

## **Update on health devolution and NHS England and NHS Improvement (NHSEI) consultation on integrated care systems (ICSs)**

### **Purpose of report**

For information.

### **Summary**

This paper provides an update on the joint meeting of the People and Places, City Regions, and Community Health and Wellbeing board Lead Members, and the LGA's response to the NHS England and NHS Improvement consultation on integrated care systems.

### **Recommendation**

That Members note the update in the report.

### **Action/s**

Officers to continue to work with councils and NHS England/NHS Improvement to look in detail at options proposed and continue to update members on the outcome of the consultation.

**Contact officer:** Ellie Law  
**Position:** Policy Advisor  
**Phone no:** 07584 273764  
**Email:** Eleanor.law@local.gov.uk

## **Update on health devolution and NHS England and NHS Improvement (NHSEI) consultation on integrated care systems (ICSs)**

### **Background**

1. On 26 November, Lead Members of the People and Places board, City Regions board, and the Community Health and Wellbeing board met to discuss the LGA's lines and current position on health devolution. Lead Members heard about the experiences of Manchester and Cornwall as areas which have had some responsibility for health devolved to them, with Jessie Hamshar, Strategy and Engagement Service Director, Cornwall Council, and Warren Heppolette, Executive Lead, Strategy & System Development, Greater Manchester Health & Social Care Partnership from Manchester speaking.
2. At this meeting, the LGA's current lines on health devolution were agreed (see appendix 1 below), and there was also a brief discussion of the NHS England and NHS Improvement consultation on integrated care systems that had been launched that day. Alyson Morley, Senior Adviser on Adult Social Care and Health, agreed to circulate the LGA's draft response to Lead Members of all three boards for comment.
3. Lead Members commented on the draft submission before Christmas and comments were fed back to Alyson, who incorporated them into the LGA's final submission.

### **Issues**

#### *Summary of LGA response to NHSEI consultation on integrated care systems*

4. Placing ICSs on a legal footing will affect existing partnerships, and it is essential that NHSEI engages councils as equal partners in developing the proposals.
5. The LGA supports the direction of travel of the proposals - joining up health and care support, with collaboration and locally led decision making is in line with our principles around devolution. However, the proposals are missing out on the opportunity to develop real collaborative place based policy, which could look at the wider determinants of health to address health inequalities and improve population health.
6. The LGA supports the objectives of the NHS Long Term Plan but would like to see greater clarity in how this will work in practice – for example, whether this is really a step change in the NHS away from a very centralised system to one with greater devolution,

or whether national level decisions being delegated to ICSs will result in replacing or bypassing existing accountable place-based partnerships.

7. It is essential that there is local government representation on ICS boards, although it seems that at the moment ICSs as they are currently proposed will be NHS bodies with local government representation rather than a true partnership of equals.
8. There were a range of opinions from councils on the legal basis of ICSs, with some councils expressing concern that creating ICSs as a statutory corporate NHS body will be a retrograde step and damage the collaborative and equal partnerships in many STPs and ICSs.
9. Some councils favoured option 1 (that ICSs will be a statutory joint committee), on the basis that a joint committee has the benefit of being able to act as a strategic partnership body for the whole system. Other councils favoured option 2 because there is value of having a single corporate body across NHS organisations in a health economy, which could plan strategically and deploy resources to best effect across an area. Given these differing views, the LGA has not argued for either option, but stressed that there should be system level partnership where local government can work with the NHS to drive real change and improve health incomes. A number of other local authorities stressed the importance of co-terminosity between local authorities and ICSs, and how difficult it is to plan with health systems whose footprints bear no relation to identifiable place and communities.
10. The LGA emphasised that most commissioning should still take place at a neighbourhood/primary care network level, and that it should only be undertaken by ICSs when there is need or benefit in doing so. ICSs should not result in the withdrawal of commissioning capacity at a local place-based level. It is disappointing the proposals do not discuss the value of joint commissioning between the NHS and local government.
11. The LGA strongly calls for the whole of the public sector to operate within the same legal framework wherever possible, so have concerns about the proposal to remove NHS services from the scope of the Public Contracts Regulation 2015, as this could create a barrier to joint commissioning arrangements.
12. The LGA's full consultation response can be found here:  
<https://www.local.gov.uk/parliament/briefings-and-responses/lga-response-nhs-england-and-nhs-improvement-consultation#summary-of-the-key-lga-messages-questions-and-concerns>.

### **Implications for Wales**

13. Health is a devolved matter, but LGA officers remain in contact with colleagues from the WLGA and other stakeholders to explore areas of shared interest.

**Financial Implications**

14. Any further work on this area will be met from the LGA's existing programme budget.

**Next steps**

15. Officers will continue to work with councils and NHS England/NHS Improvement to look in detail at options proposed, as well as other options, to understand how they could improve health and wellbeing, and the implications for future working between local government and the NHS.

## **Appendix 1: LGA position on health devolution**

- 1. Health devolution is not an end in itself.** It is a means of securing local freedom, responsibility and accountability to achieve improved health and wellbeing outcomes, better health and care services and better use of resources. It has also been seen as a key driver for the integration of health, social care and wellbeing care and support. The LGA has a long-standing commitment to moving the integration of health and social care from marginal activity to the main way of planning and providing services.
- 2. There is no one model or governance that is right for every area,** and where health and local government leaders agree that greater local freedom and flexibility is needed, it is for the area to develop its own proposals. The decision to propose health devolution sits with local authorities to make with
- 3. Decisions should be taken as close as possible to the communities they affect.** Local government and the NHS do not always share a common understanding and narrative on health devolution. The LGA continues to work with national partners to build a common understanding of the importance of devolving real power and resources as close as is appropriate to local communities, and will work with partners to ensure that notions of devolution within the NHS and local government are consistent with each other and have subsidiarity as a founding principle.
- 4. ICSs and STPs must be accountable to local places.** The LGA will continue to work with NHSEI, DHSC and MHCLG to ensure ICSs fully understand the importance of local government involvement in devolved decision-making structures for health and care, and that ICSs and STPs remain accountable through council overview, scrutiny and Health and Wellbeing Boards (HWBs). ICSs also have potential to be genuine strategic partnerships between councils, the NHS and other sectors, and the LGA will continue to work to identify the vital components that all ICSs need to have in order to achieve genuine health devolution.
- 5. The LGA supports a joined-up approach to improving population health, but have concerns that the national priorities of NHSE will dominate ICSs.** Many ICS leaders strongly underline our message that local government leaders need to be at the heart of ICS leadership, in order to achieve their objectives of improving health, improving health and care support, and addressing inequalities, but some ICSs are still strongly focussed on the NHS rather than wider population health, and need to have a wider and more inclusive approach.
- 6. The one size fits all approach expected from the NHS Long Term Plan on CCG mergers is not appropriate for all areas.** All decisions about the merger of CCGs should be taken in partnership with councils and HWBs, and CCGs that merge onto a larger footprint need to ensure that they are able to contribute to the HWB.

7. **The LGA supports the broad objectives of the NHS Reform Bill** to remove barriers to collaborative working, but the reforms need to strengthen and embed a place-based approach. There is a danger that putting ICSs on a statutory footing will bypass and undermine place-based integration, led my HWBs.
  
8. **ICSs should be required to ensure meaningful involvement and an equal partnership with local government**, with a 'place by default' approach. ICSs required to involve local government and HWBs in the development of plans. This goes further than sign off of final plans and involves early and ongoing engagement in the development of plans. Furthermore, ICS plans to devolve the development of place or locality plans to HWBs, based on JSNAs and joint health and wellbeing strategies. CCGs to continue to have a strong place-based focus. In larger CCGS, for the CCG to ensure that they play a strong and proactive role in HWBs. HWBs should have a statutory sign off and veto on all ICS plans.