



REPORT CLASSIFICATION	✓	CATEGORY OF PAPER	✓
Official	✓	Proposes specific action	
Official: Sensitive Commercial		Provides assurance	✓
Official: Sensitive Personal		For information only	✓

BOARD	
30 May 2023	
Report Title:	Chief Executive Report
Purpose of report	
The purpose of this report is to provide an overview of recent activity carried out by the ICB Chief Executive and Executive Directors, as well as some key national policy updates.	
Key points	
<p>The report includes items on:</p> <ul style="list-style-type: none"> • The requirement to reduce the running costs of the Integrated Care Board. • An update on industrial action. • The development of NHS Impact. • A visit from Amanda Pritchard, NHS Chief Executive. • An update on the Hewitt Review. • An update on the financial position and longer-term considerations. • CQC and quality update. • NHS Dentistry and oral health. • How we are working with the Association of Directors of Adult Social Services across the North East and North Cumbria • The launch of our Analytics Academy. 	
Risks and issues	
<p>Note the risks linked to:</p> <ol style="list-style-type: none"> 1. The oral health of our population and the immense challenges to the delivery of and public access to NHS dentistry services in the short to medium term. 2. The ICB financial plan. 	

Assurances

The report provides an overview for the board on key national and local areas of interest and highlights any new risks.

Recommendation/action required

The Board is asked to:

- Receive the report for assurance and information and ask any questions of the Chief Executive.

Acronyms and abbreviations explained

CQC - Care Quality Commission
 ICB – Integrated Care Board
 ICS – Integrated Care System
 LRF – Local Resilience Forum
 NENC – North East and North Cumbria
 NHSE – NHS England
 RCN – Royal College of Nursing

Sponsor/approving director	Sir Liam Donaldson, Chair
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Report author	Samantha Allen, Chief Executive
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Link to ICB corporate aims (please tick all that apply)

CA1: Improve outcomes in population health and healthcare	✓
CA2: tackle inequalities in outcomes, experience and access	✓
CA3: Enhance productivity and value for money	✓
CA4: Help the NHS support broader social and economic development	✓

Relevant legal/statutory issues

Note any relevant Acts, regulations, national guidelines etc

Any potential/actual conflicts of interest associated with the paper? (please tick)	Yes		No	✓	N/A	
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If yes, please specify

Equality analysis completed (please tick)	Yes		No		N/A	✓
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If there is an expected impact on patient outcomes and/or experience, has a quality impact assessment been undertaken? (please tick)	Yes		No		N/A	✓
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Item: 7

Key implications	
Are additional resources required?	None noted.
Has there been/does there need to be appropriate clinical involvement?	Not applicable – for information and assurance only.
Has there been/does there need to be any patient and public involvement?	Not applicable – for information and assurance only.
Has there been/does there need to be partner and/or other stakeholder engagement?	Engagement has taken place throughout the assurance process with NHS England and provider organisations.

Chief Executive Report

1. Introduction

The purpose of this report is to provide an overview of work across the Integrated Care Board (ICB) and key national policy updates and reports.

2. National

2.1 Running Costs – ICB 2.0

NHS England (NHSE) have outlined a requirement for each ICB to reduce their running costs, by 30%, by 2025/6, with 20% of this delivered by the start of 2024/25 and the remaining 10% in 2025/6.

The ICB executive team have framed this imperative as an opportunity to advance the ICB operating model to strengthen alignment to the delivery of our strategic goals and make a virtue of being a single organisation, working within many places with and across the North East and North Cumbria.

A high level programme plan has been approved and established, with a steering group reporting to the Executive Committee. The executive lead for the programme is the Executive Chief of Strategy and Operations, Jacqueline Myers and a Programme Director role created. Following an expressions of interest, two of our Place Directors, Rachel Micheson and Clare Nesbit will job share the role on a 12 month secondment.

The aim of the programme and success measures have been defined as follows -:
Optimising our operating model to achieve our integrated care strategy vision '*Better Health and Wellbeing for All*'

Success measures are:

1. An ICB set up to drive delivery of our Integrated Care Strategy vision 'better health and wellbeing for all' and our four goals:
 - Longer healthier lives
 - Fairer outcomes for all
 - Better health and care services
 - Giving children and young people the best start in life.
2. An intelligence driven organisation that tracks, triangulates and forecasts; is responsive not reactive and truly knows its population and the impact of its interventions.

Item: 7

3. An organisation that develops and maintains excellent relationships and fosters collaboration with and between health and care partners.
4. An operating model that is transparent, reliable, effective and efficient, does things once and to an excellent standard with a quality management system.
5. Ability to meet our statutory responsibilities and ensure quality and safety is prioritised.
6. Affordable within the running cost envelope.
7. A healthy, engaged, skilled, productive, inclusive and diverse workforce.
8. Clarity of role and responsibility for all, with clear alignment of clinical and managerial leadership to all elements of the operating model.
9. Continuation of a flexible and hybrid working model, with more sharing of work spaces with partners, optimising the use of technology.
10. An open, honest, equitable and compassionate change process to implement the new arrangements, driven by our values.

The scope includes:

- All costs currently coded to 'running costs' within the ICB.
- All staff employed within the ICB currently coded to 'programme costs'.
- All strategic programmes, projects, workstreams and clinical networks within the ICB.
- All contracts with the North of England Commissioning Support Unit (NECS).
- Any staff currently employed within NHS England but identified to transfer to the ICB.
- Select ICB contracts deemed to be fulfilling functions or activities that are related to the running of the ICB.

The timeline has been set out:

2023/24	A	M	J	J	A	S	O	N	D	J	F	M
Discovery & Scoping	■	■										
Design			■	■								
Consult					■	■						
Implement							■	■	■			
Contingency										■	■	

Whilst this will be challenging it does present us with an opportunity to ensure the ICB is operating efficiently and effectively to deliver our core aims.

2.2 Industrial Action

The Royal College of Nursing (RCN) industrial action took place from 20.00 on the 30 April until 23.59 on 01 May covering a bank holiday period. This was the most challenging period of industrial action experienced given the additional work requiring agreement for escalation and derogation and the stress placed across the system reaching agreements very late in the day. Colleagues worked tirelessly throughout this period to maintain patient safety and minimise the disruption to services. Our thanks also go to the public for their ongoing support during this period.

Despite our best efforts there was an impact to planned care and for us this included 313 inpatient procedures and 1,117 outpatient appointments cancelled.

2.3 NHS Impact

Current challenges across the NHS have posed the question of how we use learning to deliver real-time improvements effectively and systematically at scale and at pace on our shared priorities, while developing the capacity and capability of the service to improve over time. NHSE has recently undertaken an NHS Delivery and Continuous Improvement Review led by Anne Eden of the way in which *“the NHS delivers effectively on its current priorities while also developing the culture, capacity and capability to continuously improve quality to deliver better health outcomes both for today and in the future”*.

The review concluded in November 2022 and recommendations were endorsed by the NHSE Board in February 2023. A written summary of the report will sit alongside a range of materials on the NHSE website, which aim to signpost a renewed focus on creating the conditions in which every provider and every system has the leadership, culture, capability, and capacity to use continuous quality improvement as the ‘go to’ methodology for tackling our biggest challenges.

A key recommendation of the review is the development of a new, single, shared NHS improvement approach, NHS Impact, that was launched by NHSE on 19 April. It includes five components which form the ‘DNA’ of all evidence-based improvement methods, which underpin a systematic approach to continuous improvement:

- Building a shared purpose and vision
- Investing in people and culture
- Developing leadership behaviours
- Building improvement capability and capacity
- Embedding improvement into management systems and processes.

There is strong synergy between the direction for improvement that NHSE is taking and the developing approach of the North East and North Cumbria (NENC) learning and improvement community.

Our mission is to be best at getting better – an approach that aims to create a future where every partner organisation in the ICS is focused on common purpose and joint determination to drive improvements in health, wealth, and wellbeing for all.

This is about building leverage for improvement across the whole system including NHS, local government, third sector partners and local communities. It means putting leadership for improvement at the heart of the system by acting as:

- Convenors - creating spaces where people can come together to collectively learn.
- Connectors - helping to join up the system (and beyond) with more of itself.
- Capability builders - supporting people to use proven quality improvement methods and data for making and spreading improvement in key priority areas.

I joined Amanda Pritchard on a very small advisory group of NHS Chief Executives prior to the launch of NHS Impact. As a result of funding from the Health Foundation, I am scheduled to present the development of the development of the NENC Learning and Improvement Community at the International Forum of Quality and Safety in Healthcare in May and NHS Confederation and Expo in June.

2.4 Hewitt Review

On 04 April 2023, the Government commissioned review into ICS's which was carried out by The Right Honourable Patricia Hewitt was published¹. We are encouraged that many of the themes and aspirations for the future discussed in the review are also captured in our Better Health and Well Being for All integrated care strategy.

It is equally encouraging that the NENC ICB are well aligned to the recommendations of the review having widespread representation across our governance infrastructure, our commitment to invest £13.6m in prevention every year for an initial three years was clearly the right decision, so too was our establishment of a learning and improvement system with a lens of continuous improvement. Having said that the review does recommend increasing the investment in prevention each year and we will be working to see how we achieve that.

We also welcome the review's emphasis on increasing system autonomy and await confirmation of the next steps.

2.5 Women's Health Strategy

Although women in the UK, on average, live longer than men, women spend a significantly greater proportion of their lives in ill health and disability. Not enough focus is placed on women-specific issues like miscarriage or menopause and their health throughout their lives as opposed to simply through the lens of maternity services.

On the 27 April I chaired a session with all ICBs on behalf of the NHS Confederation with Professor Dame Lesley Regan, the first Women's Health Ambassador for England. The purpose of the session was to discuss the implementation of the Women's Health Strategy. I was pleased a number of colleagues from across NENC joined this session to explore the action we need to take to make the strategy a reality. We are establishing a programme across the ICB focused on delivery of this strategy and working closely with the office for Health Improvement and Disparities we will welcome Lesley to the region in the autumn.

3 North East and North Cumbria

3.1 Financial Position and Longer Term Considerations

Over recent months we have worked tirelessly with partners, from across the NHS, to agree a financial plan with NHSE.

Overall, we have agreed a plan which will see our system with a deficit plan of £49.9m by the end of the year. Whilst we would never want to be in a position to post a deficit plan, the challenges we face across the system are such that this is unavoidable this year and our plan has been accepted by NHSE. We have agreed efficiency targets for all of our providers ranging between 4% and 5.7%. As a system we did not view it as realistic to have efficiency targets above this. Our priority is now to develop a medium-term financial recovery plan for the next three years. As part of this we must seize the opportunities presented through wider public sector reform, greater collaboration between our NHS Providers and engage our wider partners and communities to support more effective and efficient use of healthcare services.

At this juncture, it is important to understand some of the unique challenges which has led to the deficit position for our system.

Firstly, we need to recognise the chronic ill health and health inequalities impacting our communities ability to live healthier lives. This coupled with the added complexity of providing services to the largest and, in part, most rural areas alongside population growth that is remaining fairly static add further pressures.

Despite this, the performance of many parts of our health service is, in the main, amongst the best in the country. This however means we are not always eligible for targeted national financial support which has been aimed at those areas with more challenged performance as opposed to those areas with the worst health inequalities.

Whilst everyone accepts the challenges we face, which are generally a construct of our history and historic funding mechanisms and formulas, we are not getting the help we need to address them. In fact, it could be argued that the infrastructure/funding formulae designed to fund and support public services, in particular health services which incentivise poor performance and benefits populations that live longer (as opposed to dying younger) keeps our region anchored in this vicious circle of ill health. There are also wider more structural cost pressures in our region such as a higher number of Private Finance Initiative funded schemes which create structural deficits that are simply unaffordable. With these schemes linked to inflation the costs of these are a further burden upon an already stretched system. This year alone the cost of these schemes has risen as a result of excess inflation by £20m.

Overall, our growth in funding has been reduced by £19m this year and, as a result of a changing funding formula before Covid, it has been judged that the region has received too much funding in recent years – to rectify this position decisions have been made which see an overall reduction of our funding allocation just to pay back what is deemed as an overpayment in funding to enable this to be redistributed to other parts of the country who may for example be seeing a growth in an ageing population. Over the past two years this has reduced our funding by £100m and next year we will lose a further £60m.

Technically, here across the North East and North Cumbria we are dealing with a quadruple whammy:

1. Greater health and care need
2. Made worse as a result of the pandemic - our region was hit harder than other areas
3. More complex geography which makes it more expensive to provide services and a static population
4. Reduced funding

We are all proud to live in a country that has a welfare state and health system which is free at the point of use. It is in our DNA to help those less fortunate than ourselves. Yet our funding infrastructure is constructed in such a way that does not target those who need it most.

Our collective ambition across health and care organisations is bold, deliberately so, aimed at tackling chronic ill health, impacting positively on longer and healthier lives for all and giving children the best start in life. But to do this it is essential that equity is factored into decision making linked to funding across all public sector organisations including health and care. In doing so, this enables support to be directed to those who need it most. This principle will, in turn and over time, reduce reliance on public services and enable great public sector reform and economic growth. Given the circumstances we face it is imperative we have a realistic plan and continue our work now to develop a medium and long term financial recovery plan over the next three to five years. This may involve some difficult decisions if we cannot get support to address our underlying structural deficits and this is a key risk to our healthcare system.

3.2 CQC and Quality

During this month as part of the CQCs National Maternity Programme, all of our 8 providers who have not had an inspection of their maternity services will be reviewed. The review looks at two aspects safe and well led. The first report from these was published into Newcastle Hospitals service was and confirmed a move from Good to Requires Improvement for this service. County Durham and Darlington have recently been inspected and some concerns have been raised in relation to triage and staffing levels. The Trust responded appropriately and have six months to improve the service provision prior to being reinspected. All of the providers maternity services with the exception of South Tees have now been inspected.

Following a review into both performance and quality concerns Newcastle Hospitals Single Oversight Framework rating moved from segment 1 to 2. The Trust is also on enhanced surveillance in relation to the Cardiothoracic Service and working to deliver all actions to enable trainees to return.

Tees Esk and Wear Valleys remains in risk escalation due to some incidents in their inpatient services. Actions have been undertaken to support the Trust. An unannounced inspection by the CQC was undertaken and no immediate concerns have been raised. Their well led inspection is scheduled on 24 – 26 May.

Following a section 29A warning notice, North East Ambulance Service were reinspected for medicines management and well led. The reports are not yet available, but improvements have been recognised during the inspection.

Our quality report has shown an increase in both MRSA bacteraemia and CDiff across some NHS Trusts. Root cause analysis has been undertaken for each case and a deep dive will be reported to the Quality and Safety Committee.

The new style joint CQC and Ofsted SEND Inspections have started with a recent inspection at Hartlepool and one underway at Gateshead. Reports for both will be available in due course.

3.3 NHS CEO Visit

Amanda Pritchard, NHS England Chief Executive visited Durham on Thursday 04 and Friday 05 May 2023. During her time here Amanda met with NHS and social care leaders, visited her former school (Durham Johnston) to deliver a presentation as part of the NHS75 Speakers in School programme. I also joined her on a visit to the University Hospital of North Durham where we met teams from across the organisation including;

- The community based First Contact Physiotherapists service. This initiative bases physiotherapists, with advanced skills, in GP surgeries across County Durham. It's estimated that 1 in 5 GP appointments are for musculoskeletal (MSK) related conditions such as joint aches and pains, muscular injuries, sciatica and osteoarthritis. The Physiotherapists are able to make the initial assessment and, in many cases, diagnose and recommend appropriate treatment or refer patients for further investigation.
- Corporate and clinical service apprentices on the Trusts the apprenticeship programme.
- The discharge and palliative care team to understand the challenges and opportunities in supporting the discharge of patients at end of life to meet with their wishes. There has been expansion and improvement in palliative care across the Trust. The CQC rating for palliative care has moved from 'requires improvement' in 2015 to 'outstanding' in 2019.
- The Teledermatology Team using digital technology and leading joint work between plastics and dermatology. Teledermatology is an innovative way of screening cancer referrals to reduce unnecessary attendances and prioritise those who need an appointment. The project was launched in 2019 and has been working well through the pandemic and beyond. The Trust is currently one of the top teledermatology providers in the country.

A full briefing was provided to Amanda in advance of the visit which included an overview of the region, our integrated health and care strategy and how we continue to work together to be the "best at getting better". I know Amanda was particularly impressed with our Academic Health Science Network and the scale of innovation taking place.

3.4 NHS Dentistry

The ICB took responsibility for the commissioning of NHS dentistry on 01 April 2023 with staff being TUPE transferred from NHSE to support this work on 01 July 2023².

Whilst it is clear there is much to consider to ensure all services are part of a broad primary care offer to the public, this transfer of responsibilities comes with many opportunities for the transformation and integration of services that will be considered as part of the Primary Care Strategy going forward.

There is significant concern expressed nationally, regionally and locally across NENC about the state of oral health and the immense challenges to the delivery of and access to NHS dentistry services.

This manifests itself in feedback from Healthwatch, media, in MP correspondence, complaints and understandably strong interest at Overview and Scrutiny Committees and Health and Well Boards.

There are clearly some urgent and longer term challenges to deal with and we have an urgent need to build on and supplement existing information to develop a clear strategic picture of the state of oral health and oral health services across the ICS.

The paper attached as appendix 1 outlines how we will review the current position regarding oral health and care with a view that the findings of which will influence a longer term strategy for our region. In addition, giving the immediate challenges, we will invest in a campaign to ensure the public are aware of how and where to get help alongside influencing more broadly public behaviours regarding oral health.

3.5 Social Care Provider Forum

The Social Care Provider Forum, initial meeting is planned for the second week in June. This will give the opportunity for our care home providers to come together to share good practice and to raise any concerns. With the changes to the Care Quality Commission single oversight framework, the forum will ensure our providers have a consistent message to maintaining quality care. The ICB will also be working with the provider to agree how quality improvement can be supported.

3.6 Analytics Academy

North East and North Cumbria ICB have been offered an opportunity by NHSE to establish and implement a pilot Analytics Learning Programme for our region. This programme is fully funded for the current financial year.

The programme will be delivered by KPMG in conjunction with the NENC ICB and provides a unique capability development programme with applied training, supported Proof of Concept solutions and digital learning that will bring measurable improvement in analyst capability, increase collaboration and foster a learning legacy across the ICS.

Places on the programme and currently open to all our NHS provider and Local Authorities.

3.7 National Trauma Informed Community Conference

After taking place online for three years, May saw the national Trauma Informed Community Conference return to our region at St. James' Park in Newcastle. The event was sponsored by NHSE and hosted by the NENC Mental Health Clinical Network which is the lead for the National Trauma informed Community of Action programme who staged the event with its delivery partner the Academic Health Science Network NENC.

I was delighted to deliver the opening address at the conference which brought together members from a range of organisations, perspectives, and specialities in mental health from across England who are leading on trauma informed developments. The conference was chaired by Dr Angela Kennedy and explored the diverse work that is taking place to recognise that abuse, neglect and other traumatic and adverse experiences, particularly those experienced in childhood, can have devastating and long lasting effects on people's lives. This impact can result in inequalities in physical and mental health and wellbeing, employment prospects and how people access to services.

Of particular interest was the work undertaken by NHS Scotland to promote awareness and apply a 'trauma lens' to all aspects of public services – spotting the ways in which changes can be made to support people affected by trauma, and having the confidence to implement the principles of trauma informed practice - giving people choice, empowerment and safety, building trust and working in collaboration.

Levi Buckley, Executive Area Director (North & North Cumbria), will be exploring the development of this work in NENC, with our partners, through the mental health, learning disability and autism board sub-committee. This includes an exciting opportunity to work with colleagues to look at the development of a North of England Trauma Informed strategy.

4 Recommendations

The Board is asked to:

- Receive the report and ask any questions of the Chief Executive.
- Note the risks linked to the oral health and the immense challenges to the delivery of and access to NHS dentistry services.
- Note the risks linked to the ICB financial plan.

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Name of Sponsoring Director: Sir Liam Donaldson

Date: 12 May 2023