NHS England South West

To: Steve Moore (CEO)

cc. Kevin Orford (Chair)

South West House
Blackbrook Park Avenue
Taunton
TA1 2PX

22 July 2025

Dear Steve,

Annual Assessment of Devon ICB in 2024/25

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. In making my assessment 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.

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 Integrated Care System across the 2024/25 financial year.

I have structured my assessment to consider your role in providing leadership and good governance within your Integrated Care System 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 displays good or outstanding practice and could act as a peer or an exemplar to others. I have also included some areas in which I feel further progress and performance improvement is required. Detailing any support or assistance being supplied by NHS England to facilitate improvement.

In making my assessment I have also sought to consider how you have delivered against your local strategic ambitions as detailed in your Joint Forward Plan. A key element of the success of Integrated Care Systems will be the ability to balance national and local priorities together and I have aimed to highlight where I feel you have achieved this and where further specific work is required.

I thank you and your team for all your work over this financial year, and I look forward to continuing to work with you in the year ahead.

Yours Sincerely,

Sue Doheny
Regional Director
NHS England – South West

SECTION 1: SYSTEM LEADERSHIP AND MANAGEMENT

There is good evidence of improved governance, with defined roles and responsibilities across the ICB Board, Committees and Executive leadership. This is further supported by the implementation of the Executive Commissioning Group, One Devon System Leadership Group and there is strong evidence that the ICB has worked collaboratively with local authorities, NHS providers, and the voluntary sector to deliver on the ambitions of the One Devon Integrated Care Strategy. It's positive to see that the strategy is aligned with the four statutory aims of Integrated Care Systems (ICSs) and shows a vision of "equal chances for everyone in Devon to lead long, happy and healthy lives."

Leadership challenges continued throughout 2024/25 which have been driven by several key leadership changes in the system, the resignation of the ICBs Chief Financial Officer (CFO), and other Executive Director vacancies and changes, which collectively continue to present a leadership risk in some parts of the system.

Except for Devon Partnership NHS Trust, the ICB and Acute Trusts remained in the NHS Oversight Framework (NOF) Regional Support Programme (RSP) during 2024/25 for Leadership, Strategy, Elective Care, Urgent and Emergency Care and Finance with agreed exit criteria set and an expectation that the ICB and Acutes would exit RSP at the end of Quarter 1, 2024/25.

At the end of March 2025, the System's assessment of performance against the exit criteria, which was supported by the region, showed that in terms of Strategy, the system had worked through the Peninsula Acute Provider Collaborative to deliver the agreed Phase 2 programme of work and that whilst joint working had remained positive, progress in delivering tangible changes in the disposition of acute services remains slow due to a lack of resources dedicated to delivering the programme and variable commitment and ability to drive difficult service change between and across organisations.

It was also reported that the lack of an overall clinical strategy for Devon had increasingly become a barrier to change. It was positive to see that Devon ICB has acknowledged the need to accelerate development of the whole-system strategy to articulate the future shape and role of out-of-hospital care and the associated disposition of acute services. Supported by clear strategic commissioning intentions, this will inform the future shape of hospitals to support service and financial sustainability going forward. The agreed timescale for completion of this work is September 2025 to align with the refresh of the MTFP and release of the 10-year plan.

In line with the exit criteria measures, Phase 2 of the Programme has been delivered but the evidence to support a compliant position for the elimination of unwarranted duplication of specialist DGH services remained outstanding.

The Leadership exit criteria and measures remained on-track or complete and it is encouraging that system architecture has been strengthened but noting to date, there is no agreed mechanism for how the financial implications of service change will be managed across the system.

The system has continued to face significant pressures in urgent and emergency care, elective recovery, and finance, although it is acknowledged that progress has been made in some areas.

Feedback from the Devon Health and Wellbeing Boards has demonstrated that the ICB has fully engaged with members of and officers supporting the Devon Health and Wellbeing Boards to directly contribute to the Integrated Care Strategy, Joint Forward Plan, and wider ICB strategy and policy documents, establishing a direct link between HWB and ICB strategies.

Devon's refreshed Joint Forward Plan meets all 17 legislative requirements and is described as a response to the Integrated Care Strategy. It retains the same three themes as the previous iteration, with updated delivery areas. The plan includes NHS and Council recovery details, and references a broad range of strategic objectives, aims, and priorities, showing progress in some areas. Going forward, ICBs must set measurable, trackable outcomes which can be tracked annually. Additionally, the ICS development team and regional leads will provide ongoing support once the 10-year plan is released.

Key next steps:

- Ensure demonstrable delivery of the disposition of acute services and the elimination of unwarranted duplication and variation in specialist DGH services.
- Develop and implement a Clinical Strategy that is underpinned by clear strategic commissioning intentions.
- Secure agreement on how financial implications of service change will be managed across the system.
- Complete and deliver the refreshed MTFP by September 2025.
- Improve the structure of the JFP by ensuring there are aligned and streamlined goals, strategic objectives, themes and delivery areas so that it is possible to track the progress made to achieve the aims set in the Integrated Care Strategy.

SECTION 2: IMPROVING POPULATION HEALTH AND HEALTHCARE

It’s evident that Devon ICB has taken a strategic and data-driven approach to improving population health and the establishment of the Population Health Improvement Committee (PHIC) and the development of the One Devon Dataset are significant achievements.

It’s encouraging to see that progress has been made in delivering against the Core20PLUS5 framework, with targeted initiatives for children and young people, people with severe mental illness, and those experiencing homelessness or domestic abuse. The Joy App, which supports social prescribing and community referrals, is a notable innovation that has shown positive outcomes in reducing GP re-attendance and improving patient wellbeing.

The ICB has been proactive in embedding a culture of transparency and inclusivity. The establishment of the One Devon Involvement Platform and the integration of Healthwatch into governance structures are commendable steps toward meaningful public engagement. The ICB has also made progress in embedding Equality, Diversity, and

Inclusion (EDI) principles, with clear targets for workforce representation and inclusive recruitment practices.

In terms of service delivery, the ICB has implemented a range of programmes to improve access and outcomes. These include virtual wards, community diagnostic centres, and enhanced primary care services. The ICB has also invested in digital transformation, with efforts to standardise GP websites, expand the use of the NHS App, and implement electronic patient records (EPRs).

While the ICB has articulated a strong commitment to prevention and early intervention, there is an opportunity to strengthen the link between strategic planning and operational delivery, particularly in areas such as cardiovascular disease (CVD) prevention, falls and frailty, and long-term condition management.

In respect of improving services, it is important to acknowledge that progress has been made in the RSP exit criteria during 2024/25 but significant challenges remain:

- Elective performance greatly improved, particularly in respect of the long waiting times. Whilst original trajectories have not been met for 78ww or 65ww, all providers are close to meeting revised trajectories and have de-escalated from Tier 1 national oversight.
- Demonstrable progress has been made against the majority of the UEC metrics although standards are not yet being met. The UHP ‘One Plan’ is delivering more sustainable improvements, albeit from a low baseline.
- The system delivered its revised forecast position for the financial year 2024/25 – a £19.8m overspend after the receipt of £80m of deficit support funding.
- Joint working through the Acute Provider Collaborative has continued with Phase 2 milestones met. Focus has increased on delivering solutions for fragile services and the first cut in data modelling work for the longer-term programme has been completed.
- System architecture has been strengthened with greater oversight through Locality Delivery meetings and the System Leadership Group. This has increased the visibility of performance issues and been an enabler for seeking more joined-up solutions.
- The 2025/26 planning process and the establishment of the Transforming Devon Programme has facilitated the development of several system-wide programmes aiming to increase efficiency and reduce costs including collaborative corporate services.

<u>Key next steps:</u>

- Strengthen the link between strategic planning and operational delivery for cardiovascular disease (CVD) prevention, falls and frailty, and long-term condition management.
- Focus on delivery of the 2025/26 plan, with an enhanced grip on urgent and emergency care, elective care and finance.

- Ensure that assessments of timescales, capacity and expertise are realistic for delivering service-change programmes.

SECTION 3: TACKLING UNEQUAL OUTCOMES, ACCESS AND EXPERIENCE

Devon ICB has made tackling health inequalities a central pillar of its strategy. The Core20PLUS5 Steering Group, Inclusion Health Steering Group, and Oral Health Steering Group provide a strong foundation for targeted action. The ICB has also invested in community-based initiatives, such as the Ilfracombe Poverty Truth Commission and the Health Inequalities Fellows Programme, which empower local voices and support co-production. Initiatives also target children and young people, people with severe mental illness, and those experiencing homelessness or domestic abuse.

The ICB's approach to EDI is well-structured, with clear objectives, measurable targets, and a focus on inclusive recruitment and leadership. The integration of EDI into governance processes and the development of staff networks are positive steps toward a more inclusive culture.

The ICB has also demonstrated a commitment to improving access and experience for underserved populations. Examples include the expansion of the Big Brush Club for oral health, targeted smoking cessation programmes, and the development of culturally competent services for migrant and refugee communities.

Whilst the ICB has delivered a wide range of initiatives, the evidence of impact is variable. There is a need for more consistent evaluation of how these initiatives are reducing inequalities in access, experience, or outcomes. For example, while the ICB has implemented targeted programmes for children and young people, there is limited data on how these have improved school readiness, mental health, or long-term outcomes

Although it is encouraging that the ICB has made progress in reducing out-of-area placements and improving physical health checks, further work is needed to ensure equitable access to high-quality care across all settings.

<u>Key next steps:</u>

- Strengthen evaluation process to better understand how initiatives are reducing inequalities in access, experience, or outcomes.
- Embed equitable access to high-quality of care across all settings.

SECTION 4: ENHANCING PRODUCTIVITY AND VALUE FOR MONEY

The system delivered its forecast 2024/25 position and reported reductions in the run-rate in the last quarter, however, it's important to recognise that this delivery relied upon significant non-recurrent resources and concern remains about sustainability of the position going forward and in the longer term.

Your updated MTFP produced at the end of 2024 did identify a route to break-even as required by the RSP exit criteria. However, this was overtaken by the 2025/26 operational planning process which demonstrated further deterioration against the revised planning

guidance resulting in the need to redevelop the MTFP to align with the breakeven requirement. The target date for completion of the revised MTFP is the end of Quarter 2.

The systems final submission of its financial plan for 2025/26 does meet the requirement to deliver break even (after the £53.8m of deficit support funding) but the risks to delivery, even after the systems proposed mitigations are significant.

The maturity of the CIP programmes remains an area of concern and the system being off trajectory in Month 1 and 2 is disappointing, but the reasons behind it are understood and actions are in place to get back on track.

The ICB continues to face challenges in elective recovery, with long waiting times for planned care and the impacts of the implemented super clinics and community diagnostic centres, on reducing the backlog is not yet fully realised and there is a need to strengthen the link between financial planning and service transformation.

Whilst the ICB has articulated a clear vision for integrated care, the alignment of budgets, incentives, and outcomes across the system remains work in progress.

In respect of research and innovation the ICB's partnership with the Peninsula Research and Innovation Programme and the development of the Research, Innovation, and Improvement (RII) team are commendable and have supported the adoption of evidence-based practices and the scaling of successful innovations.

Digital transformation is another area of strength and it's encouraging to see that the ICB has invested in virtual wards, robotic process automation, and digital social care records. These initiatives have the potential to improve efficiency, reduce duplication, and enhance patient experience.

Key next steps:

- Continue assurance on the delivery of the 2025/26 financial plan.
- Strengthen financial oversight with a higher proportion of savings delivered recurrently to improve the underlying financial position.
- Focus on strengthening the link between financial planning and service transformation.
- Continue the work on aligning of budgets, incentives, and outcomes across the system.

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

Devon ICB has embraced its role as an anchor institution, using its assets, influence, and partnerships to support broader social and economic development. The Anchor Organisations Steering Group and the Anchor Strategy provide a clear framework for action, with a focus on employment, procurement, and community engagement.

It's positive to see that progress has been made in supporting inclusive employment, with targeted programmes for young people, people with disabilities, and unpaid carers. The Talented Me partnership and the expansion of supported internships are positive examples of how the ICB is creating opportunities for those facing barriers to work.

The ICB has also taken steps to support local procurement and social value. The Green Plan includes commitments to buy locally, reduce waste, and promote sustainable practices and it is encouraging to see that you are working with your local authorities to address housing-related health issues, including fuel poverty, homelessness, and poor housing conditions.

Your commitment to environmental sustainability is evident in the Green Plan, which sets out a pathway to net zero by 2040. The plan includes actions across travel, estates, procurement, and clinical practice, with a focus on reducing emissions, improving air quality, and promoting active travel.

Whilst you have articulated a strong vision, the evidence of impact is still emerging and could be strengthened with more consistent reporting on outcomes, particularly in relation to employment, housing, and environmental sustainability.

You should also consider how you can further leverage your role as a system leader to influence wider determinants of health, including education, transport, and economic development.

Key next steps:

- Continue your excellent work in supporting the Green Plan commitments and inclusive employment programme.
- Improve monitoring and measurement of impacts on initiatives supporting health outcomes and economic development.
- Continue to explore how you can further leverage your role as a system leader to influence wider determinants of health, including education, transport, and economic development.

CONCLUSION

This has been a year of both opportunity and challenge for Devon ICB, and the ICB has made meaningful progress in fulfilling its statutory duties and contributing to the four core purposes of an Integrated Care System. Achievements in 2024/25 reflects a system that is maturing in its approach to integrated care, a commitment to collaboration, and a growing emphasis on prevention, innovation, and equity. As the system moves into the next phase of development, it will be important to build on the foundations laid this year, with a continued emphasis on delivery, accountability, and impact.

At the end of Quarter 4, 2024/25 the ICB and Acute Trusts remained in the NHS Oversight Framework (NOF) Regional Support Programme (RSP). On the 17th June 2025, QPC reviewed Devon's progress against the RSP exit criteria, the findings of which were detailed in the letter from the South West Regional Director that was shared with you on the 25th June 2025. In Summary it was considered that:

- Devon ICB: Sufficient progress to support exiting RSP for leadership, UEC, and elective performance at the end of Q1, with further RSP support on finance being provided during Quarter 2.

- Royal Devon University Healthcare NHS Foundation Trust: Sufficient progress made against all exit criteria to support exiting RSP at the end of Q1, with continued financial advice and oversight of finance and elective into Q2.
- University Hospitals Plymouth NHS Trust: Good progress made in most areas but with risks in finance, UEC, and elective performance into 2025/26. Review at end of Q2 to determine support for RSP exit.
- Torbay and South Devon NHS Foundation Trust: Insufficient progress in all areas to support exit. Targeted support will be required throughout 2025/26 with a review in Q4.

The letter also confirms that we will continue to hold the monthly SIAG meetings, with a focus on:

- in year delivery against your submitted 2025/26 plan by exception
- specific focus on those areas still within the Recovery Support Programme, and;
- the ongoing strategic work you are doing to make sure that the Devon system can create the conditions for delivery of high quality, sustainable and affordable services to your population.

This will all be subject to review once the implication of the new role of ICBs in its clustered form and the impact of the new Oversight Framework have been fully worked through.

In addition to the above, the year ahead is going to see ICBs having to deliver plans to reduce their costs, with the recently published ICB blueprint document ‘Model Integrated Care Board’ marking the first steps in a joint programme of work to reshape the focus, role and functions of ICBs with a view of laying the foundations for delivery of the 10 Year Health Plan.

The ask on you, your teams and your partners is going to be significant as you work to maintain effective oversight of the delivery of 2025/26 plans, build the foundation for neighbourhood health and manage the local changes involved with ICB redesign and cost reductions in both the ICB and provider, including supporting your staff through engagement and consultation.

My team and I will continue to work alongside you, so jointly we become familiar with the new NHS architecture and ways of working, alongside continuing to support and guide you through what is going to be an extremely challenging transformational year.

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.