

To: Steve Moore (CEO)
cc. Kevin Orford (Interim Chair)

Elizabeth O'Mahony
Regional Director, South West
South West House
Blackbrook Park Avenue
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TA1 2PX

31st July 2024

Dear Steve,

Devon Integrated Care Board Annual Assessment for 2023/24

Thank you for attending the ICB Annual Assessment meeting with regional colleagues on the 26th June 2024.

I am writing to you pursuant to Section 14Z59 of the NHS Act 2006 (Hereafter referred to as "*The Act*"), as amended by the Health and Care Act 2022. Under the Act NHS England is required to conduct a performance assessment of each Integrated Care Board (ICB) with respect to each financial year against those specific objectives set for it by NHS England and the Secretary of State for Health and Social Care, its statutory duties as defined in the Act and its wider role within your Integrated Care System (ICS). In making my assessment for the 2023/24 financial year I have considered evidence from your annual report and accounts; available data; feedback from stakeholders and the discussions that my team and I have had with you and your colleagues throughout the year.

It is worth noting that this formal assessment process, as required by the Act, does not require NHS England to provide you with a specific segmentation rating for levels of support and intervention as that is dealt with separately under the NHS Oversight Framework.

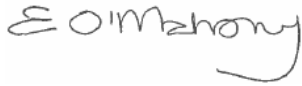
This letter sets out my assessment of your organisation's performance against those specific objectives set for it by NHS England and the Secretary of State for Health and Social Care, its statutory duties as defined in the Act and its wider role within your ICS across the 2023/24 financial year.

I have structured my assessment to consider your role in providing leadership and good governance within your ICS, as well as how you have contributed to each of the four fundamental purposes of an ICS. For each section of my assessment, I have summarised those areas in which I believe your ICB is displaying good or outstanding practice and could act as a peer or an exemplar to others. I have also included any areas in which I feel further progress is required and any support or assistance being supplied by NHS England to facilitate improvement.

In making my assessment I have also taken into account how you have delivered against your local strategic ambitions, as detailed in your Joint Forward Plan (JFP), which you have reviewed and rebaselined. A key element of the success of each ICS will be the ability to balance national and local priorities together and I have aimed to highlight where I feel you have achieved this.

I thank you and your team for all your work over this financial year in what remain challenging times for the health and care sector, and I look forward to continuing to work with you in the year ahead.

Yours sincerely,

A handwritten signature in black ink, reading 'E O'Mahony'.

Elizabeth O'Mahony
Regional Director, NHS England – South West

SECTION 1: SYSTEM LEADERSHIP AND MANAGEMENT

Devon ICB and the wider system has had a challenging and turbulent year, with Chief Executive Officer (CEO) changes and a CEO absence due to illness resulting in reliance on Chief Finance Officers (CFOs) to take dual accountability, in their substantive and acting CEO roles for Devon ICB and of two trusts during a period of unprecedented industrial action, alongside being in the Recovery Support Programme (RSP) and managing the challenges of delivering a 30% cost reduction.

In May 2023 you published your JFP, which demonstrated and met the duty to have regard to the wider effect of decisions, alongside being deemed to have met the 17 legislative requirements. The plan was informed by people and communities throughout Devon, based on analysis of extensive public feedback about health and care between 2018 to 2022, along with views gathered at the joint Health and Wellbeing Boards (HWBs) and from a joint Overview and Scrutiny Committees (OSC) event, with health and care partners across Devon, Voluntary Care and Social Enterprise Assembly (VCSE), and system partners.

Feedback from the HWBs' on how effectively the ICB has worked with its NHS and wider system partners to implement the local Joint Health and Wellbeing Strategy during 2023/2024 is mixed. One is reporting good working relationships between the ICB and HWB, whilst the other is reporting that the NHS Oversight Framework segment 4 position has caused a significant reprioritisation focusing the system away from many of the key Joint Health and Wellbeing strategy elements. However, they do note that there are pockets of good practice, where the system is recognising issues and seeking to support such as the health inclusion pathways work, NHS Dental care for children in care, Wellbeing Hubs and support for asset-based community development through the 'fair shares' funding, and there have been improvements in working across adult social care (ASC) and health.

Collaborative working and transformation are evidenced in the annual report, with examples including, but not limited to:

- Delivery of the Dartmouth Health and Wellbeing Centre in June 2023, bringing together a range of partners under one roof and giving local people access to a broad range of health and wellbeing services in one place, by bringing together GPs, community nurses, therapists, and volunteers.
- Establishment of Community Diagnostic Centres (CDCs) to help people access timely diagnostic tests:
 - The Devon Nightingale Diagnostic Centre in Exeter, opened in 2021, now offers CT and MRI scans, plain film X ray, ultrasound and fluoroscopy, alongside a range of other services on site. With continuous improvements planned by Royal Devon University Healthcare NHS Foundation Trust (RDUH), including purchase of new MRI and CT scanning machines, in 2024.
 - University Hospitals Plymouth NHS Trust (UHP) allocation of capital and revenue funding to build a new CDC, in Colin Campbell Court, within Plymouth city centre. Ahead of its scheduled opening in April 2025, it is good to see that the mobile CT scanner placed adjacent to the building started to deliver services from October 2023.
 - Torbay and South Devon NHS Foundation Trust (TSD) business case to work in partnership with InHealth to redevelop a site in Torquay. Although the scheduled April 2024 opening was delayed, extra diagnostic capacity is being delivered by a mobile CT scanner, in Newton Abbot.
- Focus on eliminating inappropriate out-of-area placements is noted. Since April 2023, inappropriate out of area bed days have increased by 8.5% nationally, whereas in Devon they have reduced by 75.5%.

Also noteworthy achievements of the teams within Devon, are:

- Work to tackle domestic abuse and sexual violence, which resulted in the ICB's success at the national NHS parliamentary awards, recognising NHS Devon's work to improve how GPs and hospitals respond to people who have experienced domestic abuse or sexual violence.
- The 'GP in the Cloud' project, enabling GPs located anywhere in the UK to carry out consultations with Devon patients remotely, was shortlisted for the HSJ Awards.
- The Post Anaesthetic Care Unit (PACU) team that cares for people having surgery at Torbay Hospital was shortlisted for a Nursing Times award.
- Devon Partnership NHS Trust is being shortlisted in the HSJ Patient Safety Awards for its work on the new Salus Ward adult inpatient unit in Torbay.

In respect of clinical advice, it is evident that there is clinical representation across NHS Devon Board and Committees and the Director of Public Health (DPH) for Torbay is the chair of the Devon Population Health Programme and a member of the ICP. In addition, the Peninsula Acute Sustainability Programme (PASP), linked to RSP, had good clinical engagement to inform the strategic service change frameworks in preparation for public consultation.

SECTION 2: IMPROVING POPULATION HEALTH AND HEALTHCARE

Devon has continued to have challenges throughout 2023/24, resulting in non-achievement of their RSP target exit date in Quarter 1, 2024/25. However, it is important that I acknowledge that, despite the lack of progress in some areas of RSP, progress has been made in others:

- Elective performance has been greatly improved, particularly in respect of the long waiting times, as endorsed by the Getting it Right First Time (GIRFT) team.
- The 28 day faster diagnostic standard for cancer was met throughout the majority of 2023/24 and remained above the national average of 72.9% with a percentage of 76.1%, resulting in an exit from national Tier 1 oversight.
- Joint working through the Acute Provider Collaborative has matured with Phase 1 of the programme; delivered with good clinical engagement.
- The 'Drivers of the deficit' work has generated a better joint understanding of the underlying financial position and opportunities for improved pathways and performance, underpinning strategic savings and productivity programmes.
- Devon also delivered more Cost Improvement Programmes (CIP) in 2023/24 than previously.

Outstanding areas of risk include Finance, UEC, sustainability of performance improvements, and leadership capacity. UEC challenges at University Hospitals Plymouth (UHP) are a specific risk for the delivery of the wider System plans, which is understood by the system and their responsibility to all contribute and support the delivery of the UHP plan.

The system integrated improvement plan is more granular than previous plans and should enable you to track the impact of the improvement actions, build on progress and allow you to focus on its three vital elements, an explicit commitment to System working; improved governance of and aligned assurance processes for performance improvement and creating a credible clinically-led plan that the System knows they can deliver.

I note that the new plan has greater clarity for Providers on their contribution to System-wide plans and where financial savings sit within the overall cost improvement programme. NHS England's expectation is you need to deliver a System deficit to maximum £80 million in 2024/25 and by the autumn, develop an outline integrated service plan that makes a

demonstrable improvement in the financial position in 25/26 with a clear route to breakeven in the following period.

On the 4th June 2024, the national Quality Performance Committee (QPC) agreed new RSP exit criteria, measures, and exit date which is now Quarter 1, 2025/26. I note that the ICB is currently reviewing its governance and reporting arrangements, in the context of the new RSP arrangements.

Looking forward, it was good to hear about the development of the One Devon Integrated Care System Compact, that will create a shared vision with system partners and establish a set of reciprocal behaviors for effective delivery, supporting the Devon single operating model and also of plans to develop an NHS Devon Governance Improvement Plan and I look forward to further updates as this work progresses.

In respect of quality of care, the ICB has, through the annual assessment, demonstrated how it facilitates improvements, whilst working alongside the wider system. Examples include:

- Devon ICB working with providers to support the implementation of the Patient Safety Incident Response Framework (PSIRF), which has included supportive oversight through transition, as the providers complete remaining Serious Incidents Investigations under the previous framework, alongside PSIRF.
- Implementation of the Devon Mortality Group, bringing together system partners to analyse, plan, share learning and make improvements as a system.

The ICB has refocused its Quality and Patient Experience Committee, which is positive to see and there is also work supported by the System Quality Group focusing on Quality Equality Impact Assessments (QEIA) across services.

In addition, it is encouraging to see commitment to reinstating quality processes, with the ICB supported by region in delivering a workshop on Quality Equality Impact Assessments and system participation in the early adoption of the Quality Early Warning Score.

There is good work ongoing regarding engagement, which saw NHS Devon receive assurance, in October 2023, under section 14Z45 of the National Health Services Act 2006, that the ICB is delivering the 10 principles of good engagement, as set out in NHS England Working in partnership with people and communities: statutory guidance, 2022.

Devon also received special recognition from region on your proactive approach towards engagement with the local authorities, particularly local Overview and Scrutiny Committees (OSCs), to promote greater shared understanding about the role of ICBs, supporting partnership working and to meet the ICB's duties under the NHS Act 2006.

The annual report also demonstrated the ICB's commitment to engagement with people and communities, patients and families, voluntary and community sector professionals and Health Watch.

SECTION 3: TACKLING UNEQUAL OUTCOMES, ACCESS AND EXPERIENCE

The ICB has continued to restore services inclusively to support reduction of health inequalities. The annual report shows that, during 2023, the ICB's population health team has led delivery of population health management, health inequalities and prevention. A Population Health Improvement Committee has been established to provide assurance that the ICB is fulfilling its role as a partner in the One Devon Integrated Care System.

Membership consists of a range of partners, who jointly have developed the governance and delivery structures.

I note that population health funding has been delegated to the Local Care Partnerships to focus on areas where they can make the most impact on addressing inequalities and that the funding is being used on a range of projects, including those involving the VCSE sector. As well as delivering health improvements, the projects are helping to improve relationships and infrastructure that will be important for the future.

The Core20PLUS5 framework continues to be used and you have agreed the following groups as the “plus” population in the ICS:

- Individuals, families and communities experiencing rural and coastal deprivation.
- Individuals and families adversely affected by differential exposure to the wider determinants of health – for example, those with unstable housing or homeless people, vulnerable migrants and/or those experiencing domestic abuse.
- People with severe mental illness and/or learning disability, and neurodiverse people.

Examples supporting your health inequalities work include: Establishing a One Devon approach to connect with, and better understand, the physical, mental and social health needs of people with the highest levels of attendances at emergency departments, the 'Healthy Devon Learning Lab' to explore 'complication of excess weight' from a system perspective, and use of data from the One Devon ICS dataset to help identify those parts of the population that are most likely to have hypertension. Finally, the Children's Core20PLUS5 framework, to identify children who experience the most inequalities.

Achievements include, but are not limited to:

- Engagement with communities (people who are experiencing homelessness, faith and belief groups, Gypsy, Roma and traveler communities, people with a learning disability, neurodiversity or severe mental illness, LGBTQ+ communities, and ethnically diverse communities) to discuss and run activities to increase vaccine confidence and uptake among communities where the uptake was low. Includes 20 targeted focus groups being held, with insights gained through the events to be included in your QEIA process, as part of any service change process.
- Vaccine innovation funding to increase access to all vaccinations and reduce inequalities.
- Vaccine outreach teams engaging with communities to address inequalities in uptake and increasing access to flu and covid vaccinations across Devon.
- Engagement with VCSE organisations to understand people's experiences when accessing urgent emergency health services as part of the PASP.

You will be aware that on the 27th November 2023, NHS England published its statement on Information on Health Inequalities. Appendix 2, in the Annual Report (Health inequalities report) clearly demonstrates that you are meeting the requirement of the statement and covers the appropriate domains and indicators.

SECTION 4: ENHANCING PRODUCTIVITY AND VALUE FOR MONEY

From a 2023/24 financial perspective, the ICB delivered a surplus of £36.42m against the resource limit. The ICB has spent and leased capital items totalling £3.8m, meeting its capital resource limit. The Month 12 ICB return shows the system reported a final deficit of £46.9m against a revised break-even plan.

The Running Costs Duty has been achieved, and the cash allocation has been fully utilised, but not overspent, and the ICB has complied with the better payments practice code.

In respect of research and innovation, it is positive to see that a Peninsula Research and Innovation Partnership has been established to deliver the Peninsula Research and Innovation Strategy, with representation from NHS, universities and innovation and research partners across Devon, Somerset and Cornwall and the Isles of Scilly.

Evidence of research, innovation and the use of technology in practice include, but are not limited to:

- The ICB hosting a summit to learn from the best examples of regional recovery of dementia service provision, alongside emerging research on the most effective and cost-effective models of provision.
- The Devon Mental Health Alliance providing support to over 900 people in groups or one-to-one settings, via their recovery practitioners. Around 250 group sessions have started, and more than 30 grassroots organisations have been funded via the Innovation Fund, administered by the Devon Mental Health Alliance.
- Commissioning of a care leaver pilot post, with learning from the pilot, alongside national research, being used to inform future commissioning of services.
- Promotion of digital:
 - For patients self-monitoring apps and peer support networks.
 - An app being used by social prescribers, in all GP practices, to help people find services in the community.
 - Offering technology-enabled consultations at GP practices. Devon completed 641,958 consultations in 2023, far more the target of 487,503.

SECTION 5: HELPING THE NHS SUPPORT BROADER SOCIAL AND ECONOMIC DEVELOPMENT

The ICB has provided several examples of the ‘adding social values’ work it is undertaking to support broader social economic development across Devon and I have noted good partnership working between the ICB and other partners, including the HWBs.

It encouraging to see that Devon has an Anchor Steering Group, which hosted a learning event this year to raise the profile of the anchor agenda and the value it can have in relation to population health. It is positive that several opportunities identified from that event are now being progressed and include:

- Expanding careers hubs to include care leavers and young people ‘Not in Education, Employment or Training’.
- Enhancing support for people with learning disabilities and mental health challenges to access education training and employment.
- Promoting staff volunteering days linked to organisational priorities and wellbeing at work.
- Identifying opportunities to build local markets to respond to ICB commissioning opportunities.
- Contributing to the establishment of a Regional Anchor Leadership Group.

The annual report highlights how the One Devon Integrated Care System has continued to actively support the co-ordination of carbon reduction through the actions to reach net-zero outlined within the Devon Greener NHS plans and the Devon Carbon Plan.

Through the Green Plan, key actions are being taken to reach net zero carbon emissions by 2040, for the emissions the NHS controls directly, and 2045 for those it can influence.

Achievements during the year include, but are not limited to:

- Building on the work started during 2022/23 by the then newly appointed primary care clinical green lead.
- Installation of 16,000 LED lights leading to substantial carbon savings.
- A 30% energy reduction in air ventilation systems, in Eastern Devon, within the NHS trust sector.
- Introduction of electric vehicle charging points at hospital sites.
- As part of opportunities for renewable energy and storage deployment on land owned or managed by Devon Climate Emergency partners, the installation of new-technology, PV points, (for generators), at RDUH, which will remove approximately 119,572kg of CO₂e from the environment each year.

CONCLUSIONS

This has been a challenging year in many respects and, in making my assessment of the ICB's performance, I have sought to fairly balance my evaluation of how successfully you have delivered against the complex operating landscape, in which the ICB is working. The leadership challenges throughout 2023/24 will have directly impacted on driving progress in respect of delivering sustained improvements linked to the NHS Oversight Framework, however I do consider that Devon ICB has been working in compliance with its wider statutory duties and its contribution to the four purposes of an ICS.

With new leadership, strengthened governance, and improved planning, the conditions are now right for Devon to make significantly more progress in 2024/25. This is particularly important in relation to the system's financial position, which did not deliver a balanced financial plan in 2023/24, despite the ICB's own relatively stable financial position in 2023/24 and continues to have a significant underlying deficit. The system has an agreed financial plan for 2024/25 which is a deficit plan of £80m and the ICB is expected to lead the system with achievement of this, including co-ordination of full implementation of the finance playbook across all organisations and assuring itself and NHS England that there is sufficient capacity and capability in the system to deliver the 2024/25 efficiency plan. The system also needs to conclude the review of investments that have resulted in whole time equivalents growth since 2019/20.

The expectation is that the system, with leadership from the ICB, produces a medium-term recovery plan that demonstrates improvement in financial position in 2025/26 and a clear route to breakeven in the following period. This financial recovery plan should also include (a) a 'cost out' efficiency of 3% in 2025/26, (b) how the system will reduce its average length of stay back to the 2019/20 levels and quantify the financial impact in the financial recovery plan, and (c) how the system continues to achieve upper decile prescribing performance and upper quartile Continuing Health Care performance.

The ICB is also required to lead the Devon system to make substantial progress towards the RSP exit criteria including finance, but also the domains of UEC, Elective, Strategy and Leadership, and compliance with planned enforcement undertakings aligned with those criteria.

Some aspects of the RSP work are also reflected in the key requirement for ICB leadership of performance and improvement work across the system, particularly relating to Royal Devon University Healthcare NHSFT, University Hospitals Plymouth NHS Trust, and Torbay & South Devon NHSFT, which are all currently in NHS Tier 1 for UEC, Elective & Diagnostics.

I am also mindful that during 2024/25 we will transition to a new annual assessment process, which is likely to introduce a different methodology and approach for undertaking ICB annual assessments. It is unclear if this will have any direct impact to existing RSP organisations or systems but my team and I will continue to work alongside you, so jointly we become familiar with the new process and any potential implications going forward.

This is also the first full year in which the ICB has been operating, as well as the first year of your Joint Forward Plan, so I am keen to see continued progress towards a maturing system of integrated care, structured around placing health and care decisions as close as possible to those people impacted by them.

In the interim, please share my assessment with your ICB leadership team and consider publishing this alongside your annual report at a public meeting. NHS England will also publish a summary of the outcomes of all ICB performance assessments in line with our statutory obligations.