care Systems (ICS's) and place-based activity via the local Alliances.

3. Summary

3.1 The Health and Care Bill 2021/22[1] was published and introduced in the House of Commons on 6 July 2021 and is expected to become law from 1 April 2022. The Bill is currently at House of Commons report stage (22nd November), before heading to the House of Lords. A range of supporting guidance has been published.

3.2 The Bill will:

i. Establish new statutory integrated care systems (ICSs). These will comprise two elements:

a. A new statutory NHS Integrated Care Board (ICB) for a geographical area. The ICB will hold responsibility for day-to-day operations of an integrated care system; hold responsibility for NHS planning and financial allocations; and increasingly for system performance oversight. The Bill will abolish existing clinical

[1] Health and Care Bill - Parliamentary Bills - UK Parliament

commissioning groups (CCGs).

b. A new statutory Integrated Care Partnership Board (ICP) for the same geographical area that is covered by an ICB. The Partnership Board will be tasked with promoting integration and be required to produce a plan for health, public health and adults and children's social care.

ii. Introduce a duty to collaborate between local government and the NHS.

iii. Reform the NHS provider selection process by making changes to some procurement rules for NHS and also for public health commissioning.

iv. Introduce new powers for the Secretary of State to re-configure NHS services; make changes to public health services; and to make payments directly to care providers.

v. Introduce a new statutory assurance framework (inspection regime) for councils in respect of their adult social care duties – to be overseen by the Care Quality Commission.

3.3 The Government confirmed in a written ministerial statement that Essex will be party to three integrated care systems, covering:

a) Mid and South Essex (covering Basildon, Braintree, Brentwood, Castle Point, Chelmsford, Maldon, Rochford, and the unitary authorities of Southend and Thurrock)
b) Hertfordshire and West Essex (covering Epping Forest, Harlow and Uttlesford)
c) Suffolk and North East Essex (covering Colchester and Tendring)

3.4 Each integrated care system will have four core purposes:

i. improving outcomes in population health and healthcare
ii. tackling inequalities in outcomes, experience and access
iii. enhancing productivity and value for money; and
iv. contributing to broader social and economic development.

3.5 An ICS will also operate at 3 main levels (or at 4 levels in Essex):

a) At a "system" level, an ICS will set strategic system priorities and will also allocate its finances. The 'system' is the total geography of an ICS such as Mid and South Essex, Hertfordshire and West Essex or Suffolk and North East Essex.
b) At a "place" level, different organisations will come together to deliver services on the ground in a more integrated way. These include local authorities, hospitals, NHS community providers, GPs and voluntary organisations. Places will be able to hold delegated powers and responsibilities but only if their 'parent' system chooses to empower them. A "place" is a subset of a system. For example, West Essex will be a place within a Hertfordshire and West Essex system.
c) At a "neighbourhood" or primary care network level, professionals will work and collaborate together to address local population needs covering populations of 30-50,000.
d) In Essex, there is also a fourth level – the Essex county level, represented by the Essex health and wellbeing board, and also by ECC's

statutory duties for Essex-wide adults social care, children's social care and public health, which will set population-level priorities.

3.6 In Essex, the summary position is:

Mid and South Essex	Hertfordshire and West Essex	Suffolk and North East Essex
✓ Pop. 1.2 million citizens ✓ Covering the unitary areas of Southend and Thurrock, along with 7 district / borough councils ✓ Four place-based alliances - Mid Essex; South West Essex; South East; and Thurrock	✓ Pop. 1.6m ✓ Covering the footprint of Hertfordshire County Council plus 3 Essex districts – Epping Forest, Uttlesford and Harlow. ✓ Three place-based alliances – East and North Herts; Herts Valley; and West Essex	✓ Pop. 1.05m ✓ Covering the Suffolk County Council footprint (bar Waveney) plus 2 Essex districts – Colchester and Tendring. ✓ Three place-based alliances – West Suffolk; Ipswich and East Suffolk; and North East Essex

4. Background

4.1 The Health and Social Care Act 2012 established the existing legal structures for the NHS. This included clinically-led commissioning by groups of GPs (clinical commissioning groups). The Act created Public Health England (PHE) and gave local authorities responsibilities for improving public health in their areas. The Act also established statutory health and wellbeing boards on upper tier authority boundaries, with a requirement to set a joint health and wellbeing strategy for the population of its area.

4.2 In 2015 NHS Planning guidance announced the requirement to produce Sustainability and Transformation Plans (STPs). This required NHS organisations and local authorities across England to come together to develop "place-based" plans for the future of health and care services in their area. STPs became Sustainability and Transformation Partnerships and it was at this point that Essex CCGs were asked to work with partners based on the geographical footprints of Mid and South Essex (including Southend and Thurrock), Hertfordshire and West Essex, and Suffolk and North East Essex.

4.3 STPs represented a shift in the way that the NHS in England planned its services. While the Health and Social Care Act 2012 sought to strengthen the role of competition within the health system, NHS organisations were now being told to collaborate rather than compete to respond to the challenges facing their local services. From 2018, some of these partnerships evolved to form even closer partnerships through Integrated Care Systems or ICS's.

4.4 In 2019 the NHS Long term Plan set out an aspiration that every part of England would be served by an integrated care system from April 2021. In November 2020, NHS England set out some legislative proposals for the Government to consider to change NHS structures and put integrated care systems on to a statutory basis.

4.5 In February 2021, the Government published a white paper on integrated care

systems. This was followed in July 2021 with the publication of the Health and Care Bill.

4.6 The Health and Care Bill, whilst connected to adult social care reform, will progress separately to the *Build Back Better: Our plan for health and social care plan*, published on the 7th September 2021, which announced the introduction of a new 1.25% Health and Social Care Levy, ringfenced for health and social care from April 2023, and based on National Insurance contributions. The Build Back Better Plan also commits the Government to publishing two new white papers by the end of 2021; one on adult social care system reform (with focuses on housing, unpaid carers, information and advice, digital and technology, assurance, workforce, and models of care), and one on integration. These will need to be subject to future briefings to HOSC once detail is available.

The main provisions:

Integrated Care Boards (ICBs)

4.7 The Bill establishes new integrated care boards (ICBs). The general function of ICBs is that of "arranging for the provision of services for the purposes of the health service in England". The ICB holds a duty to "exercise their functions with a view to ensuring that health, social care and health-related services are provided in an integrated way where this would improve the quality of the services."

4.8 ICBs will be responsible in an area for commissioning:

- Acute hospital services
- Primary care services
- Community health services
- Mental health services
- Ambulance services
- Dental services
- Nursing services

4.9 Funding allocations will be made by the ICB and it can choose to delegate budgets and decision-making down to place-based partnerships. ICBs must prepare a 5-year plan and must consult local health and wellbeing boards. Each ICB must have at least one jointly appointed local authority member of the board, who will represent the perspective of the sector rather than the interests of the organisation they are from.

Integrated Care Partnerships (ICPs)

4.10 Integrated Care Partnerships (ICPs) will operate as a statutory committee, bringing together the NHS and local authorities as equal partners to focus more widely on health, public health and social care.

4.11 ICPs will include representatives from the ICB, the local authorities within their area and other partners such as NHS providers, public health, social care, housing services, and voluntary, community and social enterprise (VCSE)

organisations.

4.12 They will be responsible for developing an integrated care strategy, which sets out how the wider health needs of the local population will be met. This should be informed by any relevant joint strategic needs assessments. ICPs will not directly commission services.

Other Measures

4.13 The Bill includes the following additional measures:

i. NHS bodies will have a duty to achieve the triple aims of the Long-Term Plan: better health and wellbeing, better quality healthcare and ensuring the financial sustainability of the NHS.

ii. It will create provision to allow the formation of joint committees between ICSs and NHS providers and between NHS providers separately to give a legal basis for making joint decisions. Both types of committees could include representation from other bodies such as primary care networks and local authorities.

iii. It sets out plans to remove the current procurement rules which apply to the NHS and public health commissioners when arranging healthcare services. Commissioners will be able to arrange services with the most appropriate provider. Commissioners will be able to run a competitive process where it adds value, recognising their duty to act in the best interests of patients, taxpayers and the local population.

iv. There will be a duty to cooperate on the ICB and local government.

v. The Bill draws attention to a forthcoming data strategy for health and care. The strategy will set out the proposals to address structural, cultural and legislative barriers to sharing data for the benefit of the individual, population and system

Service reconfigurations

4.14 The Bill adds a new discretionary power to the NHS Act 2006 for the Secretary of State to give a direction to NHS bodies or providers, requiring a reconfiguration to be referred to them instead of being dealt with locally. The Secretary of State will be able to use this call-in power at any stage of the reconfiguration process.

4.15 To support this intervention power, the current Local Authority referral power, which is set out in regulations under the NHS Act 2006 will be amended to reflect the new process. This does not remove the local Health Oversight and Scrutiny Committee (HOSC) role or the requirement to involve them in reconfigurations.

Adult social care and health

4.16 Introduce a new duty for the Care Quality Commission (CQC) to review, assess and report on the performance of English local authorities in their delivery of their adult social care function. If CQC considers a local authority is failing to discharge any of its adult social services functions to an acceptable standard, it is obliged to inform the Secretary of State and recommend any special measures required. This is expected to commence in 2023.

4.17 The Bill updates the approach to hospital discharge by changing the legislative

framework to enable a 'discharge to assess' model. This model includes enabling assessment to take place after an individual has been discharged from acute care. The Bill repeals existing requirements to assess for care needs before hospital discharge.

4.18 The Bill proposes to create a standalone legal basis for the Better Care Fund (BCF), separating it from the NHS Mandate setting process, which will no longer be on an annual basis.

5. Update and Next Steps

5.1 The Bill is largely permissive and provides a great deal of scope for local discretion, building on existing foundations and tailoring ways of working to best tackle local need and circumstances.

5.2 The three Essex-based ICS systems are currently working on the new governance arrangements for ICBs and ICPs, and planning for the abolition – and transition – of clinical commissioning groups to ICBs.

5.3 The ICBs are currently going through a selection process for their chief executives. They have completed the processes for appointing independent Chairs and these have been confirmed as Rt Hon Paul Burstow (Hertfordshire and West Essex); Prof Mike Thorne (Mid and South Essex) and Prof Will Pope (Suffolk and North East Essex)

5.4 A review has commenced on the role and remit of the Essex health and wellbeing board to ensure that it complements, rather than duplicates, the role of the new statutory integrated care partnership boards.

5.5 All three systems submitted proposed ICB membership and constitutions to NHSE/I for approval on the 17th November.

5.6 Royal Approval of the Health and Care Bill is expected by March 2022.

6. Supporting Documents

- Health and Care Bill newbook.book (parliament.uk)
- Guidance on integrated care systems https://www.england.nhs.uk/publication/integrated-care-systems-guidance/